

**ASX RELEASE****25 March 2014****Successful Completion of Placement**

Donaco International Limited (**the Company**) announces that it has received binding commitments from institutional and sophisticated investors in Australia and overseas for a private placement of 56.39 million shares at A\$1.33 per share, to raise A\$75 million.

The placement, which was substantially oversubscribed, was undertaken pursuant to Section 708 of the Corporations Act. It will be completed in two tranches, with the first tranche consisting of 26.75m shares, which is within the Company's 15% annual placement capacity. The remaining 29.64m shares will be subject to shareholder approval at an Extraordinary General Meeting.

Managing Director and CEO, Mr Joey Lim, said "We are very pleased that with the support of our investors, we are in a position to pursue our strategy of investing in leisure and entertainment assets in Asia Pacific.

"The strong performance of our flagship business, the Lao Cai International Hotel in Vietnam, has given us confidence in the huge potential of the growth in tourism in Asia, and the substantial unmet demand for leisure and entertainment offerings.

"None of the funds that we are raising today are intended for use at our existing hotel and casino business at Lao Cai. The construction of our new five star hotel property continues on time and on budget, and is on track for a soft opening in May 2014. We have sufficient funds to ensure the liquidity of our much larger gaming business in the new property, and we are very encouraged by the response to our pre-opening marketing.

"The Board and management team has maintained a very strong focus on the completion of our new hotel at Lao Cai. However, we have always stated that Donaco was never intended to be a single asset company. Accordingly, we have continued to examine potential investments in other assets, where we can leverage our strengths and expertise in gaming and hospitality operations.

"Although we cannot give details of these potential investments today, a number of them are close to fruition. As we are engaged in competitive processes, we cannot guarantee that any deals will be concluded in the short term. However the pipeline of deals is very strong, and today's successful raising will greatly enhance our ability to conclude a deal.

"We are extremely disciplined in our approach to potential deals. We will not overpay for any asset. We will not conclude a deal unless we are confident that it will generate strong returns for shareholders. We will ensure that any deal is within our core area of expertise, and taps the huge demand for gaming services from the expanding middle class in Asia."

As a result of this announcement, the Company's shares will resume trading when the market opens today.

Canaccord Genuity (Australia) Limited acted as sole lead manager to the placement.

**For further information:**

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Executive Director  
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**ABOUT DONACO INTERNATIONAL LIMITED (ASX: DNA)**

Donaco International Limited operates leisure, entertainment and associated technology businesses across the Asia Pacific region.

Our flagship business is the Lao Cai International Hotel, a successful boutique casino in northern Vietnam. The Lao Cai International Hotel was established in 2002, and is located on the border with Yunnan Province, China. Donaco operates the business and owns a 95% interest, in a joint venture with the Government of Vietnam.

The Lao Cai International Hotel is a pioneer casino operator in Vietnam. The property is currently being expanded from a 3-star 34 room hotel, to a brand new 5-star resort complex with 428 hotel rooms.

Donaco also owns and operates successful gaming technology businesses, including secure mobile payment gateways across South East Asia, and the Way2Bet wagering portal, whose customers include all major corporate bookmakers in Australia.

To learn more about Donaco visit [www.donacointernational.com](http://www.donacointernational.com)

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