



5 MAY 2016

Share Purchase Plan

Strategic Elements Ltd (ASX: SOR) is pleased to announce that **prior to the next phase** of potential developments in the Nanocube Memory technology and other projects it will invite Australian and New Zealand shareholders on the register as at 5.00pm on 4 May 2016 to participate in a Share Purchase Plan (**SPP**).

The SPP offer is **capped** to a total of \$1,000,000 at **11.5 cents** per share and applications will be accepted on a **first received basis**. Oversubscriptions will be accepted at the Directors' discretion and subject to all legal and regulatory requirements. The share price at the date of this announcement is 14 cents.

The issue price was calculated having regard to the Company's circumstances and represents a **18% discount** to the closing price on the Record Date (4 May 2016) and is at least 80% of the volume weighted average price for the Company's shares calculated over the last 5 days on which sales of shares took place prior to the Plan being announced.

*Please note: The Company last conducted a Share Purchase Plan (also capped and offered on a first received basis) in May 2015. Funds from that **heavily oversubscribed** raising were prioritised towards acquisition and commencement of work on the Nanocube Memory technology.*

Eligible shareholders are able to acquire **discounted shares** under this SPP **prior to the next phase** of potential developments in the Nanocube Memory technology and other projects. Proceeds will be used to progress investments and supplement working capital including:

- **Australian Advanced Materials Pty Ltd (AAM):** 100% owned AAM is continuing to develop the Nanocube Memory technology under licence from the University of New South Wales. The Nanocube Memory technology is developing rapidly. Success in innovative new sectors such as Printed Electronics requires partnership. Going forward, the priority focus of the Company will be on development and activities related to partnering.
- **Australian Printed and Flexible Electronics sector:** The sector is expanding globally, however Australia is only just beginning to understand the opportunity. As a first mover in Australia (and Pooled Development Fund status), SOR has strong potential to be a dominant player. SOR will work with researchers and inventors across Australia to increase development of the sector and generate technology acquisition and development opportunities. SOR is establishing a 'Printed and Flexible Electronics Advisory Panel' to assist these activities.
- **Strategic Materials Pty Ltd (SML):** The high-grade Golden Blocks permit is being maintained. Corporate strategies including a 'spin off' of SML shares (free distribution of SML shares to SOR shareholders in an agreed proportion to the number SOR shares they hold) are being assessed. It is intended the Company and/or its shareholders will retain control of the gold assets within SML.

SPP Details

The Company will make an offer to eligible shareholders via a SPP **capped** to a total of \$1,000,000 at 11.5 cents per share and applications will be accepted on a **first received basis**.

Under the SPP, eligible shareholders can subscribe for up to \$15,000 worth of shares at 11.5 cents each **without brokerage or other costs.**

The Company **reserves the right to place any SPP shares not subscribed** for pursuant to the SPP offer at a price no less than the price of shares offered under the SSP, to the extent any such placement can be made having regard to the ASX Listing Rules and the Corporations Act.

If fully subscribed, the SPP will result in the issue of 8,695,653 new shares issued pursuant to Listing Rule 7.2, Exception 15 so that those shares will not be counted towards the Company's Listing Rule 7.1 and 7.1A capacities.

SPP Key Dates

Date	Details
04 May 2016	Record Date 5pm (WST) The date of which the Company determines eligible shareholders.
05 May 2016	Announcement Date
10 May 2016	Dispatch of SSP
10 May 2016	Opening Date The date on which the SSP opens.
31 May 2016	Closing Date The date on which the SSP closes. Applications and payments must be received by 5pm (WST).
03 Jun 2016	Allotment Date and Dispatch Date The date Shares under the SSP are allotted and any scale back.
08 Jun 2016	Share Trading Date The date on which it is expected that Shares under the SSP will commence trading on the ASX.

Documentation

Documentation in relation to the SPP will be distributed to shareholders on 10 May 2016.

There is no need to fill out and post the application form if you elect to pay by BPAY. Please use the reference code printed on the application form in the **documents mailed to you**.

For further information on the SPP please contact Executive Director Mr Matthew Howard on +61 8 9288 2788 or email admin@strategicelements.com.au.

Charles Murphy
Managing Director
Strategic Elements Ltd