

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, 04/03/13

Name of entity

Boral Limited (**Boral**)

ABN

13 008 421 761

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 | Fully paid ordinary shares (Shares). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>Up to 334,954,701 Shares are expected to be issued pursuant to a fully underwritten pro rata accelerated renounceable entitlement offer, as detailed in the ASX announcement dated 21 November 2016 (Entitlement Offer). The exact number of Shares to be issued under the Entitlement Offer and the split between the:</p> <ul style="list-style-type: none">• institutional component of the offer; and• retail component of the offer (with retail rights trading), <p>is to be finalised and is subject to reconciliation of shareholder entitlements and rounding.</p> <p>Up to 93,750,000 Shares pursuant to the institutional placement, as detailed in the ASX announcement dated 21 November 2016 (Placement).</p> |

3	Principal terms of the +securities (e.g. 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)	Same as existing quoted fully paid ordinary shares in Boral.
4	Do the +securities rank equally in all respects from the +issue date 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	Yes, the Shares will rank equally in all respects with the existing fully paid ordinary shares in Boral.
5	Issue price or consideration	\$4.80 per Share under the Entitlement Offer and the Placement.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To part fund the acquisition by Boral of Headwaters Incorporated, a New York Stock Exchange listed entity.
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	N/A.

+ See chapter 19 for defined terms.

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.
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	N/A.
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	N/A.
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	The issue date under the institutional component of the Entitlement Offer and the Placement is scheduled for 2 December 2016. The issue date under the retail component of the Entitlement Offer is scheduled for 20 December 2016.
Number		+Class

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	743,599,437	Fully paid ordinary shares.
		Number	⁺ Class
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	N/A	N/A
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change. Dividend policy same as for existing ordinary shares.	

Part 2 - Pro rata issue

11	Is security holder approval required?	No.
12	Is the issue renounceable or non-renounceable?	Renounceable.
13	Ratio in which the ⁺ securities will be offered	1 new ordinary share for every 2.22 ordinary shares held at the record date.
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid ordinary shares.
15	⁺ Record date to determine entitlements	7.00pm (Sydney time) on 24 November 2016.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	Any fractions arising in the calculation of entitlements will be rounded up the nearest whole number of Shares.

⁺ See chapter 19 for defined terms.

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.	For the institutional offer, all countries other than Australia, New Zealand, United States, New Zealand, Canada (Ontario, Quebec and British Columbia), Hong Kong, Singapore, Malaysia, Japan, United Kingdom, Norway, Switzerland, Ireland, France, Germany, Netherlands, Sweden, Denmark, Belgium, Luxembourg and United Arab Emirates (excluding Dubai International Financial Centre). For the retail offer, all countries other than Australia and New Zealand.
19	Closing date for receipt of acceptances or renunciations	The institutional component of the Entitlement Offer is scheduled to close on 22 November 2016. The retail component of the Entitlement Offer is scheduled to close on 9 December 2016.
20	Names of any underwriters	Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832), and Macquarie Capital (Australia) Limited (ABN 79 123 199 548) and J.P. Morgan Australia Limited (ABN 52 002 888 011) (the Underwriters).
21	Amount of any underwriting fee or commission	Boral has agreed to pay the Underwriters the following fees: - in relation to the proceeds raised from the institutional component of the Entitlement Offer and the Placement, a total underwriting fee of 1.00% (excluding GST) and a total management fee of 0.75% (excluding GST); and - in relation to the proceeds raised from the retail component of the Entitlement Offer, a total underwriting fee of 1.00% (excluding GST) and a total management fee of 0.75% (excluding GST).
22	Names of any brokers to the issue	N/A.
23	Fee or commission payable to the broker to the issue	N/A.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A.

25	If the issue is contingent on security holders' approval, the date of the meeting	N/A.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	No prospectus is being prepared. An investor presentation has been provided to ASX with this Appendix 3B. A retail entitlement offer booklet and entitlement and acceptance form are scheduled to be sent to eligible retail shareholders on or around 24 November 2016.
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	N/A.
28	Date rights trading will begin (if applicable)	24 November 2016 (on a deferred settlement basis). 1 December 2016 (on a normal settlement basis).
29	Date rights trading will end (if applicable)	2 December 2016.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Eligible retail shareholders who wish to sell their entitlements in full on ASX must instruct their broker and provide details as requested from their Entitlement and Acceptance Form. All ASX sales of entitlement must be made by close of the retail entitlement trading period, which is scheduled to be 2 December 2016.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Eligible retail shareholders who wish to sell part of their entitlements through a broker and accept the balance must: • in respect of the part of their entitlements to be sold on ASX, instruct their broker and provide details as requested from their Entitlement and Acceptance Form; and • in respect of the part of their entitlements to be accepted, complete and return their Entitlement and Acceptance Form with the requisite Application Monies or pay the requisite Application Monies by Bpay® by following the instructions set out in their Entitlement and Acceptance Form. All sales on ASX of eligible retail shareholder entitlements must be effected by close of the retail entitlement trading period, which is

+ See chapter 19 for defined terms.

scheduled to be 2 December 2016.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- Eligible retail shareholders who wish to transfer all or part of their entitlements other than on ASX must send a completed Renunciation and Transfer Form (obtainable from the Boral Share Registry or their broker) together with their Entitlement and Acceptance Form and the transferee's requisite Application Monies to the Boral Share Registry in relation to those entitlements that they wish to transfer by no later than 5.00pm (Sydney time) on 9 December 2016. The transferee's address must be in Australia or New Zealand (unless Boral agrees otherwise) and the transferee must not be in the United States or acting for the account or benefit of a person in the United States. Renunciation and Transfer Forms can be obtained through the Boral Limited Offer Information Line or from a stockbroker.
- 33 ⁺Issue date
- The issue date under the institutional component of the Entitlement Offer is scheduled for 2 December 2016.
- The issue date under the retail component of the Entitlement Offer is scheduled for 20 December 2016.

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

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought N/A.
- 39 +Class of +securities for which quotation is sought N/A.
- 40 Do the +securities rank equally in all respects from the +issue date 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
- N/A.
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another +security, clearly identify that other +security)
- N/A.

+ See chapter 19 for defined terms.

42 Number and ⁺class of all
⁺securities quoted on ASX
(*including* the ⁺securities in clause
38)

Number	⁺ Class
N/A.	N/A.

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.
- 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 is not available now, we 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: 21 November 2016
Company Secretary

Print name: Dominic Millgate

+ See chapter 19 for defined terms.