



## Aquis Entertainment Limited (formerly Discovery Resources Limited)

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24 August 2015

Manager of Company Announcements  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2001

### AQUIS ENTERTAINMENT LIMITED – PRE-QUOTATION DISCLOSURE

#### Completion of Acquisition of Aquis Canberra

As announced on 10 August 2015, Aquis Entertainment Limited (**Company**) confirms that all conditions precedent to the acquisition by the Company of the issued capital in Aquis Canberra Pty Ltd (**Aquis Canberra**) (**Acquisition**) have now been satisfied and completion of the Acquisition occurred on 7 August 2015. Upon completion of the Acquisition:

- (a) the Company issued 149,421,874 fully paid ordinary shares in the capital of the Company (**Shares**) (**Consideration Shares**) to Aquis Canberra Holdings Pty Ltd (**Aquis Canberra Holdings**);
- (b) the following persons were appointed directors of the Company:
  - (i) Mr Tony Fung has been appointed as Chairman;
  - (ii) Mr Raymond Or Ching-Fai has been appointed as a Non-Executive Director and Deputy Chairman;
  - (iii) Mr Justin Fung has been appointed as Executive Director;
  - (iv) Mr Geoff Andres has been appointed as Executive Director and CEO; and

- (v) Mr Russell Shields has been appointed as Independent Non-Executive Director;
- (c) the Company accepted the resignations of Messrs Tony Adcock, Tom Pickett and Josh Puckridge;
- (d) Ms Annalette Wilbers has resigned as Company Secretary and Mr Garry Gill has been appointed in her place; and
- (e) the Company has changed its name to Aquis Entertainment Limited, which has been registered by ASIC.

Mr Alex Chow will also be appointed to the board of the Company upon finalisation of regulatory approvals which are expected to be received following the Company being reinstated to the official list of the ASX.

The Company will also be required to issue the following Shares in connection with the Acquisition which will be issued following the Company's re-instatement to the official list of the ASX, subject to Aquis Canberra successfully submitting a proposal for the redevelopment of the Canberra Casino properties to the ACT Gambling and Racing Commission and the ACT Government and the 30 day volume weighted average price of Shares in the Company being at least A\$0.25:

- (a) 14,125,051 Shares to Aquis Canberra Holdings (**Deferred Consideration Shares**);
- (b) 1,000,000 Shares to Mr Josh Puckridge in consideration for his assistance in implementing the Acquisition (**Implementation Shares**); and
- (c) 250,000 Shares each to Messrs Tony Adcock and Tom Pickett in consideration for them each agreeing to resign as directors of the Company (**Resignation Shares**).

If and when the Deferred Consideration Shares, Implementation Shares and Resignation Shares are to be issued, such issue will be subject to the Company receiving shareholder approval under the ASX Listing Rules or a waiver from the ASX Listing Rules. While the Company's shareholders have already approved such issues at the general meeting held on 10 July 2015, under the ASX Listing Rules that approval expired after a period of 1 month. The Company will seek such approvals or waivers as required before such Shares are issued.

The Company also confirms that:

- (a) there have been no material subsequent events to alter the Company's consolidated statement of financial position as detailed in section 9 of the replacement prospectus dated 20 July 2015 (**Prospectus**);
- (b) there are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Prospectus; and
- (c) as at today's date, it is in compliance with the ASX Listing Rules and in particular its continuous disclosure obligations under Listing Rules 3.1.

## Completion of Capital Raising

As announced on 10 August 2015, the Company confirms that all conditions to the capital raising pursuant to the Prospectus have been satisfied and the Company has issued 10,000,000 Shares (**Capital Raising Shares**) to Aquis Canberra Holdings under the Prospectus to raise \$2,000,000.

An updated statement of commitments for the funds raised under the Prospectus is set out below:

Funding Commitment	Funding	Percentage of Funds
Preliminary scoping and other work in respect of the Proposed Redevelopment	\$900,000	9%
Reserve fund (cash reserves required to be maintained under casino licence conditions)	\$3,008,780	31%
Expenses associated with the Offer and the Acquisition <sup>2</sup>	\$214,769	2%
Evaluating new gaming and entertainment opportunities	\$1,000,000	10%
Working capital <sup>3</sup>	\$4,475,542	47%
<b>TOTAL</b>	<b>\$9,599,091</b>	<b>100%</b>

## Conversion of Shareholder Loans

The Company is party to various loan agreements with its majority shareholder, Aquis Canberra Holdings (or its related bodies corporate), pursuant to which \$15,750,000 has been loaned to the Company or its subsidiaries (**Loan Agreements**).

The face value of the loans granted under the Loan Agreements are convertible into Shares, for which the Company received shareholder approval at its general meeting held on 10 July 2015. However, conversion of the interest accruing under the Loan Agreements is conditional upon the Company receiving shareholder approval under the ASX Listing Rules or a waiver from the ASX Listing Rules in order to permit the issues of those Shares outside of the period of 1 month following the Company's shareholders approving the Acquisition at the general meeting held on 10 July 2015. The Company will seek such approvals as required before such Shares are issued.

## Shareholder Information

The Company's capital structure following completion of the Acquisition are set out below:

Event	Shares	Options
On issue at date of Prospectus	25,719,176	5,000,000 <sup>1</sup>
Consideration Shares	149,421,874	-
Capital Raising Shares	10,000,000	-
<b>TOTAL</b>	<b>185,141,050</b>	<b>5,000,000</b>

### Note:

1. Exercisable at \$0.10 on or before 27 September 2016.

The Company notes that 149,421,874 Shares issued to Aquis Canberra Holdings will be escrowed for a period of 24 months from the date of the Company's re-instatement to the official list of the ASX. In addition, in the event that Shares are issued upon conversion under the Loan Agreements (including in lieu of interest), or if any of the Deferred Consideration Shares, Implementation Shares or Resignation Shares are issued, within a period of 24 months from the date of the Company's re-instatement to the official list of the ASX, any such Shares will be escrowed for the balance of that period.

## Pro Forma Balance Sheet

An updated pro forma balance sheet following completion of the Acquisition and the issue of Shares under the Prospectus is set out below:

Pro-Forma Balance Sheet (\$2m raise) as at 31/12/2014	
	\$A
<b>CURRENT ASSETS</b>	
Cash and Cash Equivalents	11,054,322
Trade and Receivables	40,658
Prepayments	4,505,108
Inventories	137,537
Income Tax Recieveable	23,694
Other Current Assets	250,475
<b>TOTAL CURRENT ASSETS</b>	<b>16,011,794</b>
<b>NON CURRENT ASSETS</b>	
Exploration and Evaluation	0
Property, Plant and Equipment	3,134,023
Intangible Assets	1,970,717
Deferred Tax Assets	0
Investment in Subsidiary	0
<b>TOTAL NON CURRENT ASSETS</b>	<b>5,104,740</b>
<b>TOTAL ASSETS</b>	<b>21,116,534</b>
<b>CURRENT LIABILITIES</b>	
Trade and Payables	1,575,772
Provisions	613,421
Borrowings	700,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,889,193</b>
<b>NON CURRENT LIABILITIES</b>	
Provisions	52,346
Borrowings	0
<b>TOTAL NON CURRENT LIABILITES</b>	<b>52,346</b>

Pro-Forma Balance Sheet (\$2m raise) as at 31/12/2014

	\$A
<b>TOTAL LIABILITIES</b>	2,941,539
<b>NET ASSETS</b>	<b>18,174,995</b>
<b>EQUITY</b>	
Issued Capital	21,179,039
Other Contributed Equity	0
Reserves	0
Accumulated Losses	-3,004,044
<b>TOTAL EQUITY</b>	<b>18,174,995</b>