



12 August 2014

Dear Option holder

### Notice of Expiry of Options

The purpose of this letter is to advise you that the Loyalty Options you hold are due to expire on 11 September 2014 (Expiry Date). The number of Loyalty Options you hold is set out in the enclosed Notice of Exercise form. **It is important to note that if you take no action before then they will lapse with no benefit to you.**

This letter sets out the actions you may take prior to the Expiry Date.

### Pental share price performance

Your Loyalty Options have an exercise price of \$0.02. You should note that, at the date of this notice the Pental share price is \$0.034. During the last 3 months the share price has ranged between \$0.025 and \$0.038.

The improvement in Pental's share price is a reflection of the improvement in the Company's business performance following the successful business restructure during the last two years. Pental expects to report its results for the 2014 financial year on 22 August 2014. Its result for the Half Year ended 31 December 2013 was a Net Profit After Tax of \$2.15m.

### What you can do

You may:

1. Exercise your Loyalty Options (see below);
2. Sell your Loyalty Options on market as they are currently listed on ASX; or
3. Do nothing, in which case your options and rights attaching to them will lapse, meaning no shares will be issued to you and you will not be able to participate in the benefits of holding shares, such as voting or dividend rights.

### How to exercise your Options

Your Loyalty Options will expire on 11 September 2014. Each option entitles you to acquire one ordinary fully paid share in Pental, with the exercise price of \$0.02 per option. You may exercise all or part (in multiples of 1,000) of your options by completing the enclosed "Notice of Exercise and Application for Shares" form and making the payment of \$0.02 for each option exercised by no later than 5.00pm (WST) on 11 September 2014. If you do not advise us of your intention to exercise your options by completing the form and remitting the payment by that time the unexercised options and rights pertaining to them will expire.

Payments must be in Australian dollars only, and cheques should be made payable to Pental Limited and crossed "Not Negotiable" and drawn on an Australian Bank. If you choose to use the BPay payment option set out in the form, please also forward the "Notice of Exercise and Application for Shares".

### Last date of Quotation on ASX

The last date of quotation of these Loyalty Options on the ASX will be 4 September 2014.

Should you have any queries relating to exercising your options, please do not hesitate to contact the share registry on (within Australia) 1300 737 760 or (outside Australia) +61 2 9290 9600.

Yours sincerely

Oliver Carton  
Company secretary



#### PENTAL LIMITED

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ACN 091 035 353 ABN 29 091 035 353



# Pental Limited

## Application for Shares on Exercise of Options

Options exercisable at A\$0.02 expiring at 5.00pm (Sydney Time) on 11 September 2014

ACN 29 091 035 353

Number of Options  
Registered in your name:

### To be completed by Optionholder:

Number of Options being exercised:	Multiplied by the exercise price of A\$0.02	Amount Paid:
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Payment may only be made by BPAY or cheque. Cash will not be accepted via the mail or at the Pental Limited Share Registry.  
Payments cannot be made at any bank. Please tick the relevant box below to confirm your method of payment.

Payment Option 1 – BPAY  (tick the relevant box)



Billers Code: 117994  
Ref:

#### Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account.  
More info: [www.bpay.com.au](http://www.bpay.com.au)  
© Registered to BPAY Ltd ABN 69 079 137 518

- If paying by BPAY you must still return this exercise notice with your signature(s) below
- The amount of your payment received in the account divided by the exercise price will be deemed to be the total number of options you are exercising

Payment Option 2 – Cheque (Record cheque details below)  (tick the relevant box)

DRAWER	CHEQUE NO.	BSB NO.	ACCOUNT NO.	AMOUNT \$AUD
				\$

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to "Pental Limited" and crossed Not Negotiable and should be attached to this form.
- The amount of your payment received in the account divided by the exercise price will be deemed to be the total number of options you are exercising

To the Directors  
Pental Limited ("Company")

I/We being the registered holders Options each to acquire one Fully Paid Ordinary Share in the Company hereby give notice of the exercise of Options and attach hereto my/our cheque payable to "PENTAL LIMITED" in payment of such exercise.

I/We agree to my/our name/s being placed on the Register of Members in respect to the number of shares in the Company allotted and to be bound by the Constitution of the Company.

### Please sign here:

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director & Company Secretary	Director	Director / Company Secretary

Telephone No. (Business Hours) ( ) Date

### Lodgement of Application

Pental Limited C/- Boardroom Pty Limited, GPO Box 3993, SYDNEY NSW 2001

Neither Boardroom Pty Limited nor the Company accepts any responsibility if you lodge this Application at any other address or by any other means

## TERMS OF OPTIONS

Pental Limited

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- (a) each Option is exercisable at any time on or before 5.00 pm (Melbourne time) on the Expiry Date. Any Options not exercised by the Expiry Date will automatically lapse on the Expiry Date;
- (b) the Exercise Price for each Option (which is payable immediately on exercise) is \$0.02 per New Share;
- (c) all or some of the Options may be exercised for all or some of the Options issued by the Option Holder giving written notice to the Company at its registered office on or before 5.00 pm (Melbourne time) on the Expiry Date (**Notice of Exercise**);
- (d) the Notice of Exercise, below, must specify the number of Options being exercised and must be accompanied by a cheque, payable to the Company, for the total applicable Exercise Price payable by the Option Holder;
- (e) on receipt by the Company of the Notice of Exercise and the payment of the Exercise Price, the Company must, within the time period prescribed by the ASX Listing Rules:
- (i) issue to the Option Holder one New Share in the Company for each Option exercised by the Option Holder;
  - (ii) cause to be dispatched to the Option Holder the relevant acknowledgement of issue as soon as is reasonably practicable; and
  - (iii) (if applicable) issue a new holding statement for the balance of Options that remain unexercised;
- (f) New Shares issued on the exercise of the Options will rank equally in all respects with the then existing Shares (except in respect to any dividends which have been declared but not yet distributed before the exercise of the Option) and will be subject to the provisions of the Constitution;
- (g) the Options do not entitle the Option Holder to vote at any meetings of Shareholders;
- (h) the Options do not provide any entitlement to dividends paid on Shares;
- (i) the Options are transferable by an Option Holder in accordance with the ASX Listing Rules;
- (j) in the event of a pro rata issue of Shares by the Company the Exercise Price for each Option will be adjusted in accordance with ASX Listing Rule 6.22.2;
- (k) if any reorganisation (including consolidation, subdivision, reduction, return or cancellation) of the issued capital of the Company occurs before the expiry of the Options, the number of Options to which Option Holder is entitled and/or the Exercise Price of the Options must be reorganised in accordance with the ASX Listing Rules applying to a reorganisation at the time of the reorganisation;
- (l) an Option does not confer the right to participate in new issues of capital offered to Shareholders during the term of the Options without exercising the Options. However, the Company will ensure that for the purposes of determining entitlements to any new issue, the record date will be at least 5 Business Days after a new issue or dividend payment is announced, giving Option Holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any new issue;
- (m) in the event of the liquidation of the Company, all unexercised Options will lapse;
- (n) to the extent that the terms and conditions of the Options are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these terms and conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms; and
- (o) these terms and conditions are governed by the laws of the State of Victoria. The parties submit to the non exclusive jurisdiction of the courts of Victoria.