ENERJI LIMITED

Enerji Ltd

(ASX: **ERJ**)

ASX Announcement

25 March 2014

ENTITLEMENT OFFER ALLOTMENT OF SHARES

Further to the 21 March 2013 announcement, Enerji Ltd **(Company**) is pleased to announce the allotment of 95,513,623 ordinary shares pursuant to it's non-renounceable rights issue and confirms that the shares have been allotted into the Issuer and CHESS sponsored sub-register.

The date of allotment is the 26 March 2014 and the number of shares for which quotation is sought is 95,513,623 in accordance with the Appendix 3B attached.

The issued capital of the Company following the allotment is:

Ordinary Fully Paid Shares (ERJ)	368,029,413
(ERJO) $2.00 Options expiring 31 December 2016	6,473,904
(ERJOA) $0.30 Options expiring 30 June 2015	133,147,686

New holding statements will be dispatched to security holders on 26 March 2014 advising them of their holdings.

The Directors are in consultation with the Underwriters to place the Shortfall Shares in accordance with the terms of the Offer.

Colin Stonehouse
CEO and Managing Director

Geoffrey Reid
Company Secretary

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About Enerji

Enerji Limited is a clean power company focused on delivering waste heat to power systems.

The technology transforms waste heat into electricity and therefore creates significant energy cost savings and reduced CO_2 emissions

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Enerji Limited

ABN

62 009 423 189

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Ordinary Shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	95,513,623 Ordinary Shares
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Ordinary Fully Paid Shares

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	All Fully Paid Shares issued will rank equally with existing Fully Paid Ordinary Shares on issue
5	Issue price or consideration	$0.005 per Ordinary Share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Fully paid ordinary shares to be issued pursuant to a fully underwritten non-renounceable entitlement offer
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	n/a
6c	Number of +securities issued without security holder approval under rule 7.1	n/a

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	n/a
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	n/a
6f	Number of securities issued under an exception in rule 7.2	Fully Paid Ordinary Shares to be allotted pursuant to a non-renounceable entitlement offer, pursuant to exceptions 1, 2 and 3
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	n/a
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	n/a
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	55,204,412 – Rule 7.1 (see annexure 1)
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	26 March 2014

+ See chapter 19 for defined terms.

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)	368,029,413	Ordinary Shares
		6,473,904	Options exercisable at \$0.20 on or before 31 December 2016
		133,147,686	Options exercisable at \$0.03 on or before 30 June 2015

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)	n/a	

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Directors are not able to say when and if dividends will be paid in the future as the payment of dividends will depend on the profitability, financial position and cash requirements of the Company. Fully Paid Ordinary Shares are entitled to participate in any dividend declared by the company.

Part 2 - Bonus issue or pro rata issue

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 for 1

+ See chapter 19 for defined terms.

14	+Class of +securities to which the offer relates	Fully Paid Ordinary shares
15	+Record date to determine entitlements	26 February 2014
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole number of shares
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Austria, Belgium, Canada, Germany, Hong Kong, Indonesia, Ireland, Israel, Japan, Malaysia, Malta, Papua New Guinea, Singapore, Switzerland, United Kingdom, Vanuata
19	Closing date for receipt of acceptances or renunciations	18 March 2014
20	Names of any underwriters	Peter Avery, Stevsand Holdings Pty Ltd, Frollo Enterprises Limited
21	Amount of any underwriting fee or commission	5%
22	Names of any brokers to the issue	na
23	Fee or commission payable to the broker to the issue	na

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	na
25	If the issue is contingent on security holders' approval, the date of the meeting	No
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	3 March 2014
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	13 February 2014
28	Date rights trading will begin (if applicable)	na
29	Date rights trading will end (if applicable)	na
30	How do security holders sell their entitlements *in full* through a broker?	na
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	na
32	How do security holders dispose of their entitlements (except by sale through a broker)?	na
33	+Issue date	26 March 2014

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☒ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☒ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Items 38 to 42 not applicable, box 34(b) not ticked

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

+ See chapter 19 for defined terms.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .... Date: 26 March 2014
(Director/Company secretary)

Print name: Geoffrey G Reid

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	163,128,717
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	204,900,696
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	0
"A"	**368,029,413**

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	55,204,412
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	nil
"C"	**0**
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	55,204,412
Subtract "C" *Note: number must be same as shown in Step 3*	0
Total ["A" x 0.15] – "C"	55,204,412 *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Annexure 1, Part 2 not applicable as a special resolution to apply Rule 7.1A has not been put to shareholders

TOP 20 HOLDERS OF ORDINARY SHARES AS AT 26 MARCH 2014		
	Number of Shares	**% of Issued**
LILAC ROAD PTY LTD	51,804,000	14.08%
HAWERA PTY LTD	27,078,030	7.36%
PETER JAMES AVERY	12,700,000	3.45%
J & TW DEKKER PTY LTD	10,000,550	2.72%
STEVSAND HOLDINGS PTY LTD	9,936,386	2.70%
COLIN RICHARD STONEHOUSE	8,000,000	2.17%
CAPE BOUVARD EQUITIES PTY LTD	6,666,667	1.81%
BUELOW NOMINEES PTY LTD	6,500,000	1.77%
ANDREW PETER FISHER	6,000,000	1.63%
STONEHOUSE ENGINEERING PTY LTD	6,000,000	1.63%
PRIMERO GROUP	5,524,146	1.50%
EC DAWSON SUPER PTY LTD	5,200,000	1.41%
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	4,513,251	1.23%
BOXPOWER AB	4,450,000	1.21%
EMINA DAVIS	4,000,000	1.09%
INDIO HOLDINGS PTY LTD <THE INDIO SUFERFUND A/C>	3,920,000	1.07%
BELL POTTER NOMINEES LTD	3,699,800	1.01%
INDIO HOLDINGS PTY LTD	3,207,334	0.87%
ANDREW PETER FISHER	3,150,550	0.86%
RAY SLEIMAN	3,037,600	0.83%
Total	**185,388,314**	**50.37%**

DISTRIBUTION SCHEDULE OF ORDINARY SHARES AS AT 26 MARCH 2014			
Shares	**Number of Holders**	**Number of Shares**	**% of Issued**
1 - 1,000	451	126,450	0.03%
1,001 - 5,000	337	959,138	0.26%
5,001 - 10,000	239	1,979,561	0.54%
10,001 - 100,000	668	28,953,239	7.87%
100,001 and over	333	336,011,025	91.30%
Total	**2,028**	**368,029,413**	**100.00%**

+ See chapter 19 for defined terms.