



**VALENCE  
INDUSTRIES**

ASIA PACIFIC | EUROPE | NORTH AMERICA

## ASX ANNOUNCEMENT

**ASX: VXL & VXLO**

26 September 2014

### SHARE PURCHASE PLAN

- Share purchase plan permits all shareholders to participate.
- Underwriting of \$3M provided for SPP by Patersons.

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#### Share Purchase Plan

As announced on 18 September 2014, Valence Industries (ASX: VXL & VXLO) is offering a Share Purchase Plan to all eligible shareholders in Australia and New Zealand at an issue price of 70 cents per Share (**SPP**).

The SPP permits all eligible shareholders to participate on the same basis as the recent placement by the Company. Patersons Securities Limited is the underwriter to the SPP to the target of \$3,000,000, subject to standard terms and conditions. Patersons has also agreed to act as the lead manager to the SPP.

The SPP will be open for three and a half weeks and is currently scheduled to close on 22 October 2014. The Company may close the SPP at any time dependent on demand for shares. Shareholders are encouraged to submit their applications as soon as possible as the Directors reserve the right to close the SPP early.

#### Use of Funds

The funds raised under the SPP together with the funds raised from the recent Placement will be used to complete the feasibility study process, assess new high grade mineralisation, permit early work on Phase II and for operating capital requirements.

Further details of the underwriting arrangements, and the terms and conditions of the SPP, are set out in the offer letter as attached and which will be sent to shareholders today, 26 September 2014, with a personalised application form.

*For further information, please contact:*

Christopher S. Darby  
CEO & Managing Director  
info@valenceindustries.com  
+61 8 8418 8564



VALENCE  
INDUSTRIES

ASIA PACIFIC | EUROPE | NORTH AMERICA

26 September 2014

## Chairman's Letter to Shareholders

Dear Shareholder

### Valence Industries Limited Share Purchase Plan

On behalf of the Board of Valence Industries Limited (ACN 008 101 979) (**Company**), I am pleased to offer you the opportunity to purchase fully paid ordinary shares in the Company (**Shares**) under a Share Purchase Plan (**SPP** or **Plan**).

As announced on 18 September 2014, in addition to the recent successful placement (**Placement**) to raise \$12,000,000 at 70 cents per share the Company is also offering the same investment opportunity to Shareholders. Existing Shareholders in Australia and New Zealand as at the Record Date of 7.00pm (AEST) on 17 September 2014 (**Record Date**) (**Eligible Shareholders**) may subscribe under the Plan for up to \$15,000 worth of Shares at 70 cents per Share.

The Plan is underwritten to the target of \$3,000,000 by Patersons Securities Ltd and is priced at 70 cents per Share, which is a 14% discount to the volume weighted average price of Shares over the last 5 days on which sales in the Shares are recorded on the financial market operated by ASX Limited (ASX) prior to the date of the announcement (**Offer Date**) and is free of brokerage and commission. The SPP will be open for three and a half weeks and is currently scheduled to close on 22 October 2014. The Company may close the SPP at any time dependent on demand for shares. Shareholders are encouraged to submit their applications as soon as possible as the Directors reserve the right to close the SPP early.

You will need to apply for shares under the Plan by using your personalised Application Form that will be attached to the SPP documents which are being sent to you.

### Use of Funds

The funds raised from the Placement and SPP will be applied by Valence Industries to advance the company's programs for growth including:

- expedite completion of the feasibility studies in relation to the Phase II expansion program taking into account the recent discovery of significantly higher grade graphite mineralisation, with particular reference to the mineral resource, mine design, the processing and manufacturing program and the opportunities for commercialisation and sales of the Company's Uley Graphite;
- initiating the early work associated with the Phase II expansion program which may include preparation of Uley Pit 2, baseline civil work, preparatory infrastructure, longer lead time orders, detailed design and engineering and early contractor involvement (ECI);



- provide the Company with working capital to enable it to support operations including mining, manufacturing and marketing of Uley Graphite from the Phase I Plant once government approvals have been obtained.

If you want to see further details of Valence Industries' current activities these are set out in the announcements we have made to the ASX and are available from the ASX or from the Company's website ([www.valenceindustries.com](http://www.valenceindustries.com)).

The details of the Plan and how you can participate are set out in the enclosed SPP Terms and Conditions. The Board urges you to read these Terms and Conditions carefully and in their entirety before deciding whether to participate in the Plan. If you are uncertain whether Shares are a suitable investment for you, you should consult your financial or other professional adviser.

**On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company.**

Yours faithfully

**Graham Spurling, AM**  
Chairman  
**VALENCE INDUSTRIES LIMITED**



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VALENCE INDUSTRIES LIMITED

ACN 008 101 979

SHAREHOLDER SHARE PURCHASE PLAN - TERMS AND CONDITIONS

This document sets out the Terms and Conditions of the Valence Industries Limited Share Purchase Plan and is binding on any Eligible Shareholder completing and lodging an Application Form or making payment by BPay®.

**Purpose**

The Share Purchase Plan (**SPP** or **Plan**) offers Eligible Shareholders of Valence Industries Limited (**Company**) the opportunity to apply for fully paid ordinary shares in the Company (**Shares**), up to a maximum of \$15,000 (when combined with any shares issued under any share purchase plan in the 12 months preceding the date of the Plan).

Shares under the Plan will be issued at \$0.70 each which is the same price as the recent share placement to institutional, professional and sophisticated investors and is equal to 86% of the volume weighted average market price of Shares (as defined in the Listing Rules) over the last 5 trading days on which sales in the Shares were recorded on the ASX prior to the date of announcement of the Plan, being \$0.819.

The SPP allows Eligible Shareholders to increase their investment in the Company without the need to pay brokerage costs and without the need to issue a prospectus. The Plan Terms and Conditions have been determined by the board of Directors of the Company.

**Offer**

An offer may, at the discretion of the directors of the Company (**Directors**), be made under the Plan once a year. The maximum amount, which any shareholder may subscribe for in any consecutive 12 month period, is \$15,000. The Directors of the Company may also determine in their discretion the minimum amount for participation, the multiple of Shares to be offered under the Plan and the period the offer is available to Eligible Shareholders.

**Shareholders eligible to participate in the Plan**

Holders of Shares that are registered with an address in Australia or New Zealand at the relevant Record Date are eligible shareholders (**Eligible Shareholders**) and may participate in the Plan.

Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

Details of how custodians, trustees and beneficiaries are treated under the Plan are provided further below.

Participation in the Plan is optional and is subject to these terms and conditions (**Terms and Conditions**). Offers made under the Plan are non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any Shares offered under the Plan).

**Foreign offer restrictions**

The Plan may not be released or distributed in any country other than Australia or New Zealand. The Plan does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

**New Zealand**

The Shares offered under the Plan are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the Offer is



being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

#### How much can you invest?

The minimum application under the SPP is \$2,500. Under ASIC Class Order 09/425, Eligible Shareholders may only acquire a maximum of \$15,000 worth of Shares under a share purchase plan in any 12 months period. This limitation applies even if you receive more than one Application Form, or if you hold Shares in more than one capacity.

Subject to the above, Eligible Shareholders may participate by selecting one of the following offers to purchase Shares under the Plan.

Subscription amount	Number of Shares to be allotted at issue price of \$0.70 per Share
\$2,500	3,572
\$5,000	7,143
\$10,000	14,286
\$15,000	21,429

**Note:** Shareholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP early if oversubscribed. The Directors also reserve the right to scale back the amount of Shares to be allotted. Accordingly the actual amount of Shares you receive under the Offer may vary from the above table in the event of oversubscription (excess money will be returned without interest).

The maximum investment any Eligible Shareholder may apply for will remain \$15,000 even if a Shareholder receives more than one Offer (whether in respect of a joint holding or because the Shareholder has more than one holding under a separate account).

If you apply for Shares under the Plan, you are applying for a certain value of Shares at the issue price, rather than a certain number of Shares. Fractional Shares will not be issued and any fraction of a Share will be rounded up to the nearest whole number of Shares.

***You should be aware that although the offer price of \$0.70 per new Share is at a discount to the closing share price of Company's Shares on ASX as at the Record Date, shares are a speculative investment and there is a risk that the price of Shares on ASX may change between the date of this document and the date of issue of the new Shares under the SPP.***

#### Indicative Timetable\*

Record Date (7:00pm AEST)	17 September 2014
Announcement Date of Plan	18 September 2014
Opening Date of Plan	26 September 2014
Closing Date of Plan (7.00pm AEDT)	22 October 2014
Issue of Shares under the Plan	28 October 2014
Dispatch of holding Statements	31 October 2014

\* These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Shareholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP early if oversubscribed.



### How do you apply?

If you would like to participate in the Offer, the following application and payment options are available:

(a) Application Form and Accompanying Cheque

Eligible Shareholders wishing to pay by cheque must follow the instructions on the Application Form and complete the Application Form, provide a cheque that is payable to **“Valence Industries Limited”** and crossed **“Not Negotiable”** and return the completed Application Form and cheque to:

Valence Industries Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

To be received by the share registry no later than 7.00pm (AEDT) on the Closing Date (**Closing Date**) under the Offer.

(b) Payment by BPay<sup>®1</sup>

Eligible Shareholders wishing to pay by BPay<sup>®</sup> must use the specific biller code and customer reference numbers detailed on their personalised Application Form. Any Eligible Shareholder that chooses to pay by BPay<sup>®</sup> is deemed to represent to the Company that the amount of Shares subscribed for pursuant to the Plan, or any other arrangement similar to the Plan in the prior 12 months, does not exceed \$15,000 (including joint or any other beneficial interests).

**If you choose to pay via BPay<sup>®</sup> you are not required to submit your Application Form.** Your payment will not be accepted after 7:00pm (AEDT) on the Closing Date and no Shares will be issued to you in respect of that application. If you have multiple holdings you will have multiple BPay<sup>®</sup> customer reference numbers. To ensure you receive your Shares under the Offer in respect of that holding, you must use the specific biller code and the customer reference number shown on each personalised Application Form when paying for any Shares that you wish to apply for in respect of that holding. If you inadvertently use the same Customer Reference Number for more than one of your applications, you will be deemed to have applied only for the application to which that Customer Reference Number applies and any excess amount will be refunded.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPay<sup>®</sup>. It is your responsibility to check that the amount you wish to pay via BPay<sup>®</sup> does not exceed your limit.

Once an application under the Plan has been made or your BPay<sup>®</sup> payment made, it cannot be revoked.

### Raising Amount and Scaleback

The Plan is targeting the underwritten amount of \$3,000,000, however the Company reserves absolute discretion regarding the final amount raised under the Plan (subject to the maximum permitted under the ASX Listing Rules) and if necessary the Directors may, in their absolute discretion, scale-back applications if the total amount subscribed exceeds the target. Scale back for Shares held by a Custodian will be applied at the level of the underlying Beneficiaries. Shareholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP early if oversubscribed.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

<sup>1</sup> ® Registered to BPAY Pty Ltd, ABN 69 079 137 518



### Issue and Quotation of Shares

Shares to be issued under the Plan will be issued as soon as reasonably practicable after the Closing Date specified by the Directors in the Offer.

Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Holding statements or CHESS notification will be issued in respect of all Shares issued under the Plan.

The Company will, promptly after the issue of Shares under the Plan, make application for those Shares to be listed for quotation on the official list of ASX.

### Underwriting

The Offer is underwritten to the value of \$3,000,000. In the event that Eligible Shareholders do not subscribe for at least \$3,000,000 of Shares under the Plan then the underwriter will apply for any Shares up to a maximum value of \$3,000,000. The underwriting agreement contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by the Underwriter. The Underwriter is entitled to an underwriting fee of 5% on the Underwritten amount. The placement of Underwriting shares is subject to capacity under the Company's 15% placement capacity and such capacity is available to the Company.

### Custodians, trustees and nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Class Order 09/425 (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum of new Shares for each beneficiary for whom you act as custodian provided you annexe to your Plan application form (**Application Form**) a certificate to the Company (**Custodian Certificate**) with the following information:

- that you held Shares in the Company on behalf of one or more other persons (each a **Participating Beneficiary**) at 7:00pm (AEST) on 17 September 2014 who have subsequently instructed you to apply for Shares under the Plan on their behalf;
- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- that the application price for Shares applied under the Offer for each Participating Beneficiary for whom you act plus the application price for any other Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$15,000;
- that a copy of the written offer document was given to each Participating Beneficiary; and
- where you hold shares on behalf of a Participating Beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order 09/425 you are a 'custodian' if you are a registered holder that:

- holds an Australian financial services licence that allows you to perform custodian or depositary services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence by virtue of Class Order 03/184 or by relying on the Australian financial services licence of your master custodian under regulation 7.1.06(k) of the *Corporations Regulations 2001*;
- is a trustee of a self-managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;



- is noted on the Company's register of members as holding the shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact Link Market Services Ltd on 1800 647 819 (within Australia) from 8.30am to 5.00pm (AEST) Monday to Friday during the Offer period.

The Company reserves the right to reject any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

#### **Acknowledgements**

If you are applying on your own behalf (and not as a Custodian), you represent to the Company and acknowledge and agree that:

- you are not applying for Shares with an application price of more than \$15,000 under the Plan (including by instructing a Custodian to acquire Shares on your behalf under the Plan);
- the total of the application price for the following does not exceed \$15,000:
  - the Shares the subject of the application;
  - any other Shares issued to you under the Plan or any similar arrangement in the 12 months before the application;
  - any other Shares which you have instructed Custodian to acquire on your behalf under the Plan; and
  - any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the Plan.

#### **Modification and Termination of the Plan**

The Company may modify or terminate the Plan, or waive strict compliance with any of the Terms and Conditions, at any time and any modification, waiver or termination is binding on all Eligible Shareholders even where the Company does not notify you of that event. In the event the Plan is terminated before the issue of Shares, all application monies will be returned to you, without interest, by direct credit to your nominated account as recorded on the Company's share register or cheque to your address as shown on the Company's share register as soon as practicable.

Without limiting the above, the Company may issue to any Eligible Shareholder fewer Shares than the Eligible Shareholder applied for under the Plan if the issue of the Shares applied for would contravene any applicable law or the Listing Rules of ASX or ASIC Class Order 09/425.

#### **Application Form**

The Application Form forms part of the Terms and Conditions for the purposes of the Plan and the Offer.

#### **Dispute Resolution**

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions. The powers of the Company under these Terms and Conditions may be exercised by the Directors or any delegate of the Directors.

**Governing Law**

The Terms and Conditions and the Offer under the Plan are governed by the laws of South Australia.

**Disclaimer**

Before you apply for Shares under the Plan, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not, and the extent to which, you wish to participate in the Plan (taking into account your own financial situation, needs and objectives). The Company and its officers make no recommendation about whether or not you should apply for Shares under the Plan and nothing in these Terms and Conditions (including the Application Form) or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the Plan.

**Questions and Contact Details**

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser, or the SPP information line on 1800 647 819.



## Glossary

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**Application Form** means the application form that accompanies this Share Purchase Plan.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange.

**Board** means the Board of Directors of Valence Industries Limited.

**Closing Date** means 7.00pm (AEDT) on 22 October 2014.

**Company** means Valence Industries Limited ACN 008 101 979.

**Corporations Regulations** means the Corporations Regulations 2001 (Cth).

**Custodian** means a custodian, trustee or, nominee with the definition of 'custodian' in ASIC Class Order [CO 09/425], that:

- holds an Australian financial services licence that allows you to perform custodian or depository services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence by virtue of Class Order 03/184 or by relying on the Australian financial services licence of your master custodian under regulation 7.1.06(k) of the *Corporations Regulations 2001*;
- is a trustee of a self-managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the shares on account of another person.

**Custodian Certificate** means the certificate outlined in the Terms and Conditions of the Plan.

**Directors** means the directors of the Company.

**Eligible Shareholders** means Shareholders with an address in Australia or New Zealand as at the Record Date.

**Listing Rules** means the Listing Rules of the ASX.

**Offer** means the SPP priced at 70 cents per Share.

**Participating Beneficiary** means a shareholder named in the Custodian Certificate as holding Shares in the Company on behalf of one or more other persons who are resident in Australia or New Zealand at the Record Date.

**Placement** means the placement announced by the Company of 18 September 2014.

**Record Date** means 7:00pm (AEST) on 17 September 2014.

**Shares** means the fully paid ordinary shares in the Company offered under the SPP.

**SPP or Plan** means the Share Purchase Plan offered by the Company to Eligible Shareholders.

**Terms and Conditions** means the terms and conditions contained in the SPP.

**Underwriter** means Patersons Securities Limited ABN 69 008 896 311.

# Valence Industries Limited

ABN 41 008 101 979

All Registry communications to:  
Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia  
Telephone (free call within Australia): +61 1800 647 819  
ASX Code: VXL  
Website: www.linkmarketservices.com.au

SRN/HIN:

Entitlement Number:

Record Date: 17 September 2014

Offer Opens: 26 September 2014

Offer Closes  
7:00pm (AEDT):

22 October 2014

## SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

### How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
  - Option 1: Paying by BPAY®.
  - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

### PAYMENT OPTIONS

#### Option 1: Paying by BPAY®

If paying by BPAY®, you do NOT need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 7:00pm (AEDT) on 22 October 2014. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your Application Payment. If you make a payment by BPAY® and Valence Industries Limited receives an amount which is not equal to either A\$2,500, A\$5,000, A\$10,000 or A\$15,000, Valence Industries Limited may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,500.



Billers Code: 424069

Ref:

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.  
More info: [www.bpay.com.au](http://www.bpay.com.au)

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#### Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- A. Tick the box beside the amount you wish to apply for, either A\$2,500, A\$5,000, A\$10,000 or A\$15,000.
- B. Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Valence Industries Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either A\$2,500, A\$5,000, A\$10,000 or A\$15,000, Valence Industries Limited may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,500.
- C. Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach and enclose with payment

### Valence Industries Limited

ABN 41 008 101 979

SRN/HIN:

Entitlement Number:



**A** I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

☐

A\$2,500

OR

☐

A\$5,000

OR

☐

A\$10,000

OR

☐

A\$15,000

**B** Make your cheque, bank draft or money order payable to "Valence Industries Limited" and crossed "Not Negotiable"

Drawer

Cheque Number

BSB Number

Account Number

Amount of Cheque

A\$ .00

**C** Telephone Number – Business Hours

Telephone Number – After Hours

Contact Name

## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order CO 09/425 you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the Valence Industries Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
  - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
  - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed A\$15,000.
7. Valence Industries Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Valence Industries Limited may scaleback applications in its discretion.

### How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

#### Mailing Address

Valence Industries Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

or

#### Hand Delivery

Valence Industries Limited  
C/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 7:00pm (AEDT) on 22 October 2014. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Valence Industries Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Acceptance Slip please contact the Valence Industries Limited SPP Offer Information Line on +61 1800 647 819 (free call with in Australia).