

ASX: SKF

Cleansing Notice and ASX LR 3.10.5A Notice**Cleansing Notice**

In relation to the issue of shares referred to in the Company's Appendix 3B dated 21 December 2016, Skyfii gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**) that:

1. Skyfii issued the Shares without disclosure to investors under Part 6D.2 of the Corporations Act;
2. as at the date of this notice, Skyfii has complied with:
 - a) the provisions of Chapter 2M of the Corporations Act as they apply to Skyfii; and
 - b) section 674 of the Corporations Act; and
3. as at the date of this notice, there is no excluded information (within the meaning of sections 708A(7) and 708A(8) of the Corporations Act) which is required to be set out in this notice under Section 708A(6)(e) of the Corporations Act.

ASX LR 3.10.5A Notice

In accordance with ASX Listing Rule 3.10.5A, Skyfii advises as follows:

- As a result of the above share issue, existing shareholders were diluted by 23.3% (based on the total tranche 1 placement, being 40,043,922 shares) or 10% (based only on those 17,009,055 shares issued pursuant to ASX Listing Rule 7.1A).
- The Board considered a range of alternate capital raising structures. In view of volatile market conditions and based on external advice the Company took the view that a placement was the most appropriate capital raising course to achieve the target raising. The Company has however committed to undertaking an SPP offer to existing shareholders, details of which will be released shortly.
- A 3.6% fee will be paid to supporting brokers in relation to the capital raising. This is the only material fee or cost in relation to the raising, other than the fee for quotation of the new securities on ASX.

ENDS**For further information, please contact:**

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