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Adacel Technologies Limited (ASX: ADA)

ASX Release

17 May 2018

Adacel Technologies Limited announces on-market share buy-back

On-market buy-back program

Adacel Technologies Limited (**Adacel** or the **Company**) (ASX:ADA) advises that its current on-market share buy-back ended on 16 May 2018. As such, the Company intends to extend its on-market share buy-back during the period from 31 May 2018 to 30 May 2019.

Capital Structure

The maximum number of shares which the Company proposes to acquire under the on-market buy-back is up to approximately 7,845,881 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 2001 (Cth), the earliest date that the Company will be permitted to buyback any shares on market is 31 May 2018, being 14 days from the date the ASIC Form 281 is to be lodged (17 May 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 buyback from existing cash reserves. The Company continues to focus on various strategic growth initiatives, including both the investment in its core intellectual property and complementary acquisitions. Coupled with this, the Board continues to believe that an on-market share buyback is an appropriate capital management option.

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

-ENDS

About Adacel

Adacel is listed on the ASX and is a leading developer of operational air traffic management systems, speech recognition applications and advanced air traffic control simulation and training solutions. Further information on the Company can be found on its website at www.adacel.com.

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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

ADACEL TECHNOLOGIES LIMITED

15 079 672 281

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market buy-back (within 10/12 limit)
2	+Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, 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	78,458,807
6	Whether shareholder/unitholder approval is required for buy-back	No (within 10/12 limit)
7	Reason for buy-back	The share buyback accords with the Company's approach to capital management. The objectives of the on-market share buyback are to utilise the Company's surplus capital, and increase both the earnings per share and the return on equity.

+ See chapter 19 for defined terms.

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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 (eg, details of any proposed takeover bid)	None other than as set out in the Company's announcement to shareholders dated 17 May 2018.
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On-market buy-back

9	Name of broker who will act on the company's behalf	Blue Ocean Equities Pty Limited
10	Deleted 30/9/2001.	N/A
11	If the company/trust intends to buy back a maximum number of shares - that number <small>Note: This requires a figure to be included, not a percentage.</small>	Up to 7,845,881 being 10% of the lowest number of ordinary shares on issue during the previous 12 months
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	During the period from 31 May 2018 to 30 May 2019.
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	No conditions apply

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
<small>Cross reference: Appendix 7A, clause 9.</small> | 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
17 May 2018

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