

## MIDWAY LIMITED

(ASX: MWY)

### ASX and Media Release

19 September 2018

## Successful Completion of \$33.7 million Placement

### Summary

- MWY has successfully raised \$33.7 million via an institutional placement (**Placement**)
- The Placement was strongly supported by existing and new investors and was oversubscribed
- The Placement was priced at \$3.00 per share
- A Share Purchase Plan (**SPP**) to raise approximately \$3 million will follow the Placement with eligible Midway shareholders offered the opportunity to acquire additional new shares
- Proceeds of the Placement and the SPP (collectively the **Capital Raising**) will be used to fund Midway's future investments and growth strategy

### Placement

Midway Limited (**Midway** or the **Company**) is pleased to advise that it has successfully completed an institutional Placement to eligible investors, raising \$33.7 million through the issue of 11.2 million new shares to fund Midway's future investments and growth strategy.

The Placement was priced at \$3.00 per share, representing a 5.4% discount to the last close on 14 September 2018 of \$3.17 per share and 5.0% discount to the 10-day VWAP<sup>1</sup> to close of trade on 14 September 2018 of \$3.1565.

As the Placement was oversubscribed, the Company's two largest shareholders (being an entity associated with Director Greg McCormack, and an entity associated with Directors Nils and Tom Gunnensen) have agreed to sell-down a minority portion of their respective existing shareholdings to satisfy the strong demand from investors. The selling shareholders have advised that they intend to remain as large, supportive and committed investors in the Company. Further details of the changes to the selling shareholders' holdings as a result of the sell-down will be provided in Change of Substantial Holding notices which will be lodged with ASX by the shareholders.

<sup>1</sup> 10-day volume weighted average price (**VWAP**) calculated from 3 September 2018 till 14 September 2018

Commenting on the successful completion of the Placement, Midway Chairman, Greg McCormack said:

*“We are pleased to have received strong support from a number of our existing investors and to welcome several additional high-quality institutions onto our register. We are now well funded to deliver on growth opportunities for the benefit of all shareholders.”*

New shares issued under the Placement will rank equally with Midway’s existing shares. No shareholder approval is required for the Placement, as the Company will utilise its existing placement capacity under ASX Listing Rule 7.1.

Settlement of the Placement is scheduled to occur on 25 September 2018 with the Placement Shares scheduled to be allotted through the ASX and to commence trading on 27 September 2018.

### **Share purchase plan**

A share purchase plan will follow the Placement.

Shareholders on the Midway register at 7:00pm (Melbourne time) on 14 September 2018 (**Record Date**), with a registered address in Australia will be entitled to subscribe for up to \$15,000 worth of Midway shares through the SPP, subject to eligibility criteria and other terms and conditions of the SPP which will be set out in the SPP booklet and dispatched to eligible shareholders. Shares issued under the SPP will rank equally with existing shares of Midway. The SPP will not be underwritten.

The SPP aims to raise approximately \$3 million, with a cap of \$4 million. Midway may decide to scale back applications under the SPP in its absolute discretion if there are applications in excess of the cap. New shares under the SPP will be issued at \$3.00, being the same price to the Placement Price (“SPP Price”).

Full details of the SPP will be set out in the SPP Offer Booklet, which will be lodged with ASX and sent to eligible shareholders

Kidder Williams Limited is the corporate adviser to Midway on the Capital Raising. Ord Minnett Limited, Morgans Financial Limited, and Shaw and Partners Limited are the Joint Lead Managers and Bookrunners for the Capital Raising.

*A reference to \$ in this announcement is to Australian Dollars.*

– ENDS –

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### **About Midway Limited**

Midway Limited is a leading Australian forestry company with headquarters in Geelong, with majority shareholdings in South West Fibre Pty Ltd (SWF) based in the Green Triangle, and Queensland Commodity Exports Pty Ltd (QCE) based in Brisbane. Founded in 1980, Midway is primarily involved in the production and export of high quality wood fibre to producers of pulp, paper and associated products in the Asian region. For further information, visit [www.midwaylimited.com.au](http://www.midwaylimited.com.au).