



9 November 2016

ASX Announcement

Marenica receives commitments for \$500,000 Placement

- Successful Placement agreed with Sophisticated Investors
- Total of \$500,000 to be raised before costs at a price of \$0.10 per share
- Company's commercialisation activities to be accelerated and broadened

Marenica Energy Limited (Marenica or the Company) is pleased to announce that it has received commitments to raise A\$500,000 by a placement to sophisticated investors and existing shareholders through the issue of a total of 5,000,000 new Marenica shares at A\$0.10 per share (Placement). A\$100,000 will be placed from the Company's existing placement capacity with the balance to be placed subject to shareholder approval. Patersons Securities Limited (Patersons) acted as Lead Manager to the Placement.

The Placement price of \$0.10 per share represents a 20% discount to the last traded price and 27% discount to the 15 trading day volume weighted average price of Marenica shares (13.7 c) up to and including Tuesday 8 November 2016.

Funds raised from the Placement, together with existing cash reserves, will be used to continue the commercialisation activities of Marenica's **U-pgrade™** technology, focusing on new uranium resource targets and fund working capital. To enable the Company to focus on these activities the Company's largest shareholder, Hanlong Energy Limited, has agreed to extend the date for payment of interest on Hanlong's convertible notes from 14 November 2016 to 30 April 2017 at a revised interest rate of 12% per annum (up from 8%) for the interest component previously due on 14 November 2016. The Company and Hanlong are exploring options where some or all of this interest is converted into equity.

Murray Hill, the Company's Managing Director said, "We are delighted with the strong appetite we received from new and existing investors to participate in the Placement. We believe this interest stems from the demonstrated potential of **U-pgrade™** to capture value for the Company and its current and future opportunities in the uranium market."

The Placement will be completed in two tranches with approximately 1,000,000 shares issued in the first tranche, pursuant to the Company's capacity under ASX Listing Rule 7.1. Settlement of this first tranche is expected to occur on Friday 11 November 2016. The issue of the remaining 4,000,000 new shares is subject to shareholder approval to be sought at an Extraordinary General Meeting to be held as soon as practical.

Marenica welcomes the new shareholders to its share registry.

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