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3 March 2016



Challenger Acquisitions Limited
("Challenger" or the "Company")

Issue of £0.5m convertible notes

Challenger Acquisitions Limited (LSE: CHAL), a leader in the Giant Observation Wheel industry, is pleased to announce it has raised £0.5 million by means of the issue of secured convertible notes due 2 March 2017 ("Secured Convertible Notes 2017").

The funds raised from the Secured Convertible Notes 2017 will be used to support the Company's active growth strategy, in addition to supporting general working capital purposes, as it continues to solidify its leading industry position in the Giant Observation Wheel ("GOW") sector. Challenger has a pipeline of 25 GOWs worldwide, with the Company planning to add one new major project per year. In Jakarta, South East Asia, the local developer is finalising bank financing for a 125 meter GOW, where land for the site has recently been secured.

These new projects will complement the Company's current ~3% interest in New York Wheel Investor LLC, a company set up to fund the equity component of the US\$500 million New York Wheel Project on Staten Island, US. This will include a 630ft GOW, a 68,000sq ft terminal and retail building, and a 950 space parking garage, and is targeted to be operational in Q3 2017.

Challenger CEO Mark Gustafson said: "We are constantly evaluating expansion opportunities and continue to make progress in building our portfolio of Giant Observation Wheels. With this in mind we have recently increased our interest in the New York Wheel Project on Staten Island to ~3% and coupled with bank financing soon to be completed for our planned wheel in Jakarta, this is undoubtedly an exciting time for Challenger. The raising of £0.5 million will help ensure that we maintain our fast-paced development approach, as we remain focussed on adding at least one new major project to our portfolio per year from our pipeline of 25 potential new wheels identified. We look forward to keeping shareholders updated with our progress in due course."

Principal terms of the Notes

- The aggregate principal amount of the Secured Convertible Notes 2017 is £1 million, of which £0.5 million has been issued

- A noteholder may convert all or part of the principal amount of its Secured Convertible Notes 2017 into ordinary shares of the Company (“Ordinary Shares”) at any time at a fixed conversion price of 25p per Ordinary Share
- The Secured Convertible Notes 2017 are unlisted, secured, transferable and must be redeemed by the Company on 2 March 2017, at the Company’s option in cash or in Ordinary Shares at 25p per Ordinary Share
- Interest is accrued at 5% per annum and payable quarterly, or upon conversion, at the Company’s option in:
 - cash; or
 - by issuing Ordinary Shares in respect of such accrued interest conversion amount at the average of the 10 day closing price prior to the end of each calendar quarter.
- The Secured Convertible Notes 2017 are secured by one common unit of New York Wheel Investor LLC (representing a total value US\$1 million) held by Challenger
- At any time the Company can redeem in cash all or any part of the outstanding Secured Convertible Notes 2017 from the holder at a 25% premium to the principal amount of such notes
- The Secured Convertible Notes 2017 may be redeemed by the noteholder following certain noteholder redemption events, which include: payment default; material breach by the Company not cured within fifteen trading days; the Company or any of its subsidiaries suffer an insolvency event
- The Secured Convertible Notes 2017 and related documentation are governed under the laws of England

****ENDS****

For more information visit www.challengeracquisitions.com or enquire to:

Challenger Acquisitions Limited

Mark Gustafson +1 604 454 8677

St Brides Partners Ltd (PR)

Lottie Brocklehurst, Charlotte Heap +44 (0) 20 7236 1177

finnCap (Financial Adviser and Broker)

Adrian Hargrave, James Thompson, Kate Bannatyne +44 (0) 20 7220 0500

Notes to Editors:

Challenger (LSE: CHAL) is focused on the design, engineering, project management and investment in select giant observation wheels. By combining its world-class team of technical engineering and project management skills with proven international financial expertise, the Company is ideally positioned to become a leader in the giant observation wheel sector.

The Company, which also has a ~3% equity interest in the US\$500 million New York Wheel Project, is currently focusing on appraising approximately 25 opportunities in its project pipeline where it believes that it can utilise its expertise. With a team that has worked on four of the largest giant observation wheels constructed over the last 16 years, including the iconic London Eye, the Company is building on its unique position to deliver projects and generate shareholder value.