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For immediate release

26 April 2016



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

Extension of existing convertible notes due May 2016 and issue of new £0.5m convertible note

Challenger Acquisitions Limited (LSE: CHAL), a leader in the Giant Observation Wheel industry announces that further to the convertible notes issued by the Company as announced on 20 May 2015 and 30 July 2015 ("2015 Notes") it has agreed with all outstanding holders of the 2015 Notes that they shall receive an amended and restated convertible note instrument on exactly the same terms other than the date of maturity which will now be 06 May 2017. The principal amount of the 2015 Notes being extended is £2,811,802. Please see the announcement on 20 May 2015 for terms of the notes.

Challenger is also pleased to announce it has raised £0.5 million (£0.475 million net of fees) by means of the issue of a new unsecured convertible note due 22 April 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.

Mark Gustafson, the Company's Chief Executive Officer, said: "We are pleased and appreciate that the current holders of the 2015 Notes have agreed to roll-over their current holdings for another 12 months, demonstrating their confidence in our business model and providing us with additional flexibility to execute our business plans. The funding of £0.5 million will help ensure that we continue to develop our pipeline of 25 potential new GOW projects in Starneth. We look forward to keeping shareholders updated with our progress in due course."

Principal terms of the Notes

- The aggregate principal amount of the Convertible Note 2018 is £0.5 million, which has been issued
- 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 22 April 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:

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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.