

19 December 2018

The Manager
Company Announcements
Australian Stock Exchange Ltd
20 Bridge Street
Sydney NSW 2000
via: www.asxonline.com

Dear Sir/Madam

Notification of under subscriptions for the non-renounceable pro-rata rights issue

Chapmans Limited (ACN 000 012 386) (ASX: CHP) (**Company**) confirms that the Company's non-renounceable pro-rata 1 for 2 rights issue closed at 5:00pm (Sydney time) on Monday 17 December 2018.

Terms used but not defined in this announcement have the same meaning as they do in the Prospectus dated 28 November 2018, Supplementary Prospectus dated 28 November 2018, and Second Supplementary Prospectus dated 5 December 2018 (**Disclosure Documents**).

The Company gives notice of shortfall of subscriptions for its Offer as follows:

Details	Number of New Shares	Gross Proceeds (\$)
Entitlement New Shares applied for under Entitlement Offer	4,922,119	\$24,610.59
New Shares applied for under Shortfall Offer	1,750,736	\$8,753.68
Total New Shares	6,672,855	\$33,364.27

Based on the Share Registry's calculations, the total New Shares available under the Offer is 135,703,062 New Shares, therefore leaving a shortfall of 129,030,207 New Shares (**Extra Shortfall Shares**). The Extra Shortfall Shares will be dealt with in accordance with the Disclosure Documents.

It is anticipated that the issue of the 6,672,855 New Shares will occur on 24 December 2018.

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