

ASX ANNOUNCEMENT/ MEDIA RELEASE  
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## **PENRICE OUTLINES SHARE PLACEMENT PLAN AND SPP TO FINANCE ONGOING EXPANSION**

- **New cornerstone investor – London City Equities**

Penrice Soda Holdings Limited (ASX: “PSH”) announces plans to undertake a capital raising through an institutional share placement, to be followed by a Share Purchase Plan (SPP) offer to eligible retail shareholders.

The Company has requested that its shares be placed in a trading halt on the Australian Securities Exchange pending the outcome of the institutional share placement which will be co-managed by ABN AMRO Morgans and E.L. & C.Baillieu Stockbroking.

Funds from the proposed share placement and SPP will be used to fund the ongoing expansion and modernisation of Penrice’s chemicals and quarry and mineral operations in South Australia.

It is proposed that the share placement will represent up to 15% of the Company’s shares on issue, and raised up to \$8.5 million.

Details of the subsequent Share Purchase Plan offer will be announced following completion of the institutional share placement.

### **New cornerstone investor – London City Equities**

“We are pleased to advise that ASX-listed London City Equities (“LCE”), a strategic long-term investment group, has committed to being a major participant in the share placement and is expected to emerge as a cornerstone investor with a Penrice shareholding of around 7%,” Mr Roberts said.

“London City Equities is and is also expected, if within the 15% limit, to underwrite up to \$2 million of the planned Share Purchase Plan.”

Mr Roberts said funds from the share placement and SPP will enable Penrice to build on the operational improvements already achieved under the expansion and modernization program implemented throughout the Company’s operations over the past 18 months.

“We have made pleasing progress and funds from this proposed capital raising will provide us with greater certainty and flexibility to continue with the much-needed overhaul and expansion of all group operations.”

Penrice - the only manufacturer in Australia of soda ash and sodium bicarbonate and with expanding and increasingly profitable quarry and mineral operations – lifted profit and dividend in the last year ended 30 June 2008.