



UCW Limited (ASX:UCW)
ACN 108 962 152
Level 1, 225 Clarence Street
Sydney NSW 2000
P: 9112 4540
UCWlimited.com.au

10 April 2017

The Manager
Company Announcements
Australian Securities Exchange

By electronic lodgment

Notice under Section 708AA(2)(f) of the Corporations Act 2001 (Cth)

UCW Limited ACN 108 962 152 (**Company** or **UCW**) today announced a non-renounceable rights issue to 'Eligible Shareholders' on the basis of 1 fully paid ordinary share (**New Share**) for every 6.87284792 fully paid ordinary shares held at the record date of 18 April 2017 (**Record Date**), at an issue price of \$0.04 per New Share to raise a maximum of \$2,000,000 (before costs) (**Rights Issue**).

'Eligible Shareholders' are those shareholders who are, as at 7:00pm AEST on the Record Date, registered with a registered address situated in Australia or New Zealand.

The Rights Issue is not underwritten. Any New Shares offered under the Rights Issue that are not applied for by Eligible Shareholders by the Closing Date under their entitlement will form part of the shortfall (**Shortfall**). The Directors reserve the right, subject to the Corporations Act 2001 (Cth) and the Listing Rules, to allocate any Shortfall (other than to Directors and related parties of the Company) to Eligible Shareholders that apply for New Shares additional to their Entitlement or otherwise, to place any further Shortfall at their discretion within 3 months after the Closing Date (at a price not less than the Issue Price of \$0.04 per New Share).

In accordance with section 708AA(2)(f) of the Corporations Act 2001 (Cth) (the Act), the Company hereby gives notice that:

- a) The New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Act;
- b) This notice is given by the Company under section 708AA(2)(f) of the Act;
- c) As at the date of this notice, the Company has complied with:
 - i. the provisions of Chapter 2M of the Act as they apply to the Company; and
 - ii. section 674 of the Act;
- d) As at the date of this notice, there is no information:
 - i. that has been excluded from a continuous disclosure notice in accordance with the Listing Rules of ASX; and
 - ii. that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - A. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - B. the rights and liabilities attaching to the New Shares.
- e) The potential effect the issue of New Shares under the Rights Issue will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including the

level of acceptances by Eligible Shareholders and the level of any new investor demand in the event there is a Shortfall.

Following allotment of the 47,000,000 shares under the Placement as announced on 10 April 2017, the following persons will be shareholders holding more than 5% of the Company's issued share capital:

Name	Number of Shares Held (after Placement and before the Rights Issue)	% of issued capital (before Rights Issue)
Global Capital Holdings (Australia) Pty Ltd (entity controlled by Mr Gary Burg, non-executive chairman)	108,333,333 (Note 1)	31.5%
ABD UCW Pty Ltd (entity controlled by Adam Davis, Managing Director and Chief Executive Officer)	25,416,667 (Note 1)	7.4%

Note 1: The number of shares held assumes that no options that are held by this shareholder are exercised before the Record Date.

So far as the Company is aware and based on substantial holding notices that have been lodged prior to the date of this document, other than Global Capital Holdings (Australia) Pty Ltd (entity controlled by Mr Gary Burg, non-executive chairman), there are no shareholders with voting power of 20% or more in the Company. Following allotment of the shares under the Placement, the voting power of Global Capital Holdings (Australia) Pty Ltd will decrease from 36.5% to 31.5%.

Following completion of allotment under the Placement, the potential effect of the issue of New Shares under the Rights Issue on the control of the Company is as follows:

- a) If all Eligible Shareholders take up their Entitlements under the Offer, then the Offer will have no significant effect on the control of the Company. Global Capital Holdings (Australia) Pty Ltd will hold 124,095,843 Shares, being 29.8% of the total issued capital and ABD UCW Pty Ltd will hold 29,114,794 Shares, being 7.0% of the total issued capital.
- b) If some Eligible Shareholders do not take up all of their Entitlements under the Rights Issue, then the interests of those Eligible Shareholders will be diluted.
- c) The proportional interests of Shareholders with registered addresses outside of Australia and New Zealand (if any), will be diluted because such ineligible foreign shareholders are not entitled to participate in the Rights Issue.
- d) If all Directors (and Director related entities) and the above-mentioned substantial shareholders take up their full Entitlements under the Rights Issue, but no other Eligible Shareholders participate in the Rights Issue and the Directors do not issue any of the Shortfall within 3 months of the Closing Date, the voting power of Global Capital Holdings (Australia) Pty Ltd will range between 33.3% and 32.1% (depending on whether between 25% and 75% of Entitlements are taken up by other Eligible Shareholders) and therefore remain above 20%. The voting power of ABD UCW Pty Ltd (entity controlled by Adam Davis, Managing Director and Chief Executive Officer) will range between 7.8% and 7.5% (depending on whether between 25% and 75% of Entitlements are taken up by other Eligible Shareholders).
- e) The Company does not expect the Rights Issue to give rise to any material effect on the control of the Company. The Directors will not offer any Shortfall to Eligible Shareholders or new investors that would result in those persons having voting power of 20% or more in the Company.

The offer document for the Rights Issue lodged with ASX on the date of this notice sets out the above in further detail.

The table below sets out the impact of the Rights Issue (assuming fully subscribed) on the capital structure of the Company:

Shares	Number
Existing Shares as at 10 April 2017	296,642,396
Shares following settlement and allotment of shares under the Placement	343,642,396
Maximum number of New Shares issued pursuant to the Offer	50,000,000
Total issued Shares following completion of the Offer (assuming Offer is fully subscribed)	393,642,396

Signed for and on behalf
UCW Limited



Lyndon Catzel
Company Secretary