



BERKELEYenergia

4 November 2016

ASX Announcement

Attached is an AIM release in relation to a proposed Placing to raise between US\$25.0 million to US\$30.0 million to fund accelerated construction of the Salamanca mine.

For further information please contact:

Berkeley Energia Limited

Paul Atherley, Managing Director
Hugo Schumann, Corporate Manager

+44 20 7478 3900
info@berkeleyenergia.com

Peel Hunt LLP (Joint Bookrunner)

Corporate
Matthew Armitt
Ross Allister
Chris Burrows

+44 20 7418 8900

ECM Syndicate

Alastair Rae

+44 20 7389 5021

Tamesis Partners LLP (Joint Bookrunner)

Richard Greenfield
Charlie Bendon

Argonaut Securities Limited (Co-manager)

Chris Wippl
Charles Fear
Phillip Baruffi

+61 9224 6888

WH Ireland Limited (Nominated Adviser)

Paul Shackleton
Nick Prowting
Jay Ashfield

+44 20 7220 1666

Buchanan

Bobby Morse, Senior Partner
Anna Michniewicz, Account Director

+44 207 466 5000
BKY@buchanan.uk.com

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BERKELEY ENERGIA LIMITED

NEWS RELEASE | 4 November 2016 | AIM/ASX: BKY

Proposed Placing to raise between US\$25.0 million to US\$30.0 million to fund accelerated construction of the Salamanca mine

Berkeley Energia Limited ("**Berkeley**" or the "**Company**") is pleased to announce a proposed fundraising in order to accelerate the development of the Salamanca project in Spain, including construction of the crushing circuit and other infrastructure items, through the issue of new ordinary shares in the capital of the Company ("**Placing Shares**" or "**New Ordinary Shares**") at a price of 45 pence per share (the "**Placing Price**"), to raise between US\$25.0 million to US\$30.0 million (£16.1 million to £24.1 million) before expenses (the "**Placing**").

The Placing Shares are being offered by way of an accelerated bookbuild (the "**Bookbuild**"), which will be launched immediately following this announcement. Peel Hunt LLP ("**Peel Hunt**") and Tamesis Partners LLP ("**Tamesis**") will be acting as joint bookrunners (the "**Joint Bookrunners**") in connection with the Bookbuild and Argonaut Capital of Australia ("**Argonaut**" and together with the Joint Bookrunners the "**Managers**"), is acting as co-manager.

Details of the Placing

Following a decade of exploration and US\$60 million of investment, development of the Salamanca mine commenced in August 2016 and is now well underway.

The goal is to establish the mine as one of the world's lowest cost uranium producers, providing reliable long term supply for customers from the heart of the European Union.

The US\$100 million project will be Europe's only major uranium mine and once in production will be one of the world's biggest producers supplying over four million pounds of uranium concentrate a year, equivalent to approximately 10% of the continent's total requirement.

The Placing is expected to raise between US\$25.0 million to US\$30.0 million (£16.1 million to £24.1 million) (before expenses) from existing and other institutional investors at the Placing Price.

Funds raised will be applied to accelerate the development of the Salamanca mine including funding the construction of the crushing circuit at the centralised processing plant.

The Placing Price represents a discount of approximately 1.1 per cent to the closing price of the Company's existing ordinary shares on the AIM market of the London Stock Exchange of 45.5 pence on 3 November 2016, being the last practicable date prior to this announcement.

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Further details of the Placing and the terms and conditions relating to the Placing are set out in the Appendix to this announcement (which forms part of this announcement) (together the "**Announcement**").

Commenting on the acceleration of the building of the Salamanca mine, Managing Director, Paul Atherley, said:

"The funds raised will be used to bring forward the construction of the crushing circuit and other facilities associated with the main construction to early next year."

"The response from the local community to the initial infrastructure development has been overwhelmingly positive particularly those locals that have gained jobs with contracts after attending the Company's skills training programmes."

"The mine will create over 450 full time jobs and 2,000 indirect once in full production to a region badly hit by long term unemployment."

This Announcement contains inside information for the purposes of article 7 of EU Regulation 596/2014. Upon the publication of this Announcement, this inside information is now considered to be in the public domain.

An updated version of the Company's investor presentation is now available at www.berkeleyenergia.com.

For further information please contact:

Berkeley Energia Limited

Paul Atherley, Managing Director
Hugo Schumann, Corporate Manager

+44 20 7478 3900
info@berkeleyenergia.com

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Corporate
Matthew Armitt
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Chris Burrows

+44 20 7418 8900

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Richard Greenfield
Charlie Bendon

+44 20 7389 5021

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Phillip Baruffi

+61 9224 6888

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Paul Shackleton
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Jay Ashfield

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This document (and the information contained herein) does not contain or constitute an offer of securities for sale, or solicitation of an offer to purchase securities, in the United States, South Africa, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful (each a "**Restricted Jurisdiction**"). The Placing Shares have not been and will not be registered under the US Securities Act of 1933, as amended ("**Securities Act**"), and may not be offered or sold in the United States except pursuant to an exemption from, or in transaction not subject to, the registration requirements of the Securities Act. There will be no public offering of the Placing Shares in the United States.

Further background:

Berkeley's Salamanca mine

The Salamanca mine, located in Western Spain, is the only major uranium mine in the world currently in construction. The independent Definitive Feasibility Study published in July 2016 by MDM Engineering (part of AMEC Foster Wheeler) demonstrates that the project, with a NPV of over US\$530 million, will produce 4.4 million lbs per annum during steady state of U₃O₈ at C1 cash costs of US\$15.39/lb, making it one of the world's lowest cost, and the Company a top ten global producer of uranium, supplying the world's leading utilities with fuel for base load clean energy. First production is anticipated to commence in 2018.

Berkeley has invested over US\$60 million in the Salamanca project to date and has recently commenced infrastructure development.

The investment will be a major boost for the local community generating 450 direct jobs and more than 2,000 indirect jobs in a region badly hit by long term unemployment.

ASX Trading Halt

Berkeley advises that trading in its shares have been halted on the Australian Securities Exchange ("**ASX**") effective from today.

The trading halt will remain in place until the earlier of an announcement to the market regarding completion of the Placing or the opening of trade on ASX on Tuesday 8 November 2016.

Trading in the Company's ordinary securities will continue as normal on AIM during this period.

Interalloys off-take

On 20 September 2016, Berkeley announced that it had signed a non-binding Letter of Intent ("**LOI**") with European based commodity trading company, Inter alloys Trading Limited, relating to off-take for the first million pounds of product from Salamanca.

The LOI contemplated the sale of up to one million pounds of uranium concentrate over a 5 year period. Discussions are underway to progress the arrangement from a non-binding LOI into a formal off-take contract. The parties continue to negotiate key terms of the agreement including pricing and delivery dates. During these negotiations, Inter alloys has indicated that it wishes to double the contract volume referenced in the LOI (which was 200,000lbs per annum) to 400,000lbs per annum in the binding agreement.

Although discussions between Inter alloys and Berkeley are progressing, there is no guarantee that a binding off-take contract will be executed, or that if an agreement is executed, that the terms will reflect those in the LOI or this announcement.

Competent Persons Statement

The information in this Announcement that relates to the Definitive Feasibility Study, Mineral Resources for Zona 7, Ore Reserve Estimates, Mining, Uranium Preparation, Infrastructure, Production Targets and Cost Estimation is extracted from the announcement entitled 'Study confirms the Salamanca project as one of the world's lowest cost uranium producers' dated 14 July 2016, which is available to view on Berkeley's website at www.berkeleyenergia.com.

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Berkeley confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions and technical parameters underpinning the Mineral Resources, Ore Reserve Estimate, Production Target, and related forecast financial information derived from the Production Target included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially modified from the original announcements.

The information in the original announcement that relates to the Definitive Feasibility Study is based on, and fairly represents, information compiled or reviewed by Mr. Jeffrey Peter Stevens, a Competent Person who is a Member of The Southern African Institute of Mining & Metallurgy, a 'Recognised Professional Organisation' (RPO) included in a list posted on the ASX website from time to time. Mr. Stevens is employed by MDM Engineering (part of the Amec Foster Wheeler Group). Mr. Stevens has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in the original announcement that relates to the Ore Reserve Estimates, Mining, Uranium Preparation, Infrastructure, Production Targets and Cost Estimation is based on, and fairly represents, information compiled or reviewed by Mr. Andrew David Pooley, a Competent Person who is a Member of The Southern African Institute of Mining and Metallurgy, a 'Recognised Professional Organisation' (RPO) included in a list posted on the ASX website from time to time. Mr. Pooley is employed by Bara Consulting (Pty) Ltd. Mr. Pooley has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in the original announcement that relates to the Mineral Resources for Zona 7 is based on, and fairly represents, information compiled or reviewed by Mr Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by Maja Mining Limited, an independent consulting company. Mr Titley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Forward Looking Statements

This Announcement contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Berkeley, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Berkeley and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of uranium and development and/or exploration activities. Refer to the 'Risks' section of the presentation for a summary of certain risk factors that may affect Berkeley, which is available to view on Berkeley's website at www.berkeleyenergia.com.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Berkeley believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors

and assumptions which may have been used. Save as required by the AIM Rules for Companies, Berkeley does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

Peel Hunt, which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Peel Hunt or for providing advice in relation to the Placing, or any other matters referred to herein.

Tamesis, is an appointed representative of Arlington Group Asset Management Limited which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Tamesis or for providing advice in relation to the Placing, or any other matters referred to herein.

Use of proceeds

The net proceeds from the Placing will be used to accelerate development of the Salamanca Project including construction of the crushing circuit of the centralised processing facility, land acquisition, the funding of an environmental bond, and construction of buildings and storage facilities. In addition, the funding will allow for the completion of the EPC and Front End Engineering Design activities and provide working capital. Berkeley would like to ensure that it remains in a strong financial position throughout the development and construction process and beyond, and is grateful for the continuing support of key shareholders.

Details of the Placing

Peel Hunt and Tamesis in conjunction with Argonaut will today commence an accelerated bookbuilding process in respect of the Placing. The book will open with immediate effect. The timing of the closing of the book and allocations is at the discretion of Peel Hunt, Tamesis and the Company. The Placing Price of 45 pence represents a discount of approximately 1.1 per cent to the closing mid-market price per share on 3 November 2016, the latest practicable date prior to the date of this Announcement.

The Placing will be completed in two tranches:

- (i) Tranche A Placing Shares (the "**Firm Placing Shares**"): 35,712,381 new ordinary shares to raise approximately US\$20.0 million (£16.1 million) before costs under the Company's capacity under ASX Listing Rules 7.1 and 7.1A (the "**Firm Placing**"); and
- (ii) Tranche B Placing Shares (the "**Conditional Placing Shares**"): up to 17,869,572 new ordinary shares to raise up to US\$10.0 million (£8.0 million). The Conditional Shares are to be issued subject to shareholder approval at a general meeting of shareholders (the "**Conditional Placing**") to be held in mid-December 2016 (the "**General Meeting**").

The Placing Shares, when fully paid up, will be issued on the same terms as the existing ordinary shares in the capital of Berkeley and will rank *pari passu* in all respects with each other and the existing ordinary shares, including rights to received dividends and other distributions declared, made or paid on the ordinary shares after the Second Admission.

The Company has entered into a placing agreement (the "**Joint Bookrunner Placing Agreement**") with Peel Hunt and Tamesis on customary terms and conditions pursuant to which Peel Hunt and Tamesis will use their reasonable endeavours to procure Placees for the Placing Shares. Berkeley has also entered into a separate agreement with Argonaut (the "**Argonaut Agreement**") in respect of the Placing of shares in Berkeley with persons in, among other places, Australia.

The Joint Bookrunner Placing Agreement and the Argonaut Agreement together being the ("**Placing Agreements**").

Investors who participate in the Placing will receive an allocation of Placing Shares at the discretion of Peel Hunt, Tamesis and the Company. Placees should refer to their trade confirmation.

Application will be made to the London Stock Exchange for admission to trading of the Firm Placing Shares on AIM ("**First Admission**"). First Admission is expected to become effective on or around 9 November 2016 (or such later date as the Joint Bookrunners may agree with the Company, not being later than 8:00am on 23 November 2016) and dealings in the Firm Placing Shares will commence on the same day.

Application will also be made to ASX for the Firm Placing Shares to be quoted on the ASX. The Firm Placing Shares are expected to be quoted on the ASX within two Business Days following First Admission.

Application will be made to the London Stock Exchange for admission to trading of the Conditional Placing Shares on AIM ("**Second Admission**"). Second Admission is expected to become effective on or around 16 December 2016 (or such later date as the Joint Bookrunners may agree with the Company, not being later than 8:00am on 23 December 2016) and dealings in the Conditional Placing Shares will commence on the same day.

Application will also be made to ASX for the Conditional Placing Shares to be quoted on the ASX. The Conditional Placings Shares are expected to be quoted on the ASX within two Business Days following Second Admission.

The Firm Placing is conditional, among other things, upon First Admission becoming effective. The Conditional Placing is conditional, among other things, upon shareholder approval at the General Meeting and First Admission and Second Admission becoming effective. The Firm Placing is not conditional upon the Conditional Placing.

The Firm Placing and the Conditional Placing are also conditional upon the Joint Bookrunner Placing Agreement not being terminated prior to First Admission (or, as the case may be, Second Admission) in accordance with its terms.

The Appendix to this Announcement (which forms part of this Announcement) sets out the terms and conditions of the Placing. By choosing to participate in the Placing and making an oral or written offer to acquire Placing Shares, investors will be deemed to have read and understood this Announcement in its entirety (including the Appendix) and to make a legally binding offer on the terms and subject to the terms and conditions in it, and to be providing the representations, warranties, undertakings and acknowledgments contained in the Appendix.

In this Announcement, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom, references to "US dollars", "\$" and "cents" are to the lawful currency of United States of America and references to "Australian dollars", "A\$" and "A cents" are to the lawful currency of Australia. Unless otherwise stated, the basis of translation of pounds sterling into US dollars for the purposes of inclusion in this announcement is £1.00/US\$1.2442 and the basis of translation of pounds sterling into Australian dollars is £1.00/A\$1.6205.

Appendix

TERMS AND CONDITIONS OF THE PLACING

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING AND NO PUBLIC OFFERING OF PLACING SHARES IS BEING OR WILL BE MADE. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT AND REFERRED TO IN IT ARE DIRECTED ONLY AT PERSONS SELECTED BY THE JOINT BOOKRUNNERS WHO ARE (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE "QUALIFIED INVESTORS", AS DEFINED IN ARTICLE 2.1(E) OF THE PROSPECTUS DIRECTIVE, (B) IF IN THE UNITED KINGDOM, PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS WHO FALL WITHIN THE DEFINITION OF "INVESTMENT PROFESSIONALS" IN ARTICLE 19(5) OF THE FPO OR FALL WITHIN THE DEFINITION OF "HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC" IN ARTICLE 49(2)(A) TO (D) OF THE FPO AND (II) ARE "QUALIFIED INVESTORS" AS DEFINED IN SECTION 86 OF FSMA OR (C) PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. DISTRIBUTION OF THIS ANNOUNCEMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED OR PROHIBITED BY LAW. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO.

This document and the information contained herein is not for release, directly or indirectly, in or into the United States, South Africa, Canada or Japan. This document (and the information contained herein) does not contain or constitute an offer of securities for sale, or solicitation of an offer to purchase securities, in the United States, South Africa, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful (each a "**Restricted**

Jurisdiction). The Placing Shares have not been and will not be registered under the US Securities Act of 1933, as amended ("**Securities Act**"), and may not be offered or sold in the United States except pursuant to an exemption from, or in transaction not subject to, the registration requirements of the Securities Act. There will be no public offering of the Placing Shares in the United States.

The Placing Shares are being offered and sold outside the United States in "offshore transactions", as defined in, and in compliance with, Regulation S under the Securities Act. Persons receiving this announcement (including custodians, nominees and trustees) must not forward, distribute, mail or otherwise transmit it in or into the United States or use the United States mails, directly or indirectly, in connection with the Placing.

The Company has not been approved by the Swiss Financial Market Supervisory Authority (FINMA) as a foreign collective investment scheme pursuant to Article 120 of the Swiss Collective Investment Schemes Act of June 23, 2006 ("**CISA**"). The securities proposed to be sold will be distributed in, into or from Switzerland (i) exclusively to regulated qualified investors as defined in Article 10(3)(a) and (b) of the CISA ("**Regulated Qualified Investors**"), and/or otherwise in a manner which does not constitute distribution within the meaning of the CISA, its implementing ordinance and guidelines and (iii) not in a manner which constitutes a public offering within the meaning of Article 652a or 1156 of the Swiss Code of Obligations ("**CO**"). The securities proposed to be sold will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland.

This Announcement has been prepared without regard to the disclosure standards for prospectuses under the CISA, Article 552a or 1158 CO or the listing rules of SIX or any other exchange or regulated trading facility in Switzerland. This Announcement may be distributed or made available in, into or from Switzerland (i) only to Regulated Qualified Investors and/or otherwise in a manner which does not constitute distribution within the meaning of the CISA, its implementing ordinance and guidelines, and (ii) not in a manner which constitutes a public offering within the meaning of Article 652A or 1156 CO or the listing rules of SIX or any other exchange or regulated trading facility in Switzerland. This Announcement may be distributed or made available in, into or from Switzerland (i) only to Regulated Qualified Investors and/or otherwise in a manner which does not constitute distribution within the meaning of the CISA, its implementation, ordinance and guidelines, and (ii) not in a manner which constitutes a public offering within the meaning of Article 652A or 1156 CO.

This Announcement does not constitute or form part of an offer to sell or issue or a solicitation of an offer to buy or subscribe for or otherwise acquire any securities in any jurisdiction including, without limitation, the Restricted Jurisdictions or any other jurisdiction in which such offer or solicitation is or may be unlawful. This Announcement and the information contained in it is not for publication or distribution, directly or indirectly, to persons in a Restricted Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction.

No action has been taken by the Company, the Managers, or any of their respective directors, officers, members, partners, agents, employees or affiliates that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons receiving this Announcement are required to inform themselves about and to observe any restrictions contained in this Announcement.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement has been prepared and issued by Berkeley and is and will be Berkeley's sole responsibility. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility and liability is or will be accepted by the Joint Bookrunners or any of their respective affiliates, branches or advisers or any other person as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any Placee (as defined below), any person acting on such Placee's behalf or any of their respective advisers, and any liability therefor is expressly disclaimed.

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Any indication in this Announcement of the price at which the Company's shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this Announcement is intended to be a profit forecast and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus. In the UK, this Announcement is being directed solely at persons in circumstances in which section 21(1) of FSMA does not apply.

Peel Hunt, which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Peel Hunt or for providing advice in relation to the Placing, or any other matters referred to herein.

Tamesis, which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Tamesis or for providing advice in relation to the Placing, or any other matters referred to herein.

By participating in the Placing, each person who is invited to and who chooses to participate in the Placing (a "Placee") by making or accepting an oral offer to subscribe for Placing Shares is deemed to have read and understood this Announcement in its entirety (including this Appendix) and to be providing the representations, warranties, undertakings, agreements and acknowledgements contained in this Appendix.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, REGULATORY, TAX, BUSINESS AND RELATED ASPECTS OF AN ACQUISITION OF PLACING SHARES.

Details of the Placing Agreements and the Placing Shares

The Managers have entered into the Placing Agreements with the Company under which the Managers have severally (and not jointly or jointly and severally), on the terms and subject to the conditions set out therein, undertaken to use their reasonable endeavours as agents of the Company, to procure Placees for the Placing Shares. The Managers will today commence an accelerated bookbuilding process in respect of the Placing (the "Bookbuild") to determine demand for participation in the Placing. It is intended that under the Placing, 35,712,381 Placing Shares will be placed firm (the "Firm Placing Shares") and up to an additional 17,869,572 new Ordinary Shares will be placed subject to shareholder approval at the General Meeting (the "Conditional Placing Shares"). This Appendix gives details of the terms and conditions of, and the mechanics for participation in, the Placing.

The Placing Shares will, when issued, be subject to the constitution of the Company, be credited as fully paid and rank *pari passu* in all respects with each other and with the existing ordinary shares in the capital of the Company ("Ordinary Shares"), including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares after the date of issue of the Placing Shares.

The Placing Shares will be issued free of any encumbrance, lien or other security interest.

Application for Admission

Application will be made to the London Stock Exchange for admission to trading of the Firm Placing Shares on AIM ("First Admission"). First Admission is expected to become effective on or around 9 November 2016 (or such later date as the Joint Bookrunners may agree with the Company, not being later than 8:00am on 23 November 2016) and dealings in the Firm Placing Shares will commence on the same day.

Application will also be made to ASX for the Firm Placing Shares to be quoted on the ASX. The Firm Placing Shares are expected to be quoted on the ASX within two Business Days following First Admission.

Application will be made to the London Stock Exchange for admission to trading of the Conditional Placing Shares on AIM (“**Second Admission**”). Second Admission is expected to become effective on or around 16 December 2016 (or such later date as the Joint Bookrunners may agree with the Company, not being later than 8:00am on 23 December 2016) and dealings in the Conditional Placing Shares will commence on the same day.

Application will also be made to ASX for the Conditional Placing Shares to be quoted on the ASX. The Conditional Placings Shares are expected to be quoted on the ASX within two Business Days following Second Admission.

Principal terms of the Placing

1. The Managers are acting as agents of the Company in connection with the Placing on the terms and subject to the conditions of the Placing Agreements.
2. Participation in the Bookbuild will only be available to persons who may lawfully be, and are, invited by the Managers to participate. The Managers and any of their respective affiliates are entitled to enter bids in the Bookbuild as principal.
3. The Joint Bookrunners and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their sole discretion, determine.
4. The price per Placing Share is 45 pence (the “**Placing Price**”).
5. The completion of the Bookbuild will be determined by the Joint Bookrunners in their absolute discretion and shall then be announced on a Regulatory Information Service as soon as is practicable following completion of the Bookbuild.
6. To bid in the Bookbuild, prospective Placees should communicate their bid by telephone to their usual sales contact at the Managers. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for. Bids may be scaled down by the Managers on the basis referred to in paragraph 10 below.
7. The Bookbuild is expected to close no later than 3:00 pm on 4 November 2016 but may be closed earlier or later at the discretion of the Joint Bookrunners. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuild has closed. The Joint Bookrunners reserve the right to reduce or seek to increase the amount to be raised pursuant to the Placing, in their absolute discretion.
8. Each Placee’s allocation will be determined by the Managers in their absolute discretion following consultation with the Company and will be confirmed orally by the Managers to such Placees.
9. A Manager’s oral confirmation to any person of an allocation of Placing Shares will give rise to an irrevocable, legally binding commitment by that person (who at that point becomes a Placee), in favour of the Managers and the Company, under which it agrees to acquire the number of Placing Shares allocated to it on the terms and subject to the conditions set out in this Appendix and in accordance with the Company’s constitution. Except with the relevant Manager’s consent, such commitment will not be capable of variation or revocation after the time at which it is submitted.
10. Subject to paragraphs 5 and 6 above, the Managers may choose to accept bids, either in whole or in part, on the basis of allocations determined at their discretion (in agreement with the Company) and may scale down any bids for this purpose on such basis as it may determine. The Managers may also, notwithstanding paragraphs 5

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and 6 above, but subject to the prior consent of the Company, allocate the Placing Shares after the time of any initial allocation to any person submitting a bid after time.

11. Each Placee's allocation and commitment to subscribe for Placing Shares will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made.
12. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to the Joint Bookrunners as agents for the Company, to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
13. Except as required by law or regulation, no press release or other announcement will be made by the Managers or the Company using the name of any Placee (or its agent) in its capacity as Placee (or agent) other than with such Placee's prior written consent.
14. Irrespective of the time at which the Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made on the basis explained below under "Registration and Settlement".
15. All obligations under the Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Rights to terminate under the Placing Agreements".
16. By participating in the Bookbuild, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
17. To the fullest extent permissible by law, neither: (a) the Managers (b) any of their respective affiliates, agents, members, partners, directors, officers, consultants or employees nor (c) to the extent not contained within (a) or (b) any person connected with the Managers as defined in FSMA ((b) and (c) being together "Affiliates" and individually an "Affiliate" of the Managers) shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular neither the Managers nor any of their Affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of the Managers conduct of the Placing or of such alternative method of effecting the Placing as the Managers and the Company may agree.

Conditions of the Placing

The Placing is conditional upon the Joint Bookrunner Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of the Joint Bookrunners under the Placing Agreement between the Company and the Joint Bookrunners are conditional, inter alia, on:

- (a) in relation to the obligations relating to both the Firm Placing Shares and the Conditional Placing Shares:
 - (i) First Admission occurring not later than 8.00 a.m. (London time) on or around 9 November 2016 or such other date as may be agreed between the Company and the Joint Bookrunners, not being later than 23 November 2016; and

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- (iii) the warranties contained in the Placing Agreement being true and accurate and not misleading on and as of the date of the Placing Agreement and at the date of First Admission or Second Admission (as applicable) as though they had been given and made on such dates by reference to the facts and circumstances then subsisting;
- (b) in relation to the obligations relating to the Conditional Placing Shares:
- (i) the passing without amendment of the Resolutions at the General Meeting;
- (ii) Second Admission occurring not later than 8.00 a.m. (London time) on or around 16 December 2016 or such other date as may be agreed between the Company and the Joint Bookrunners, not being later than 23 December 2016;
- (c) in the opinion of each of the Joint Bookrunners, acting in good faith, there having been since the date of the Placing Agreement no material adverse change (as defined in the Placing Agreement), whether or not foreseeable at the date of the Placing Agreement.

If (a) any of the conditions are not fulfilled (or to the extent permitted under the Joint Bookrunner Placing Agreement waived by the Joint Bookrunners) by the relevant time or date specified in the Joint Bookrunner Placing Agreement, or (b) the Joint Bookrunner Placing Agreement between the Company is terminated in the circumstances specified below, the Placing will lapse and each Placee's rights and obligations hereunder shall cease and determine at such time and no claim may be made by a Placee in respect thereof. None of the Company, the Managers, or any of their respective Affiliates shall have any liability to any Placees (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision the Joint Bookrunners may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition in the Joint Bookrunner Placing Agreement between the Company and the Joint Bookrunners or in respect of the Placing generally.

The Joint Bookrunners may waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Joint Bookrunner Placing Agreement save for the above conditions relating to First Admission and Second Admission. Any such extension or waiver will not affect Placees' commitments as set out in this announcement.

By participating in the Placing, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described below under "Rights to terminate under the Joint Bookrunner Placing Agreement " and will not be capable of rescission or termination by the Placee.

Rights to terminate under the Joint Bookrunner Placing Agreement

Peel Hunt and Tamesis in each case in each of their absolute discretions, at any time before First Admission or Second Admission (as the case may be), may terminate the Joint Bookrunner Placing Agreement by giving notice to the Company in certain circumstances, including, inter alia, a breach of the warranties given to the Joint Bookrunners in the Placing Agreement; the failure of the Company to comply with obligations which are material in the opinion of that Joint Bookrunner; or the occurrence of a force majeure event which, in the opinion of that Joint Bookrunner, is likely to prejudice the success of the Placing. Following First Admission, the Joint Bookrunner Placing Agreement is not capable of rescission or termination to the extent that it relates to the Placing of the Firm Placing Shares.

Notwithstanding First Admission, each of the Joint Bookrunners retains its rights under the Placing Agreement to terminate the placing of the Conditional Placing Shares in accordance with the terms thereof. Any such termination after completion of the placing of the Firm Placing Shares will not, for the avoidance of doubt, affect the completed placing of the Firm Placing Shares.

By participating in the Placing, each Placee agrees with each of the Joint Bookrunners that the exercise by a Joint Bookrunner of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of the relevant Joint Bookrunner

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(acting in good faith) and that no Joint Bookrunner will need to make any reference to the Placees in this regard and that to the fullest extent permitted by law, neither Joint Bookrunner shall have any liability whatsoever to the Placees in connection with any such exercise.

No offering document or prospectus has been or will be prepared in relation to the Placing and no such prospectus is required to be published and Placees' commitments will be made solely on the basis of the information contained in this Announcement and any information previously published by or on behalf of the Company by notification to a Regulatory Information Service. Each Placee by accepting a participation in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms to the Managers and the Company that it has neither received nor relied on any information, representation, warranty or statement made by or on behalf of the Managers (other than the amount of the relevant Placing participation in the oral confirmation given to Placees and the trade confirmation referred to below) or any of their respective Affiliates, any persons acting on their behalf or the Company and neither the Joint Bookrunners nor any of their respective Affiliates, any persons acting on their behalf, nor the Company will be liable for the decision of any Placee to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons).

By participating in the Placing, each Placee acknowledges to and agrees with the Managers for themselves and as agents for the Company that, except in relation to the information obtained in this Announcement, it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and settlement

Peel Hunt will act as settlement agent in respect of the Placing. Settlement of transactions in the Placing Shares in the form of Depository Interests (ISIN AU000000BKY0) following each Admission will take place within the CREST system, subject to certain exceptions. Peel Hunt reserves the right to require settlement for and delivery of the Placing Shares to Placees by such other means that they deem necessary, if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee allocated Placing Shares in the Placing will be sent a trade confirmation stating the number of Placing Shares allocated to it, the Placing Price, the aggregate amount owed by such Placee to Peel Hunt and settlement instructions.

A Placee's entitlement to receive any Placing Shares under the Placing will be conditional on receipt of payment in full for such Placing Shares by the relevant time to be stated in the written confirmation referred to above, or by such later time and date as the Joint Bookrunners and the Company may in their absolute discretion determine, or otherwise in accordance with that confirmation's terms.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the base rate of Barclays Bank Plc.

Each Placee is deemed to agree that if it does not comply with these obligations: (i) the Company may release itself (if it decides in its absolute discretion to do so) and will be released from all obligations it may have to issue any such Placing Shares to such Placee or at its direction which are then unissued; (ii) the Company may exercise all rights of lien, forfeiture and set-off over and in respect of any Placing Shares to the fullest extent permitted under its constitution or otherwise by law and to the extent that such Placee then has any interest in or rights in respect of any Placing Shares; (iii) the Company or the Managers may sell (and all of them are irrevocably authorised by such Placee to do so) all or any Placing Shares on such Placee's behalf and then retain from the proceeds, for the account and benefit of the Company or, where applicable, the Managers (a) any amount up to the total amount due to it as, or in respect of, subscription monies, or as interest on such monies, for any Placing Shares, (b) any amount required to cover any stamp duty or stamp duty reserve tax (together with any interest or penalties) arising on the sale of such Placing Shares on such Placee's behalf, and (c) any amount required to cover dealing costs and/or commissions

necessarily or reasonably incurred by it in respect of such sale; and (iv) such Placee shall remain liable to the Company (and to the Managers as applicable) for the full amount of any losses and of any costs which it may suffer or incur as a result of it (a) not receiving payment in full for such Placing Shares by the required time, and/or (b) the sale of any such Placing Shares to any other person at whatever price and on whatever terms actually obtained for such sale by or for it.

If Placing Shares are to be delivered to a custodian or settlement agent, the Placee should ensure that the trade confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in the Placee's name or that of its nominee or in the name of any person for whom the Placee is contracting as agent or that of a nominee for such person, such Placing Shares will, subject as provided below, be so registered free from any liability to stamp duty or stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax is payable in respect of the issue of the Placing Shares, neither the Managers nor the Company shall be responsible for the payment thereof. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations and Warranties

By participating in the Placing, each Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read and understood this Announcement in its entirety (including this Appendix) and acknowledges that its participation in the Placing will be governed by the terms and conditions of this Announcement (including this Appendix) and provides the representations, warranties, agreements, acknowledgments and undertakings, in each case, as contained in this Appendix;
2. acknowledges that no prospectus or offering document has been or will be prepared in connection with the Placing and that it has not received and will not receive a prospectus or other offering document in connection with the Placing or the Placing Shares nor is any such prospectus or offering document required under the Prospectus Directive;
3. agrees to indemnify on an after-tax basis and hold harmless each of the Company, the Managers, their respective Affiliates and any person acting on their behalf from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach by it of the representations, warranties, acknowledgements, agreements and undertakings in this announcement and further agrees that the provisions of this Announcement shall survive after completion of the Placing;
4. acknowledges that neither the Managers nor any of their respective Affiliates nor any person acting on their behalf has provided, and will not provide it with, any material or information regarding the Placing Shares or the Company; nor has it requested that the Managers nor any of their respective Affiliates nor any person acting on their behalf to provide it with any such material or information;
5. acknowledges that the content of this Announcement is exclusively the responsibility of the Company and that neither the Managers nor any of their respective Affiliates nor any person acting on their behalf will be responsible for or shall have any liability for any information, representation or statement relating to the Company contained in this announcement or any information previously published by or on behalf of the Company and neither the Managers nor any of their respective Affiliates nor any person acting on their behalf will be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has

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relied in committing to subscribe for Placing Shares is the information contained in this Announcement and any information previously published by or on behalf of the Company by notification to a Regulatory Information Service, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has relied on its own investigation with respect to the Placing Shares and the Company in connection with its decision to subscribe for Placing Shares and acknowledges that it is not relying on any investigation that the Managers, any of their respective Affiliates or any person acting on their behalf may have conducted with respect to the Placing Shares or the Company and none of such persons has made any representations to it, express or implied, with respect thereto;

6. acknowledges that it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has had sufficient time to consider and conduct its own investigation with respect to the offer and subscription for Placing Shares, including the tax, legal and other economic considerations, and has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved;
7. represents and warrants that it has not relied on any confidential price sensitive information concerning the Company in making its investment decision to participate in the Placing;
8. acknowledges that it has not relied on any information relating to the Company contained in any research reports prepared by the Managers, their respective Affiliates or any person acting on its or any of their respective Affiliates behalf and understands that (i) neither the Manager nor any of their respective Affiliates nor any person acting on their behalf has or shall have any liability for public information or any representation; (ii) neither the Managers nor any of their respective Affiliates, nor any person acting on their behalf, has or shall have any liability for any additional information that has otherwise been made available to such Placee, whether at the date of this announcement or otherwise; and (iii) neither the Managers nor any of their respective Affiliates, nor any person acting on their behalf, makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of this announcement or otherwise;
9. represents and warrants that (i) it is entitled to acquire Placing Shares under the laws and regulations of all relevant jurisdictions which apply to it; (ii) it has fully observed such laws and regulations and obtained all such governmental and other guarantees and other consents and authorities which may be required thereunder and complied with all necessary formalities; (iii) it has all necessary capacity and authority to commit to participation in the Placing and to perform its obligations in relation thereto and will honour such obligations; (iv) it has paid any issue, transfer or other taxes due in connection with its participation in the Placing in any territory; and (v) it has not taken any action which will or may result in the Company, or the Managers or any of their respective Affiliates or any person acting on their behalf in breach of the legal and/or regulatory requirements of any territory in connection with the Placing;
10. represents and warrants that it understands that the Placing Shares have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States and may only be acquired in "offshore transactions" as defined in and pursuant to Regulation S under the Securities Act or

in transactions exempt from or not subject to the registration requirements of the Securities Act;

11. represents and warrants that its acquisition of the Placing Shares has been or will be made in an "offshore transaction" as defined in and pursuant to Regulation S under the Securities Act;
12. represents and warrants that it is not taking up or acquiring the Placing Shares as a result of any directed selling efforts (as defined in Regulation S under the Securities Act);
13. represents and warrants that it is not taking up or acquiring the Placing Shares as a result of any form of general solicitation or general advertising (as defined in Regulation D under the Securities Act);
14. represents and warrants that it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing, in or into or from the United States (including electronic copies thereof);
15. represents and warrants that it will not offer or sell, directly or indirectly, any of the Placing Shares in the United States except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
16. represents and warrants that, if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the European Economic Area which has implemented the Prospectus Directive other than "qualified investors" as defined in Article 2.1(e) of the Prospectus Directive, or in circumstances in which the prior consent of the Joint Bookrunners has been given to the offer or resale;
17. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to the public in any member state of the European Economic Area except in circumstances falling within Article 3(2) of the Prospectus Directive which do not result in any requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive;
18. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which it is permitted to do so pursuant to section 21 of FSMA and agreed and acknowledges that the Joint Bookrunners have not approved the contents of this Announcement in their capacity as authorised persons and it may therefore not be subject to the controls which would apply if it is made or approved as financial promotion by an authorised person;
19. represents and warrants that it has complied and will comply with all applicable laws (including all relevant provisions of FSMA) with respect to anything done by it in relation to the Placing Shares in, from, or otherwise involving the United Kingdom;
20. represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Criminal Justice Act 1993, the EU Market Abuse Regulation (2014/596/EU), the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the Terrorism Act 2006, the Antiterrorism Crime

and Security Act 2001, the Money Laundering Regulations (2007) (the "Regulations") and the Money Laundering Sourcebook of the FCA and, if it is making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

21. if in the United Kingdom, represents and warrants that it is a person falling within (a) Article 19(5) of the FPO or (b) a person falling within Article 49(2)(a) to (d) of the FPO and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
22. if in the United Kingdom, represents and warrants that it is a qualified investor as defined in section 86(7) of FSMA, being a person falling within Article 2.1(e)(i), (ii) or (iii) of the Prospectus Directive;
23. represents and warrants that it has complied and will comply with all applicable provisions of the Australian Corporations Act (including relevant insider trading provisions) and the ASX Listing Rules in relation to the Placing Shares;
24. agrees that it must comply with all applicable provisions of the Australian Foreign Investments and Takeovers Act, 1975 (Cth) in relation to the Placing Shares by no later than the settlement date for the relevant Placing Shares;
25. represents and warrants that its participation in the Placing will not cause its (or its associates) aggregate shareholding in the Company to be 20% or more of the issued share capital of the Company;
26. represents and warrants that it is not a 'related party' of the Company as that term is defined in section 228 of the Australian Corporations Act and/or the ASX Listing Rules, (or if it is a 'related party' of the Company, that its acquisition of Placing Shares would not require the Company to obtain the approval of its shareholders under section 208(1)(a) of the Australian Corporations Act);
27. undertakes that it (and any person acting on their behalf) will pay for the Placing Shares acquired by it in accordance with this Announcement on the due time and date set out in this Announcement or any trade confirmation issued pursuant to this Announcement against delivery of such Placing Shares to it, failing which the relevant Placing Shares may be placed with other Placees or sold as either the Managers or the Company may, in their absolute discretion, determine and it will remain liable for any shortfall of the net proceeds of such sale below the Placing proceeds of such Placing Shares and may be required to bear any costs, commissions, stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;
28. if it has received any confidential price sensitive information about the Company in advance of the Placing, it warrants that it has received such information within the marketing soundings regime provided for in article 11 of Regulation (EU) No. 596/2014 on market abuse (as amended) and associated delegated regulations and has not: (a) dealt in the securities of the Company; (b) encouraged or required another person to deal in the securities of the Company; or (c) disclosed such information to any person, prior to the information being made publicly available;
29. undertakes that (i) the person whom it specifies for registration as holder of the Placing Shares will be (a) the Placee or (b) the Placee's nominee, as the case may be, (ii) neither the Managers nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement and (iii) the Placee and any person acting on its behalf agrees to acquire the Placing Shares on the basis that the Placing Shares will be issued to the CREST

stock account of Peel Hunt which will hold them as settlement agent as nominee for the Placee until settlement in accordance with its standing settlement instructions with payment for the Placing Shares being made simultaneously upon receipt of the Placing Shares in the Placee's stock account on a delivery versus payment basis;

30. acknowledges that it irrevocably appoints any member or officer of a Manager as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares agreed to be taken up by it under the Placing;
31. represents and warrants that it is not a resident of any Restricted Jurisdiction and acknowledges that the Placing Shares have not been and will not be registered nor will a prospectus be issued in respect of the Placing Shares under the securities legislation of any Restricted Jurisdiction and, subject to certain exceptions, may not be offered, sold, taken up, renounced, delivered or transferred, directly or indirectly, within any Restricted Jurisdiction;
32. represents and warrants that any person who confirms to the Managers on behalf of a Placee an agreement to subscribe for Placing Shares and/or who authorises the Managers to notify the Placee's name to the Company's registrar, has authority to do so on behalf of the Placee;
33. acknowledges that the agreement to settle each Placee's acquisition of Placing Shares (and/or the acquisition of a person for whom it is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to an acquisition by it and/or such person direct from the Company of the Placing Shares in question. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. If there were any such arrangements, or the settlement related to other dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor the Managers will be responsible. If this is the case, the Placee should take its own advice and notify the Managers accordingly;
34. acknowledges that the Placing Shares will be issued subject to the terms and conditions set out in this Announcement (including this Appendix);
35. acknowledges that when a Placee or any person acting on behalf of the Placee is dealing with the Joint Bookrunners, any money held in an account with Peel Hunt on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from Peel Hunt money in accordance with the client money rules and will be used by Peel Hunt in the course of its business; and the Placee will rank only as a general creditor of Peel Hunt;
36. acknowledges and understands that the Company, the Managers and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements, undertakings and acknowledgements;
37. acknowledges that time is of the essence as regard its obligations in respect of its participation in the Placing under these terms and conditions;
38. acknowledges that the basis of allocation will be determined by the Managers in their absolute discretion in consultation with the Company. The right is reserved to reject in whole or in part and/or scale back any participation in the Placing;

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39. irrevocably authorises the Company and the Joint Bookrunners to produce this announcement pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth in this announcement;
40. it will be bound by the terms of the constitution of the Company;
41. any document that is to be sent to it in connection with the Placing will be sent at its own risk and may be sent to it at any address provided by it to Peel Hunt;
42. this Appendix and all documents into which this Appendix are incorporated by reference or otherwise validly form a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to subscribe for shares pursuant to the Placing will be governed by and construed in accordance with English law and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or the Joint Bookrunners in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
43. the Joint Bookrunners and their Affiliates, acting as investors for their own accounts, may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for their own account in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, Managers and/or any of its respective Affiliates acting as an investor for its or their own account. None of the Joint Bookrunners or the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
44. it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, the Market Abuse Regulation (596/2014) and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;
45. in order to ensure compliance with the Money Laundering Regulations 2007, Peel Hunt, (as agent on behalf of the Company) or the Company's registrars may, in its absolute discretion, require verification of its identity. Pending the provision to Peel Hunt, or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at Peel Hunt's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at Manager's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity Peel Hunt (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, Peel Hunt and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
46. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as a holder of Placing Shares, will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that no instrument under which it subscribes for Placing Shares (whether as principal,

agent or nominee) would be subject to stamp duty or the increased rates referred to in those sections and that it, or the person specified by it for registration as a holder of Placing Shares, is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;

47. where it is acquiring Placing Shares for one or more managed accounts, it is authorised in writing by each managed account: (a) to acquire the Placing Shares for each managed account; (b) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this Appendix and the Announcement of which it forms part; and (c) to receive on its behalf any investment letter relating to the Placing in the form provided to it by the relevant Joint Bookrunner;
48. if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive (including any relevant implementing measure in any Relevant Member State), the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Relevant Member State of the EEA which has implemented the Prospectus Directive other than Qualified Investors, or in circumstances in which the express prior written consent of the Managers has been given to the offer or resale;
49. the Company's ordinary shares are admitted to trading on AIM, and the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of AIM, which includes a description of the nature of the Company's business, the Company's most recent balance sheet and profit and loss account and the Company's announcements and circulars published in the past 12 months and the Placee is able to obtain or access such information or comparable information concerning any other publicly traded company without undue difficulty;
50. that its commitment to subscribe for Placing Shares on the terms set out in this announcement will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing; and
51. its participation in the Placing, these terms and conditions and any contractual or non-contractual obligations arising out of, or in relation to thereto, shall be governed by and construed in accordance with English law and that the courts of England shall have exclusive jurisdiction to hear and decide any proceedings which may arise out of or in connection with these terms and conditions, except that enforcement proceedings in respect of the Placee's obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Managers in any jurisdiction.

The acknowledgements, agreements, undertakings, representations and warranties referred to above are given to each of the Company and the Managers (for their own benefit and, where relevant, the benefit of their respective Affiliates) and any person acting on their behalf and are irrevocable.

No claim shall be made against the Company, or the Managers or their respective Affiliates or any other person acting on behalf of any of such persons by a Placee to recover any damage, cost, charge or expense which it may suffer or incur by reason of or arising from the carrying out by it of the work to be done by it pursuant to this announcement or the performance of its obligations pursuant to this announcement or otherwise in connection with the Placing.

No UK stamp duty or stamp duty reserve tax should be payable to the extent that the Placing Shares in the form of Depository Interests are issued or transferred (as the case may be) into

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CREST to, or to the nominee of, a Placee who holds those shares beneficially (and not as agent or nominee for any other person) within the CREST system and registered in the name of such Placee or such Placee's nominee.

Any arrangements to issue or transfer the Placing Shares into a depositary receipts system or a clearance service or to hold the Placing Shares as agent or nominee of a person to whom a depositary receipt may be issued or who will hold the Placing Shares in a clearance service, or any arrangements subsequently to transfer the Placing Shares, may give rise to stamp duty and/or stamp duty reserve tax, for which neither the Company nor the Managers will be responsible and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such stamp duty or stamp duty reserve tax undertakes to pay such stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and the Managers in the event that any of the Company and/or the Managers has incurred any such liability to stamp duty or stamp duty reserve tax.

In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares.

All times and dates in this announcement may be subject to amendment. The Managers shall notify the Placees and any person acting on behalf of the Placees of any such changes.

This Announcement has been issued by the Company and is the sole responsibility of the Company.

Each Placee, and any person acting on behalf of the Placee, acknowledges that the Managers do not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreements. Each Placee and any person acting on behalf of the Placee acknowledges and agrees that the Managers or any of their respective Affiliates may, at its absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

The rights and remedies of the Managers and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

Each Placee may be asked to disclose in writing or orally to either of the Managers:

- (a) if he is an individual, his nationality; or
- (b) if he is a discretionary fund manager, the jurisdiction in which the funds are managed or owned.

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