



A V E X A

Avexa Limited
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2 August 2016

The Manager
Market Announcements Platform
ASX Limited
20 Bridge Street,
Sydney NSW 2000

Rights Issue – Letters to Shareholders

I attach copies of the following two letters which have today been sent to shareholders of Avexa Limited (**Avexa**) in connection with the rights issue announced on 27 July 2016:

- (a) letter to Avexa shareholders who have registered addresses in Australia, New Zealand and Singapore, and are therefore eligible to participate in the rights issue; and
- (b) letter to Avexa shareholders who have registered addresses in other jurisdictions, and are not entitled to participate in the rights issue.

Yours sincerely,

Lee Mitchell
Company Secretary
AVEXA LIMITED

For personal use only



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2 August 2016

Dear Shareholder

Avexa Limited – Eligible Shareholders
1 for 1 non-renounceable Rights Issue to raise up to \$2.2 million

This letter is to notify you that on 27 July 2016, Avexa Limited (**ASX: AVX**) announced to the ASX a partially underwritten, non-renounceable rights issue (**Rights Issue**).

The Rights Issue offers shareholders whose registered addresses are within Australia, New Zealand and Singapore (**Eligible Shareholders**) one (1) fully paid ordinary share (**New Shares**) for every one (1) fully paid ordinary share held as at 7.00pm on Thursday 4 August 2016 (**Record Date**) to raise up to \$2.2 million.

The Rights Issue is being conducted pursuant to an offer document dated 29 July 2016 issued in accordance with section 708AA of the Corporations Act (as modified by ASIC Instrument 2016/84). You will receive your copy of the Offer Document and the Entitlement and Acceptance Form shortly. The Offer Document has been lodged with the ASX and is available on the ASX website (www.asx.com.au).

Pursuant to the Rights Issue, Avexa will issue up to 100,459,128 New Shares at an issue price of \$0.022 per New Share to raise up to \$2.2 million.

The Rights Issue is underwritten by Interprac Financial Planning Pty Ltd to the extent of 82 million New Shares or \$1.8 million. Shareholders who do not take up their rights will not receive any value in respect of their entitlement and their proportionate shareholding in the Company will be diluted.

The Company will make an application for the quotation of the New Shares on ASX. New Shares will rank equally with the Company's fully paid ordinary shares on issue.

This offer is open to shareholders of the Company as at the Record Date with registered addresses in Australia, New Zealand and Singapore. Please note that shareholders at the Record Date with a registered address outside Australia, New Zealand or Singapore will not be eligible to participate in the Rights Offer.

The key information and dates are set out below for your information.

Key Terms of the Rights Issue

Type of Offer	Non-renounceable rights issue
Issue Ratio	1 New Share for every 1 existing share held
Issue Price	\$0.022 cents per New Share
Issue Price discount	Approximately 33% to the market closing price of \$0.033 per share on Friday 22 July 2016
Record Date	Thursday 4 August 2016
New Shares issued	Up to approximately 101,459,128 (including shares issued to the Underwriter)
Funds Raised	Up to \$2.2 million before costs, if fully subscribed (of which \$1.8million is underwritten)
Underwriter	Interprac Financial Planning Pty Ltd AFSL 246638

Shareholder approval of the Rights Issue is not required. The Rights Issue is undertaken without a prospectus in accordance with section 708AA of the *Corporations Act 2001 (Cth)* (**Act**).

Timetable¹

Initial announcement of Rights Issue	Wednesday 27 July 2016
Lodgement of Rights Issue Offer Booklet, Cleansing Notice in respect of the Rights Issue and Appendix 3B	Friday 29 July 2016
Despatch of letter to shareholders	Tuesday 2 August 2016
"Ex" Date (ie date from which securities commence trading without the entitlement to participate in the Rights Issue)	Wednesday 3 August 2016
Record Date (ie date for determining entitlement to participate in the Rights Issue)	Thursday 4 August 2016
Rights Issue Opening Date. Dispatch of Offer Document and personalised Entitlement and Application Form	Tuesday 9 August 2016
Closing Date (Last day for acceptance and payment in full)	Tuesday 23 August 2016
Company notifies ASX of under-subscriptions	Friday 26 August 2016
Allotment of Rights Issue Shares and despatch of holding statements. Deferred Settlement Trading ends	Monday 29 August 2016

¹*This timetable is indicative only. The Company reserves the right, subject to the ASX Listing Rules, to amend the indicative timetable. In particular, the company reserves the right to extend the closing date or to withdraw the Rights Issue without prior notice.*

Use of Funds

The funds raised will, after payment of costs and expenses, be used primarily to accelerate and complete the launch version of TALI Technology including the remaining product and games enhancements, study trials and workshops and initial rollout in clinical centres using TALI.

Yours sincerely,



Iain Kirkwood
Executive Chairman
Avexa Limited

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2 August 2016

Dear Shareholder

**Avexa Limited – Ineligible Shareholders
1 for 1 non-renounceable Rights Issue to raise up to \$2.2 million**

This letter is to notify you that on 27 July 2016, Avexa Limited (ASX: AVX) (**Avexa** or **Company**) announced to the ASX a partially underwritten, non-renounceable rights issue (**Rights Issue**).

The Rights Issue offers shareholders whose registered addresses are within Australia, New Zealand and Singapore (**Eligible Shareholders**) one (1) fully paid ordinary share (**New Shares**) for every one (1) fully paid ordinary share held as at 7.00pm on Thursday 4 August 2016 (**Record Date**) to raise up to \$2.2 million.

The Company has determined, pursuant to Listing Rule 7.7.1(a) that it is unreasonable to make offers under the Rights Issue to shareholders with a registered address outside Australia, New Zealand or Singapore (**Ineligible Shareholders**), having regard to the number of such shareholders, their holdings and the compliance costs associated with offering New Shares to those persons.

Avexa wishes to advise you that it will not be offering New Shares to Ineligible Shareholders. Accordingly, you need not take any further action in response to this letter or the Rights Issue.

Yours sincerely,

Iain Kirkwood
Executive Chairman
Avexa Limited

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