



4 June 2018

ASX ANNOUNCEMENT

Private Placement to raise \$5.86 million

The Board of Jatenergy Limited (JAT) intends to hold a general meeting of shareholders on 11 July 2018 to seek approval for the following:

1. Approval for the acquisition of Green Forest International Pty Ltd on the terms set out in the ASX announcement on 24 May 2018;
2. Approval for the issue of 58.6 million fully paid ordinary shares at an issue price of 10c per share to sophisticated investors to raise \$5.86 million to fund the development of its FMCG business;
3. Approval for the issue of 1,173,333 fully paid ordinary shares at an issue price of 1.5c per share to sophisticated and strategic investors to raise \$17,600.

Background

JAT commenced to establish its fast-moving consumer goods ("FMCG") business in 2015. On 27 March 2018, shareholders of JAT approved at a general meeting the change in the nature and scale of JAT's activities to the FMCG business.

JAT has recently acquired 51% of Golden Koala Group Pty Limited, it is proposing the acquisition of 50% of Green Forest International Pty Limited ("Green Forest"), it is establishing its own retail business in China (see the ASX announcement on 30 May 2018) and is continuing to develop its own retail products.

Use of funds

As a result of the expansion of its operations, JAT has the following funding requirements:

China International Import Expo (CIIE) CIIE registration and exhibition booth fit out and free promotional products	\$500,000
JAT Maternity and Children store Fit out and inventory for the Zhengzhou Hui Yue Kid's City "JAT Maternity and Children store"	\$400,000
Expansion of milk powder production capacity Includes the pre-order of base powders and packaging for adult, children and infant formula production.	\$1,750,000
Expansion of production capacity for other health products Includes the pre-order of raw materials	\$500,000



Manufacturing (under contract) and stockpiling of Inventory Includes infant formula, children powder, adult milk powder and health products	\$1,500,000
Working capital Includes budgets for marketing and administrative expenditure for JAT, Golden Koala, and Green Forest	\$700,000

JAT has sufficient cash on hand to meet the Green Forest acquisition (subject to the acquisition being approved by shareholders at the 11 July 2018 general meeting). The other items of expenditure set out above will be able to be met from a combination of trading cash flow and the placements of shares outlined above.

Shareholder approval

JAT intends to hold a general meeting of shareholders on 11 July 2018 to approve the acquisition of Green Forest International Pty Ltd and the issue of 58.6 million fully paid ordinary shares at an issue price of 10c per share. The placement is being supported by the directors of JAT who have offered to subscribe for 12 million of the 58.6 million shares, subject to shareholder approval.

A notice of meeting for the general meeting is expected to be forwarded to shareholders in the next few days.

Anthony Crimmins
Executive Chairman