


21 September 2012



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Dear Shareholder

### **NON-RENOUCEABLE RIGHTS ISSUE – APPENDIX 3B NOTICE**

Petratherm Ltd (**Company**) announced on 19 September 2012 a capital raising by way of one for three pro-rata non-renounceable rights issue that does not require shareholder approval, with one free attaching option (with the options to be quoted on ASX) being issued for every one new share issued. In accordance with the Listing Rules of the Australian Securities Exchange (**ASX**), the Company is pleased to provide you with the following information about the rights issue.

Each shareholder registered on the Company's register of members at 5.00 pm (CST) on 28 September 2012 (**Record Date**) will be entitled to subscribe for one new fully paid ordinary share in the Company for every three ordinary shares held as at the Record Date at a price of \$0.03 per new share. Fractions of shares will be rounded up to the nearest whole number. The issue price of the new shares under the offer represents a 23.08% discount to the closing price of \$0.039 per Share on the day before the Offer was announced to ASX.

In addition to being able to apply for new shares under the rights issue, eligible shareholders who take up their full entitlement under the rights issue will also have the opportunity to apply for additional new shares that are not subscribed for under the rights issue.

**Please note that the Company's shares will be quoted on an 'ex' basis from 24 September 2012, and therefore any of the Company's shares bought on market on and after this date will not be entitled to participate in the rights issue.**

The maximum number of new shares to be issued (excluding the exercise of any unlisted options) is 49,577,194 new shares, which would raise up to approximately \$1,487,316 and would result in total issued shares in the Company of 198,308,777. It is intended that new shares issued as a result of entitlements taken up will be quoted on ASX and will rank equally with existing issued ordinary shares of the Company.

Each attaching option will have an exercise price of \$0.03 and an expiry date two years after the date of grant. The Company will apply for the attaching options to be quoted on ASX.

Before making a decision whether to subscribe for any of these shares, please carefully read the Prospectus when you receive it. The offer opens on 4 October 2012 and closes at 5.00 pm (Adelaide time) on 18 October 2012.

**From 19 September 2012, the Prospectus will be available to download from both the ASX website (at [www.asx.com.au](http://www.asx.com.au)) and the Company's website (at [www.petratherm.com.au](http://www.petratherm.com.au)), and will subsequently be mailed to eligible shareholders on or around 4 October 2012.**

The indicative timetable for the rights issue is as follows:

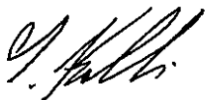
<b>Event</b>	<b>Date</b>
ASX Announcement	19 September 2012
Prospectus lodged with ASIC and ASX	19 September 2012
Appendix 3B lodged with ASX	19 September 2012
Appendix 3B Notice sent to Shareholders	21 September 2012
Shares quoted on 'ex' basis	24 September 2012
Record Date for Offer participation	28 September 2012
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders and Opening Date of the Offer	4 October 2012
Proposed Closing Date of the Offer (5.00 pm Adelaide time)	18 October 2012
New Shares and Attaching Options quoted on a 'deferred settlement' basis	19 October 2012
ASX advised of any Shortfall	23 October 2012
Proposed date for the allotment of New Shares and Attaching Options	26 October 2012
Deferred settlement trading ends	26 October 2012
Proposed date for quotation of New Shares and Attaching Options	29 October 2012

The timetable is indicative only and the Company reserves the right to vary it at any time without prior notice subject to the Listing Rules and the *Corporations Act 2001* (Cth).

The rights issue is not underwritten.

If you have any queries, please contact the Company on (08) 8274 5000.

Yours sincerely,



Terry Kallis  
Managing Director