



24 August 2017

Company Announcements Office
ASX Limited

Sophisticated Investor Placement

CAQ Holdings Limited ("**the Company**") has entered into a Subscription Agreement with an unrelated sophisticated investor ("**the Subscriber**") to raise US\$10 million ("**Placement**").

In accordance with the Subscription Agreement, the Company will issue fully paid ordinary shares ("**Shares**") to the Subscriber at AUD \$0.20 per share. The number of Shares to be issued is based on a conversion of the US\$10 million to AUD at the Company's nominated bank's exchange rate on the date of receipt. The Shares will be issued using the Company's available placement capacity under ASX Listing Rule 7.1.

The Placement is expected to occur by 31 August 2017. The funds raised will be used to settle outstanding loans, for improvements to the Haikou Project and to provide additional working capital for the Company and its wholly owned subsidiary, Haikou Peace Base Industry Development Co. Ltd.

End