



The Manager
Australian Securities Exchange
Exchange Plaza
2 The Esplanade
PERTH WA 6000

28 August 2013

SECTION 708A(5)(e) of CORPORATIONS ACT - CLEANSING STATEMENT

ISSUE OF SHARES UNDER PLACEMENT

VDM Group Limited ACN 95 109 829 334 (the **Company**) today issued 140,080,961 fully paid ordinary shares to a strategic investor pursuant to an equity placement to for the purpose of strengthening the Company's balance sheet, improving the market confidence in the Company and creating an enhanced financial platform on which to accelerate growth.

The Company confirms that:

1. This notice is given by the Company under section 708A(5)(e) of the Corporations Act 2001 (**Act**);
2. As a disclosing entity, the Company is subject to regular reporting and disclosure obligations;
3. In accordance with ASX Listing Rule 7.1, the Company today issued 140,080,961 fully paid ordinary shares without disclosure to investors under Part 6D.2 of the Act;
4. As at the date of this notice:
 - a. the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
 - b. the Company has complied with section 674 of the Act as it applies to the Company; and
5. As at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the Act which is required to be disclosed by the Company.

A handwritten signature in black ink, appearing to read 'S. Drury', written over a horizontal line.

Samantha Drury
Company Secretary