

ASX Announcement

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The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Sydney NSW 2000

By e-lodgement

COMPLETION OF RIGHTS ISSUE AND FURTHER EQUITY CONVERSION BY FINANCIERS UNDER SECURED DEBT FACILITY

Rights Issue

Asia Pacific Digital Limited (**APD** or **Company**) (**ASX:DIG**) is pleased to announce the completion of its 1 for 5 pro rata non-renounceable entitlement offer of new shares (**New Shares**) to existing APD investors at an offer price of \$0.30 per New Share (**Rights Issue**).

The Rights Issue opened on 20 April 2016 and closed at 5.00pm (AEST) on Thursday, 5 May 2016.

Under the Rights Issue, valid applications were received from eligible shareholders for approximately \$3.02 million. As the Rights Issue was fully underwritten by the Company's majority shareholder, North Ridge Partners Pty Ltd (**Underwriter**), the shortfall of \$2.73 million has been allocated in accordance with the terms of the Underwriting Agreement or otherwise placed with sub-underwriters.

Allotment of the approximately 19.18 million New Shares to be issued under the Rights Issue is scheduled to occur on Thursday, 12 May 2016, with normal trading expected to commence on Friday, 13 May 2016. New Shares will rank equally with other existing shares in the Company.

Total proceeds amounting to \$5.75 million have now been raised through completion of the Rights Issue.

Debt to equity conversion under Secured Debt Facility

In addition, the Company has agreed the conversion of \$0.9 million in secured debt to equity at an issue price of \$0.30 in accordance with the terms of its Secured Debt Facility (**Repayment Shares**).

These developments have materially enhanced the Company's liquidity and balance sheet.

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