



STEMCELL UNITED LIMITED

ACN 009 104 330

Level 12, 680 George Street, Sydney, NSW 2000, Australia

Tel (02) 8280 7355 Fax (02) 9287 0350

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Australian Securities Exchange

ASX ANNOUNCEMENT

Rights issue and share placement

Stemcell United Limited ("SCU" "the Company") is pleased to announce that it plans to undertake a rights issue and a private placement to raise in aggregate of up to \$2.3 million to provide capital for developing the Company's business.

The rights issue will be made to all existing shareholders on the basis of one new ordinary share for each existing five ordinary shares held on the Record Date at a price of \$0.02 for each new ordinary share. The rights issue will be non-renounceable, and the new shares will rank pari passu in all respects with the Company's existing shares. The Company is discussing with various underwriters on underwriting of the rights issue.

The Company plans to lodge an Offer document and related documentation with ASX not later than 15 January 2018, at which time the timetable for the rights issue will also be announced.

In addition, it is intended that a private placement of up to 30 million shares will be made to sophisticated investors at a price of \$0.02 per share to raise up to \$600,000. The placement Shares will rank pari passu in all respects with existing shares.

The rights issue and share placement will significantly strengthen SCU's financial position, with the capital to be used to fund its business plan.

The company will seek shareholder approval if the issue of the placement shares exceeds its 15% capacity under Listing rule 7.1. The issue will not be to a class of security holder.

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