

26 May 2011

NON-RENOUNCEABLE RIGHTS ISSUE NOTICE PURSUANT TO SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001 – CLEANSING NOTICE

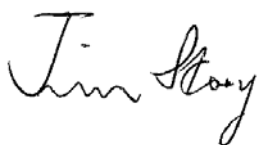
Facilitate Digital Holdings Limited (**Company**) is to undertake a rights issue of up to 9,323,399 ordinary shares to its members (**Rights Issue**) on the basis of an entitlement to subscribe for 1 ordinary share (**Rights Issue Shares**) for every 14 ordinary shares held as at the record date of 7 June 2011 with each such share being issued at an issue price of \$0.08 to raise approximately \$700,000.

Shareholders with registered addresses in countries outside Australia and New Zealand at the Record Date of 7 June 2011 will not be eligible to participate in the Rights Issue.

The Rights Issue is fully underwritten by certain sophisticated investors and G & D Dixon Investments Pty Ltd (a company associated with one of the directors, Geoff Dixon) (**Underwriters**). Therefore, to the extent that any Rights Issue Shares are not taken up pursuant to the Rights Issue, the Underwriters will be required to subscribe for those Rights Issue Shares subject to the terms of an underwriting agreement (details of which will be provided in the offer document).

In accordance with section 708AA(2)(f) of the Act, the Company gives notice that:

1. The Company will offer the Rights Issue Shares for issue to investors without disclosure under Part 6D.2 of the Act.
2. The Company is giving this notice under section 708AA(2)(f) of the Act.
3. For the purposes of section 708AA(7) of the Act, as at the date of this notice the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act.
4. The Company is not aware of any excluded information within the meaning of section 708AA(8) of the Act.
5. The issue of the Rights Issue Shares will not have any material effect on the control of the Company.



Jim Story
Company Secretary

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