

10 October 2012

The Manager  
Company Announcements Office  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

### **Private Placement and Renounceable Rights Issue Cleansing Statement**

As announced earlier today, Montec International Limited (MTI) is pleased to announce that it has completed a private placement (Private Placement) to raise \$53,428 and that a renounceable rights issue will be offered to all shareholders (Rights Issue).

### **Private Placement Cleansing Notice**

For the purposes of section 708A(5)(e) of the *Corporations Act 2001*(the Act), MTI advises:

1. the Placement Shares were offered for issue without disclosure under Chapter 6D of the Act;
2. as at the date of this notice, MTI has complied with the provisions of:
  - i. Chapter 2M of the ACT as they apply to MTI; and
  - ii. section 674 of the Act; and
3. as at the date of this notice, there is no information that:
  - i. MTI has excluded from a continuous disclosure notice in accordance with the ASX Listing Rules;
  - ii. investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - A. the assets and liabilities, financial position and performance, profits and losses and prospects of MTI; or
    - B. the rights and liabilities attaching to the shares.

## Rights Issue Cleansing Notice

In accordance with the requirements of section 708AA(2)(f) of the, MTI confirms:

1. MTI will offer the Shares for issue without disclosure to investors under Part 6D.2 of the Act;
2. MTI is providing this notice under section 708AA(2)(f) of the Act;
3. as at the date of this announcement, MTI has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
4. as at the date of this announcement, MTI has complied with section 674 of the Act;
5. as at the date of this notice, there is no information that:
  - (a) MTI has excluded from a continuous disclosure notice in accordance with the ASX Listing Rules;
  - (b) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of MTI; or
    - (ii) the rights and liabilities attaching to the shares.
6. the potential effect that the issue of new shares under the Rights Issue will have on the control of MTI, and the consequences of that effect, will depend on a number of factors including the level of shareholder participation in the Rights Issue, which shareholders participate, the extent of any shortfall and the level of participation in the shortfall by shareholders.

If every shareholder takes up their full entitlement, there will be no effect on the control of MTI on the basis that the Rights Issue is being made pro-rata and there will be no opportunity for any shareholder to apply for additional new shares under the Rights Issue nor will there be any shortfall for the Underwriter or Priority Sub-Underwriters to take up.

Nebral Pty Ltd (Nebral) and Trandara Pty Ltd (Trandara) have also agreed to act as Priority Sub-Underwriters to the Rights Issue. Nebral presently has an interest in 11.58% of MTI's issued capital (inclusive of shares acquired pursuant to a private placement announced to the market today) and Trandara has an interest in 5.76% of the issued capital of MTI. In the event Nebral and Trandara each accept their full entitlement under the Rights Issue and are required to take up their full priority sub-underwriting commitment, Nebral and Trandara will respectively have an interest in approximately 29% and 23% of MTI's issued capital. Nebral and Trandara each have a common director and shareholder and are therefore considered to be associates of each other. This means that they may acquire a collective interest in up to approximately 52% of MTI.

Pursuant to the terms of the Underwriting Agreement, the Underwriter has received general sub-underwriting commitments of \$321,000 from third parties. These sub-

underwriters will only participate in any shortfall after the priority sub-underwriting commitments of Nebral and Trandara have been satisfied in full.

Yours faithfully

A handwritten signature in black ink, appearing to read "Rich Geddes". The signature is written in a cursive style with a horizontal line underneath.

NJV Geddes  
Company Secretary