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For immediate release

14 June 2016



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

Issue of new £0.5m convertible note

Challenger Acquisitions Limited (LSE: CHAL), a leader in the Giant Observation Wheel industry, announces that it has raised £0.5 million (£0.475 million net of fees) by means of the issue of a new unsecured convertible note due 10 June 2018 ("Convertible Note 2018").

The funds raised from the Convertible Note 2018 will be used to support the Company's active growth strategy and for 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 to its portfolio.

These new projects will complement the Company's current equity 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.

Mark Gustafson, the Company's Chief Executive Officer, said: "This cash injection supports us as we continue to develop our pipeline of 25 potential new GOW projects worldwide. We are awaiting the closure of bank financing for our Jakarta wheel, the first in our pipeline, which will provide a proof of concept for our business model and set the ball rolling as we advance discussions for additional GOWs. Further updates will be provided in due course."

Principal terms of the Notes

- The aggregate principal amount of the Convertible Note 2018 is £0.5 million

- The Convertible Note 2018 has a 24 month term
- The Convertible Note 2018 is unlisted, unsecured, transferable and must be redeemed by the Company on 10 June 2018, in cash unless it has been fully converted by then into ordinary shares of the Company (“Ordinary Shares”)
- There are no conversions for the first 120 days
- The maximum amount that can be converted in any 30 day period is 20% of the principle amount of the Convertible Note 2018
- Subject to the conversion limitations noted above, the noteholder may exercise a conversion at the lower of 25p or the lowest volume weighted average price over the 10 days prior to the conversion (“Conversion Price”)
- Interest is accrued at 8% 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 Conversion Price
- At any time the Company can redeem in cash all or any part of the outstanding Convertible Note 2018 from the holder at a 25% premium to the principal amount of such notes
- The Convertible Note 2018 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 Convertible Note 2018 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.