



ASX Announcement

14 March 2016

Strategic Alliance with Impact Investment Partners and Renounceable Rights Issue

Highlights

- Regalpoint (ASX:RGU) announces new strategic alliance with Impact Investment Partners, a specialist investment and asset manager.
- Strategic focus on energy and utility infrastructure co-investment and collaboration with Indigenous communities.
- Complements RGU's corporate strategy to leverage growing demand for low carbon energy (Uranium) and infrastructure growth and development in northern Australia.
- RGU undertaking a \$2m capital raising via a renounceable rights issue with Patersons Securities Limited as lead manager and to underwrite the issue.

Regalpoint Resources Limited (**ASX:RGU** or the **Company**) is pleased to announce that it has entered into a strategic alliance with Impact Investment Partners Pty Ltd (**Impact**), a specialist investment and asset manager, to focus on energy and utility infrastructure co-investment and collaboration with Indigenous communities.

The Company is also undertaking a \$2 million capital raising via a 3 for 1 renounceable rights issue @\$0.01 (with 1 free attaching option for every 2 shares subscribed) (**Rights Issue** or **Offer**) with Patersons Securities Limited (**Paterson's**) retained as lead manager and to underwrite the Offer.

An Investor Presentation outlining the strategic alliance with Impact and the proposed terms of the Offer has been released to the market.

Impact Alliance

RGU and Impact have signed a memorandum of understanding (**MOU**) to form a strategic alliance to pursue complementary business opportunities for both groups (**Alliance**). RGU has a core portfolio of strategic uranium projects in northern Australia and has been actively seeking new project opportunities to complement its existing business and create near term value or shareholders. Impact is a specialist investment and asset manager with close links to various indigenous groups in Australia.

In particular, the Alliance will focus on energy and utility infrastructure opportunities involving co-investment and collaboration with Indigenous communities. The MOU contemplates that the

Alliance will:

- seek to strategically position to leverage on the growing demand for low carbon and renewable energy alternatives;
- investigate growth opportunities in northern Australia, including, the technical feasibility and commerciality of new projects in the "clean energy" space;
- establish a management/operations committee comprised of representatives from each of RGU and Impact who will seek to manage and implement the objectives;
- work collaboratively to determine how they can together advance, or leverage off, RGU's existing project operations; and
- examine business opportunities where social investment principles, and in particular Indigenous economic development offers value to the stakeholders.

Impact currently has multiple work streams underway in the Northern Territory and Western Australia and is targeting at least one completed transaction during 2016.

In conjunction with the Alliance arrangements and subject to the completion of the Rights Issue, RGU will provide a loan (which may be convertible into equity) to Impact to enable it to progress the Alliance objectives. An initial loan of up to \$500,000 will be provided, and subject to progress of the business plan and any necessary regulatory approvals, RGU may provide additional loan funds of up to \$500,000. The Alliance will be subject to governance arrangements, budget and controls, and key milestones, which will be outlined in the formal documentation (currently under preparation).

As consideration for entering into the Alliance and the provision of the loan, Impact will grant to RGU:

- 10% of the fully paid ordinary shares in the capital of Impact (**Impact Shares**), per \$500,000 loan value, on a fully diluted basis; and
- a 12 month option to acquire the remaining Impact Shares (80% or 90% as the case may be) at an exercise price of \$1.56m (less the value of any loan funds outstanding) to be satisfied by the issue of shares in RGU at the same issue price and terms as the Rights Issue.

Rights Issue

RGU is proposing to undertake a renounceable rights issue (**Rights Issue** or **Offer**) and has appointed Patersons Securities Limited (**Patersons**) as sole lead manager and to underwrite the Offer. The key terms of the proposed Rights Issue are as follows:

- 3 new shares for every 1 share held at an issue price of \$0.01 per new share with 1 free attaching option for every 2 new shares subscribed.
- \$2.0m raising (before costs and conversion of debt/ accruals).
- 202.8m new shares to be issued with 101.4m options.

- Options to be exercisable at \$0.02 on or before 30 September 2018.
- All debt and accrued fees (c.\$708,000) owing to the Transcontinental Investments Pty Ltd (**TRG**) and RGU directors will be taken as equity under the Rights Issue.
- TRG (c.25% interest in RGU) has undertaken to take up all its entitlement of 51.6m shares (c.\$516,000), of which c.\$505,000 relates to debt and accrued fees which will be taken as equity.

The proposed timetable for the Offer is as follows:

Monday, 14 March 2016	Announcement to ASX of the Rights Issue.
Thursday, 17 March 2016	Notices sent to shareholders.
Monday, 21 March 2016	Shares commence trading on the ASX on an ex-rights basis.
Monday, 21 March 2016	Rights trading commences.
5.00pm (Perth time) Tuesday, 22 March 2016	Record Date – the date for identifying shareholders entitled to participate in the Rights Issue.
Thursday, 24 March 2016	Prospectus and Entitlement and Acceptance Forms sent to eligible shareholders.
Thursday, 24 March 2016	Opening Date – the first day for receipt of acceptances under the Rights Issue.
Monday, 4 April 2016	Rights trading ends.
Tuesday, 5 April 2016	New shares quoted on a deferred settlement basis.
5.00pm (Perth time) Monday, 11 April 2016	Closing Date – the last day for receipt of acceptances under the Rights Issue.
Thursday, 14 April 2016	Announcement to ASX of the results of the Rights Issue and any shortfall.
Monday, 18 April 2016	Issue date – New shares issued and entered into the share register.
Wednesday, 20 April 2016	New shares expected to commence normal trading on ASX.

ENDS

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