

6 March 2018

The Manager Announcements
Companies Office
Australian Securities Exchange Limited
Sydney NSW 2000

Gale Pacific Limited announces on-market share buy-back

On-market buy-back program

Gale Pacific Limited (**Gale** or the **Company**) (ASX: GAP) advises that it intends to conduct an on-market share buy-back during the period from 19 March 2018 to 18 March 2019.

Capital Structure

The maximum number of shares which the Company proposes to acquire under the on-market buy-back is up to approximately 29 million, or up to 10% of the lowest number of ordinary shares on issue during the previous 12 months. Accordingly, the on-market buy-back will not require shareholder approval.

Commencement Date

Under the Corporations Act, the earliest date that the Company will be permitted to buyback any share on market is 19 March 2018, being 14 days from the date the ASIC Form 280 was lodged on 2 March 2018.

Objectives

The buy-back accords with the Company's long-standing capital management program. The objectives of the on-market share buy-back are to increase earnings per share and the Company's return on equity. The Company proposes to fund the share-buy-back from existing cash flows. As a consequence of the improved financial performance over recent periods leading to a significantly strengthened balance sheet, the Company has begun to place additional focus on strategic growth initiatives in its core competencies. As the Company completes the exit of its non-core businesses, the focus on these strategic opportunities, including investments in manufacturing technologies and additional capacity, continues into 2018. Combined with this focus on investment, the Board has also determined that having an on-market share buyback in place, as an additional capital management tool, is appropriate.

An Appendix 3C in respect of the on-market buyback is attached.

Yours sincerely



Sophie Karzis
Company Secretary

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

ABN/ARSN

GALE PACIFIC LIMITED

80 082 263 778

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market buy-back
2	+Class of shares/units which is the subject of the buy-back (e.g., ordinary/preference)	Ordinary shares
3	Voting rights (e.g., one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the +class on issue	288,889,759
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	To enhance shareholder value

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Appendix 3C
Announcement of buy-back

8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (e.g., details of any proposed takeover bid)

N/A

On-market buy-back

9 Name of broker who will act on the company's behalf

TBC

10 Deleted 30/9/2001.

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11 If the company/trust intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

28,888,975 (10%)

12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

12 month duration (19 March 2018 till 18 March 2019)
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13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

N/A

Employee share scheme buy-back

14 Number of shares proposed to be bought back

N/A

15 Price to be offered for shares

N/A

⁺ See chapter 19 for defined terms.

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Selective buy-back

- | | | |
|----|--|-----|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | N/A |
| 17 | Number of shares proposed to be bought back | N/A |
| 18 | Price to be offered for shares | N/A |

Equal access scheme

- | | | |
|----|--|-----|
| 19 | Percentage of shares proposed to be bought back | N/A |
| 20 | Total number of shares proposed to be bought back if all offers are accepted | N/A |
| 21 | Price to be offered for shares | N/A |
| 22 | +Record date for participation in offer
Cross reference: Appendix 7A, clause 9. | N/A |

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sophie Karzis
Company Secretary
6 March 2018

⁺ See chapter 19 for defined terms.

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