

Company Announcements Office
 ASX Limited
 Exchange Centre
 20 Bridge Street
 Sydney NSW 2000

13 October 2016

ASX ANNOUNCEMENT

For Immediate Release

INCREASE IN ON-MARKET OFFER BY DRAKE PRIVATE INVESTMENTS LLC FOR ALL ORDINARY SHARES OF BBX MINERALS LIMITED ACN 089 221 634

HIGHLIGHTS

THE INCREASED OFFER PRICE IS THE BIDDER'S BEST AND FINAL OFFER AND WILL NOT BE INCREASED
 (SUBJECT TO NO SUPERIOR OFFER EMERGING)

UNLESS REQUIRED BY LAW, THE OFFER PERIOD WILL NOT BE EXTENDED
 (SUBJECT TO NO SUPERIOR OFFER EMERGING)

THE BIDDER IS OFFERING AN INCREASED OFFER PRICE OF \$0.046 PER BBX SHARE, WHICH CONSTITUTES A PREMIUM FOR CONTROL OF BETWEEN 458% TO 256% TO THE VALUES DERIVED IN THE INDEPENDENT EXPERT'S REPORT OF BBX¹

THE BIDDER IS OFFERING AN IMMEDIATE CASH EXIT AT A SUBSTANTIAL PREMIUM, WHICH THE BIDDER NOTES SHOULD BE COMPARED TO THE POTENTIAL DILUTIVE EFFECT ON BBX SHAREHOLDERS OF BBX RAISING ADDITIONAL FINANCING²

Pursuant to a Bidder's Statement dated on or about 6 September 2016 (the **Bidder's Statement**), Drake Private Investments LLC (**Bidder**) made an on-market takeover bid for all of the fully paid ordinary shares (**Shares**) in the capital of BBX Minerals Limited ACN 089 221 634 (**BBX**), that it did not then own (the **Offer**).

Morgans Financial Limited (the **Bidder's Broker**) refers to its own announcement on 6 September 2016 concerning the Offer, and hereby announces that **the Offer price has been increased to \$0.046**.

¹ BBX Shareholders should refer to Section 1 of the Bidder's First Supplementary Bidder's Statement dated 13 October 2016. BBX Shareholders should also read this statement in the context of the BBX Target's Statement and the Independent Expert's Report contained within it, which contains important information, qualifications and limitations to the values derived by the Independent Expert. This number is also subject to the effects of rounding.

² BBX Shareholders should refer to Section 3 of the Bidder's First Supplementary Bidder's Statement dated 13 October 2016. BBX Shareholders should note that BBX may elect to raise funds through other means (such as debt funding) and it may be the case that some or all of any equity raisings could occur on a pro-rata basis, in which case provided that BBX Shareholders were to participate in the relevant equity raising, their holding would likely either not be diluted or be diluted to a lesser extent.

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The increased Offer price represents a 24.3% premium to the closing Share price on 5 September 2016 (the day prior to lodgement of the Bidder's Statement) of \$0.037, and a 26.2% premium to the volume weighted average share price over the previous 90 Trading Days from and including 3 May 2016 to and including 5 September 2016.

The Bidder has advised that subject to no superior offer emerging:

- the increased Offer price is the Bidder's **BEST AND FINAL** and **WILL NOT BE FURTHER INCREASED**; and
- unless required by law, the Offer Period **WILL NOT BE EXTENDED**.

No other terms of the Offer have changed, and accordingly **the Offer will remain open for acceptance until the close of trading on ASX (approximately 4.00pm AEST) on 21 October 2016** (unless extended or withdrawn in accordance with the *Corporations Act 2001* (Cth) (*Corporations Act*)).

As at 12 October 2016, the last practicable day before the date of the announcement the Bidder has a Relevant Interest (as that term is defined in the Corporations Act) in approximately 106,457,928 BBX Shares, representing a Voting Power (as that term is defined in the Corporations Act) in BBX of approximately 36.75%.

Signed for and on behalf of Morgans Financial Limited



John Polinelli
Director, Corporate Advisory

Morgans Financial Limited

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