



7 October 2016

## INFORMATION REQUIRED UNDER ASX LISTING RULE 3.10.5A

Krakatoa Resources Limited (the "Company") provides the following information required under ASX Listing Rule 3.10.5A in respect of the shares issued on 7 October 2016:

- a) The dilutive effect of the Placement on existing shareholders is as follows:

Number of shares on issue prior to the Placement: 56,087,803

|                                                            |        |
|------------------------------------------------------------|--------|
| Placement issue under Listing Rule 7.1A (4,849,276 shares) | 7.74%  |
| Placement issue under Listing Rule 7.1 (1,681,393 shares)  | 2.69%  |
| Total dilution as a result of Placement (6,530,669 shares) | 10.43% |

Number of shares on issue following the Placement: 62,618,472

Details of the approximate percentage of the issued capital following the completion of the Placement held by pre-Placement shareholders and new shareholders are as follows. Please note this information relates specifically in relation to the portion of shares issued under Listing Rule 7.1A (4,849,276 shares).

|                                                                     |        |
|---------------------------------------------------------------------|--------|
| Pre-Placement shareholders who did not participate in the Placement | 99.61% |
| Pre-Placement shareholders who did participate in the Placement     | 0.39%  |
| Participants in the Placement who were not previously shareholders  | 75%    |

- b) The Company issued the shares as a placement under Listing Rule 7.1A as it believed this was the most efficient mechanism for raising funds at the time.
- c) No underwriting arrangements were in place for the Placement.
- d) The Company will pay a 6% commission on the funds raised.

Yours sincerely,

Colin Locke  
Executive Chairman

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