



28 April 2016

**UNMARKETABLE PARCEL SALE FACILITY – Second & Final Notice**

As announced on 10 March 2016, Po Valley Energy Limited (ASX: PVE) (**Company**) has implemented an unmarketable parcel sale facility for holders of unmarketable parcels of the Company's shares. On 10 March 2016, a first notice was sent to shareholders holding less than marketable parcels of shares as at the Record Date of 8 March 2016.

**Attached** is a copy of the second and final notice sent to shareholders today in respect of the unmarketable parcel sale facility.

\* \* \*



28 April 2016

Name & Address

Dear Shareholder

**Second and Final Notice – Sale of your unmarketable parcel of Po Valley Energy Limited shares from 6 May 2016.**

You are recorded on the share register of Po Valley Energy Limited (**Company**) as the holder of an unmarketable parcel of shares (parcels of shares with a value of less than \$500).

On 10 March 2016 the Company sent you a first notice advising you that it was implementing a process for the sale of unmarketable parcels of shares. This second notice confirms the Company's intention to sell those shares that are unmarketable parcels and which shareholders have not indicated that they wish to retain (by returning the retention notice enclosed with the letter of 10 March 2016).

The Company anticipates selling your parcel of shares on 6 May 2016 if your shareholding constitutes an unmarketable parcel on that date.

The Company incurs considerable expense in administering its share register and providing shareholder communications to each shareholder. In some cases these expenses are greater than the underlying value of shares in an unmarketable parcel.

To reduce these costs and to provide shareholders with unmarketable parcels the ability to dispose of their shares without brokerage or other expenses, the Board of the Company has resolved to implement a forced sale of unmarketable parcels unless the holders of those unmarketable parcels indicate that they wish to retain their shareholding (i.e. have their unmarketable parcel of shares exempted from the sale) in the manner set out below. This sale of unmarketable parcels is being implemented in accordance with the Company's constitution and the ASX Listing Rules.

Our share register shows that the number of shares held by you in the Company as at 7.00pm (AEST) on 26 April 2016 is valued at less than \$500. Accordingly, the Company gives you formal notice pursuant to clause 3.15 of the Company's constitution that, if your shareholding constitutes an unmarketable parcel at the close of ASX trading on 5 May 2016, the Company intends to offer your shares (along with the shares of other shareholders with unmarketable parcels who have not elected to have their shares exempted from the sale) for sale at the highest price achievable at that time (Unmarketable Parcel Sale Facility).

Please also note that the Company will not sell your shares in the event that a third party announces a takeover offer for the Company. Consistent with its continuous disclosure obligations, the Company may release to the ASX information that may be material to a shareholder's decision as to whether they wish to retain their shares. This information will, if released, be available on the ASX website [www.asx.com.au](http://www.asx.com.au) (ASX code "PVE") and on the Company's website [www.povalley.com](http://www.povalley.com).

**If you wish to retain your holding of shares**

If you wish to retain your unmarketable parcel of shares (i.e. you **do not** wish your shares to be sold) you must complete and return the retention notice which was enclosed with our letter of 10 March 2016 to the Company's share registry, Link Market Services Limited, so that it is received by 5.00pm (AEST) on 5 May 2016. Please read the instructions on your personalised retention notice carefully before completing it.

**If you wish your holding to be sold under the Unmarketable Parcel Sale Facility**

You may take advantage of the Unmarketable Parcel Sale Facility put in place for the Company to sell your holding without paying brokerage costs. You do not need to take any action to take advantage of this facility. Further details are included in the **attached** information sheet. Unless you complete and return the retention notice, if you hold less than \$500 worth of shares at the close of ASX trading on 5 May 2016, those shares will be sold and the proceeds paid to you.

Please read all the materials provided in relation to the Unmarketable Parcel Sale Facility, including the attached information sheet before deciding whether to retain your holding or have the Company sell your holding. Please note that the tax consequences of any sale of your shares is your responsibility.

If you require advice as to whether to sell your shares, please consult your legal, financial or taxation adviser.

If you have any queries about lodging your form or the practical operation of the Unmarketable Parcel Sale Facility please contact the Company on +61 1300 910 051.

Yours faithfully,



Lisa Jones  
Company Secretary  
For and on behalf of  
Po Valley Energy Limited

## **Further Information on selling your shares via the Unmarketable Parcel Sale Facility**

### *1. What is an unmarketable parcel of shares?*

An unmarketable parcel of shares is a holding of shares in the Company valued at less than A\$500. Based on the price of the Company's shares at the close of trade on 26 April 2016, this is currently a holding of 38,461 shares or less.

## **Selling your shares via the Unmarketable Parcel Sale Facility**

### *2. What are the arrangements for selling unmarketable parcels of shares?*

Those shareholders whose shareholding was valued at less than \$500 at the close of ASX trading on the Record Date (8 March 2016) and who still have an Unmarketable Parcel at the close of trading on 5 May 2016 can take advantage of the opportunity to have their shares sold without incurring brokerage costs via the Unmarketable Parcel Sale Facility. The Company will arrange the sale and will send the proceeds to you.

The term "unmarketable parcel" is used to describe a holding that is less than a "marketable parcel" for the purposes of the ASX Listing Rules. It does not mean that the holding is not capable of being sold.

### *3. What do I need to do to take advantage of these arrangements?*

No action is required from you.

### *4. When will my shares be sold?*

The Company is entitled to arrange the sale of unmarketable parcels after it meets certain notice requirements to shareholders about its intention to sell those shares. Enclosed with this Information Sheet is the second and final of these two notices.

We anticipate that the required notice periods will expire, and consequently the sale of the shares will occur, on or around 6 May 2016.

The Company reserves the right to withdraw the sale process at any time prior to the sale occurring.

### *5. What will the sale price be?*

The aggregate unmarketable parcels will be sold on the ASX at the highest possible price available at that time. Under the Company's constitution, the price at which the shares can be sold cannot be less than the simple average of the last sale price of the shares on ASX for each of the 10 trading days immediately preceding the date of the sale. Your shares will therefore not be sold on the ASX at the highest possible price at that time if that price does not meet this requirement.

You should be aware that the price for the Company's shares that are sold under the facility is not fixed; it may be less than the market price of the

Company's shares at any given time (provided it meets the pricing requirement set out in the Company's constitution); and may not be the best execution price on the trading day or trading days that your shares are sold. Your shares will be pooled with all other sales and the price will be the volume weighted average price achieved for the sale of all the unmarketable parcels.

The Company will bear all costs of the sale of shares under the Unmarketable Parcel Sale Facility.

6. *When will I receive the sale proceeds?*

The proceeds from the sale of the shares will be held in a separate bank account established by the Company for that purpose and will be paid to the relevant shareholders on a pro-rata basis (in accordance with the number of shares by each relevant shareholders) within 14 days of the Company receiving the proceeds of the sale.

**Retain your current holding**

7. *What if I want to retain my current holding, what do I need to do?*

If you want to retain your current holding, you must complete the retention form which was enclosed with the first notice letter sent on 10 March 2016, and return it so that it is received by 5.00pm (AEST) on 5 May 2016.

8. *If I buy more shares, will I retain my holding?*

You may choose to acquire more of the Company's shares on the market such that your registered shareholding will be valued at \$500 or more at the close of trade on 5 May 2016. In this case your shares will not be sold under the Unmarketable Parcel Sale Facility.

9. *Need help?*

If you have any questions concerning your shareholding or how the Unmarketable Parcel Sale Facility will be administered, please do not hesitate to contact the Company on +61 1300 910 051.

10. *Important notes*

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX.

The letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that the Unmarketable Parcel Sale Facility is the best way to sell Company shares.

We recommend that you consult your stockbroker, accountant, licensed financial or taxation adviser before making any decision to participate in the Unmarketable Parcel Sale Facility.

**NOTE:**

If you currently have more than one holding on the Company's share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being an unmarketable parcel. Under these circumstances your shares will not be sold as part of the Unmarketable Parcel Sale Facility.