PETRATHERM LTD

Level 1, 169 Fullarton Road, Dulwich,
South Australia 5065
Tel: +61 8 8274 5000
Website www.petratherm.com.au
Email admin@petratherm.com.au
A.C.N. 106 806 884

6 February 2015

Dear Shareholder

NON-RENOUNCEABLE RIGHTS ISSUE – APPENDIX 3B NOTICE

Petratherm Limited (**Company**) announced on 4 February 2015 a capital raising by way of one for one pro-rata non-renounceable rights issue that does not require shareholder approval. 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 eligible shareholder registered on the Company's register of members at 7.00 pm (Adelaide time) on 11 February 2015 (**Record Date**) will be entitled to subscribe for one new fully paid ordinary share in the Company for every one ordinary share held as at the Record Date at a price of $0.002 per new share. The issue price of the new shares under the offer represents a discount of 50% to the volume weighted average price of the Company's shares during the 14 trading day period up to and including 3 February 2015.

In addition to being able to apply for new shares under the rights issue, eligible shareholders 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 9 February 2015, 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 252,277,951 new shares, which would raise approximately $504,556 and would result in total issued shares in the Company of 504,555,902. 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.

Before making a decision whether to subscribe for any of these shares, please carefully read the Offer Booklet when you receive it. The offer opens on 16 February 2015 and closes at 5.00 pm (Adelaide time) on 25 February 2015.

From 5 February 2015, the Offer Booklet will be available to download from both the ASX website (at www.asx.com.au) and the Company's website (at www.petratherm.com.au), and will subsequently be mailed to eligible shareholders on or around 16 February 2015.

The indicative timetable for the rights issue is as follows:

Event	Date
Announcement of Entitlement Offer and Appendix 3B lodged with ASX	4 February 2015
Offer Booklet lodged with ASX	5 February 2015
Shareholder notice despatched	6 February 2015
Shares trade on an "ex" Entitlement basis	9 February 2015
Record Date for eligibility to participate in the Entitlement Offer	11 February 2015 at 7:00pm Adelaide time
Offer Booklet and Entitlement and Acceptance Form despatched to Shareholders	16 February 2015
Opening Date for the Entitlement Offer	16 February 2015
Last day to extend the Closing Date for the Entitlement Offer	20 February 2015
Closing Date for the Entitlement Offer	25 February 2015 at 5:00pm Adelaide time
Securities quoted on a deferred settlement basis	26 February 2015
Notify ASX of under subscriptions	2 March 2015
Allotment of New Shares issued under the Entitlement Offer and deferred settlement trading ends	4 March 2015
Normal ASX trading for New Shares commences	5 March 2015
Despatch of holding statements for New Shares issued under the Entitlement Offer	10 March 2015

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 fully underwritten by Taylor Collison Limited.

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

Yours faithfully

Donald Stephens

Donald Stephens
Company Secretary