

# **PBD Developments Limited**

**ACN 009 134 114**

## **Prospectus for Non-Renounceable Rights Issue**

A non-renounceable pro-rata rights issue of 3 New Shares for every 4 Shares held on the Record Date at an issue price of \$0.015 per New Share together with 1 free Attaching Option for every New Share subscribed for with an exercise price of \$0.0225.

The Offer closes at 5.00pm (Sydney time) on 21 November 2013.

### **Important Information**

If you are an Eligible Shareholder, this is an important document which requires your immediate attention. It should be read in its entirety. If after reading the Prospectus you have any questions about the New Shares and Attaching Options being offered pursuant to the Prospectus or any other matter, then you should consult your accountant, broker, financial or other professional adviser.

**An investment in the New Shares and Attaching Options offered under the Prospectus should be considered speculative.**

# Important Notices

## Prospectus

This prospectus is dated 24 October 2013 and a copy of it was lodged with ASIC on that date. The expiry date of the Prospectus is 13 months after the date of the Prospectus. No securities will be issued on the basis of the Prospectus after the expiry date. Neither ASIC nor ASX takes any responsibility for the content of the Prospectus or the merits of the investment to which the Prospectus relates.

## Investment Decisions

The Prospectus does not constitute financial product advice and has been prepared without taking into account Eligible Shareholders' investment objectives or financial circumstances. The Prospectus does not purport to contain all the information that Eligible Shareholders may require to make an informed investment decision regarding the New Securities offered under the Prospectus.

Investment in the New Securities that are offered under the Prospectus should be considered speculative. Before deciding whether to apply for New Securities, each Eligible Shareholder should consider whether PBD is a suitable investment for them in light of their own investment objectives and financial circumstances and should seek professional advice from their accountant, broker, financial or other professional adviser before deciding whether or not to invest.

There are a number of risk factors that could potentially impact PBD. For information about these risks, please refer to section 7. The potential tax effects of the Offer will vary between investors. All investors should satisfy themselves of any possible tax consequences by consulting their own professional tax advisers. Applications for New Securities by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form sent to Eligible Shareholders with the Prospectus.

## Forward Looking Statements

Some of the information contained in the Prospectus constitutes forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'should', 'will', 'expects', 'plans' or similar expressions. These statements discuss future objectives or expectations concerning results of operations or financial conditions or provide other forward-looking information. PBD's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements. The Prospectus details some important factors that could cause PBD's actual results to differ from the forward-looking statements made in the Prospectus.

## Foreign Jurisdictions

The Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer. The distribution of the Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of the Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation and warranty made by the applicant to the Company that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

## New Zealand investors

The New Securities are not being offered or sold to the public within New Zealand other than to existing shareholders of PBD with registered addresses in New Zealand to whom the Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (New Zealand). The Prospectus and the Entitlement and Acceptance Form have not been registered, filed or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

## United States investors

The New Securities, the Prospectus and the Entitlement and Acceptance Form have not been and will not be registered under the US Securities Act of 1933 (**US Securities Act**) or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the New Securities in the United States.

## Hong Kong investors

**WARNING:** The Prospectus has not been, and will not be, registered as a "prospectus" under the Companies Ordinance (Cap. 32) of the Laws of Hong Kong (the "CO"). The contents of the Prospectus have not been reviewed by any regulatory authority in Hong Kong and it has not been authorised by the Securities and Futures Commission in Hong Kong pursuant to the

Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO").

Eligible Shareholders in Hong Kong are advised to exercise caution in relation to the Offer. If you are in doubt about any of the contents of the Prospectus, you should seek professional advice from your accountant, broker, financial or other professional adviser.

No action has been taken in Hong Kong to authorise or register the Prospectus or to permit the distribution of the Prospectus or any documents issued in connection with it. Accordingly, the New Securities have not been and will not be offered or sold in Hong Kong other than (1) to "professional investors" within the meaning of the SFO and any rules made under the SFO; and (2) in other circumstances which do not result in the Prospectus becoming a "prospectus" as defined in the CO or which do not constitute an offer to the public within the meaning of the CO or SFO.

No advertisement, invitation or document relating to the New Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under the SFO). No person allotted New Securities may sell, or offer to sell, such New Securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such New Securities.

### **Malaysia investors**

The Prospectus may not be distributed or made available in Malaysia other than to existing shareholders of the Company participating in the Offer. The Prospectus has not been and will not be approved by or lodged with the Securities Commission of Malaysia and no approval from the Securities Commission of Malaysia has been or will be obtained in relation to the Offer or the Prospectus. Consequently, the Prospectus does not constitute an offer or invitation to any person in Malaysia save and except where such offer or invitation to the person is exempted from the prospectus and approval requirements of the Securities Commission of Malaysia. Further, the Prospectus does not constitute an offer or an invitation to any person in Malaysia to whom it would be unlawful to make such an offer or invitation. It is the responsibility of Eligible Shareholders in Malaysia to ensure compliance with the laws of Malaysia relevant to an Application.

### **Singapore investors**

The Prospectus and any other materials relating to the New Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, the Prospectus and any other document or materials in connection with the Offer, or invitation for subscription, of New Securities, may not be issued, circulated or distributed, nor may any New Securities be offered or sold, or be made the subject of an invitation for subscription, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. The Prospectus has been given to you on the basis that you are (i) an existing shareholder in the Company, (ii) an "institutional investor" (as defined in the SFA), or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return the Prospectus immediately. You may not forward or circulate the Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### **Taiwan investors**

The New Securities have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan, the Republic of China (Taiwan) and/or other regulatory authority pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or relevant laws and regulations that requires a registration, filing or approval of the Financial Supervisory Commission and/or other regulatory authority of Taiwan. No person or entity in Taiwan has been authorised to offer or sell the New Securities in Taiwan through a public offering or in circumstances where it constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan.

### **Disclaimer**

No person is authorised to give any information, or to make any representation in connection with the Offer that is not contained in the Prospectus. Any information or representation that is not in the

Prospectus may not be relied on as having been authorised by PBD in connection with the Offer.

### **Governing Law**

The Prospectus, the Offer and the contracts formed on acceptance of Applications are governed by the laws of New South Wales, Australia, and by applicable securities laws. Each Applicant for New Securities submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

### **Definitions and Abbreviations**

Defined terms and abbreviations used in the Prospectus are explained in the Glossary in section 10.

### **Financial Amounts**

The financial amounts in the Prospectus are expressed in Australian dollars unless otherwise stated.

### **Control implications of the Offer**

Shareholders should be aware that the Offer may have implications with regard to the potential control of PBD. Please see section 5.5(1) for further information.

Details of the dispersion strategy that is incorporated into the structure of the Offer are set out in section 5.5(2).

## Letter from the Chairman

Dear Shareholder

### Non-Renounceable Rights Issue

On behalf of the Directors of PBD Developments Limited (**PBD** or **Company**), I am pleased to offer you the opportunity to participate in the pro-rata non-renounceable rights issue which was announced by PBD on 17 October 2013 (**Offer**).

Your Directors wish to provide the opportunity for Eligible Shareholders entitled to participate in the Offer to invest under the Offer. Each Eligible Shareholder will be entitled to subscribe for 3 fully paid ordinary shares in the capital of PBD (**New Share**) for every 4 Shares registered in their name at 7.00pm (Sydney time) on the Record Date. PBD will also offer one free Attaching Option for every New Share subscribed for. PBD has sought approval from ASX to have the Attaching Options quoted on ASX.

The New Shares will be issued at a fixed price of \$0.015 per New Share, which represents:

- a 37.5% discount to the closing price of Shares on ASX on 16 October 2013, the last day of trading before the date of announcement of the Offer; and
- a 26.9% discount to the volume weighted average price of Shares on ASX over the 20 trading days up to 16 October 2013.

The Attaching Options will have an exercise price of \$0.0225 and are exercisable to 31 December 2015.

If fully subscribed, the Offer will raise up to approximately \$41.8 million (before costs) through the issue of approximately 2,783,757,632 New Shares. The Offer is not underwritten. Instead, Eligible Shareholders will have the ability to increase their percentage shareholding by applying for Shortfall Shares under the Shortfall Facility. If the New Shares are not fully subscribed following the close of the Shortfall Facility the Directors reserve the right to place any additional Shortfall within three months of the close of the Offer.

Mulpha, a 19.9% shareholder, has confirmed to the Company that it intends to subscribe for its full entitlement under the Offer. If Mulpha subscribes for its full entitlement and the remainder of the Offer is not fully subscribed, Mulpha will increase its percentage holding of Shares. Please refer to section 5.5 of the Prospectus for further information on the potential control effects of the Offer on PBD.

Net proceeds raised from the Offer will be used to repay the Company's existing St. George Facility and Mulpha Facility, and to fund working capital, part of which will be used to make further payments relating to PBD's investment in the Burwood Square Project. Repayment of the St. George Facility and the Mulpha Facility will allow the Company to pursue new projects, by using, to the extent necessary, its new \$40 million SHKIB Facility.

The Offer is generally not extended to, and no New Securities are offered or will be issued to, Ineligible Shareholders. PBD has appointed Bell Potter Nominees to sell the New Securities that would otherwise have been issued to Ineligible Shareholders. Bell Potter Nominees will send to the Share Registry any proceeds from the sale of those New Securities, net of actual expenses, and the Share Registry will then pay those net proceeds (if any) to Ineligible Shareholders. Please refer to section 3.7 of the Prospectus for further information.

For more information on the recent developments of PBD, please refer to PBD's public announcements that are periodically released to ASX (available on PBD's website on <http://www.pbddevelopments.com.au/news/2013> or ASX website at [www.asx.com.au](http://www.asx.com.au)).

Your Directors recommend that you seek independent investment advice from your accountant, broker, financial or other professional adviser before making any investment decision. If you have any questions regarding the Offer or on how to complete the Entitlement and Acceptance Form, you should contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia).

The Board of PBD thank you for your continued support of the Company and look forward to your participation in the Offer.

Yours truly

A handwritten signature in black ink, appearing to read 'Winson Chow', with a stylized flourish at the end.

**Mr Winson Chow**  
**Non-Executive Chairman**  
**on behalf of the board of**  
**directors of PBD Developments Limited**

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## 1 Summary of Key Offer Details

Key data relating to the Offer	
Offer	3 New Shares for every 4 Shares held as at the Record Date, together with 1 free Attaching Option for every New Share subscribed for
Issue price per New Share	\$0.015
Issue price discount:	
<ul style="list-style-type: none"> <li>to the closing price of Shares on ASX on 16 October 2013 (being the last day on which Shares in PBD traded before announcement of the Offer)</li> </ul>	37.5%
<ul style="list-style-type: none"> <li>to the volume weighted average price of Shares on ASX over the 20 trading days up to 16 October 2013</li> </ul>	26.9%
Maximum number of New Shares to be offered under the Offer	2,783,757,632 New Shares*
Exercise price of Attaching Options	Exercisable at \$0.0225 to 31 December 2015
Maximum number of Attaching Options to be offered under the Offer	2,783,757,632 Attaching Options*
Maximum amount of proceeds from the Offer (before expenses)	\$41,756,364.48

\* Note: subject to rounding down of individual entitlements and assuming the Offer is fully subscribed.

Key Dates **	
Announcement of Offer	17 October 2013
Lodgement of Prospectus with ASIC and ASX	24 October 2013
Existing Shares quoted on an "ex" basis	28 October 2013
Record Date to determine entitlements to the New Shares and Attaching Options	7.00pm (Sydney time), 1 November 2013
Prospectus and Entitlement and Acceptance Forms despatched	6 and 7 November 2013
Closing date for Applications, including Application Monies	5.00pm (Sydney time), 21 November 2013
Deferred settlement trading begins	22 November 2013
Shortfall notification to ASX	26 November 2013
Issue date for New Shares and Attaching Options	29 November 2013
Despatch of holding statements for New Shares and Attaching Options	2 December 2013
Normal trading of New Shares and Attaching Options on ASX expected to commence	2 December 2013

\*\* Note: The above dates are indicative only. Subject to ASX Listing Rules, the Directors reserve the right to amend any of the dates outlined above, delay the Offer, withdraw the Offer at any time, close the Offer early or extend the Closing Date for the Offer at their discretion. Should the Offer be closed early or extended, there will be a consequential effect on the anticipated date of issue for the New Shares and Attaching Options.



## 2 Answers to Key Questions

Question	Answer	Further information
<b>What is the Offer?</b>	The Offer constitutes the offer of 3 New Shares for every 4 Shares held on the Record Date at an issue price of \$0.015 per New Share, together with 1 Attaching Option for every New Share subscribed for.	Section 3.1
<b>Who can participate in the Offer?</b>	Only Eligible Shareholders can participate in the Offer. Eligible Shareholders are shareholders of PBD with registered addresses in Australia and New Zealand and who are registered holders of Shares at 7.00pm (Sydney Time) on the Record Date, together with certain shareholders who are resident in other jurisdictions who are contacted by, or who contact, the Company and can demonstrate to the satisfaction of the Company that their participation in the Offer would not constitute a violation of applicable securities laws in their jurisdiction.	Section 3.3
<b>Who is ineligible to participate in the Offer?</b>	There are a small number of shareholders with registered addresses outside Australia and New Zealand to whom PBD considers it is not reasonable to make the Offer. Those shareholders will be notified that they are ineligible to participate in the Offer. If any such shareholder wishes to participate they may contact PBD and subject to demonstrating to the satisfaction of PBD that such offering to and subscription by such Ineligible Shareholder is lawful and in compliance with the laws in the jurisdiction in which the Ineligible Shareholder resides, they may be able to participate in the Offer. Such participation is at the absolute discretion of PBD.  All shareholders who are ineligible to participate will have their New Securities dealt with in accordance with the nominee procedure, details of which are set out in section 3.7.	Section 3.5
<b>What are the terms of the New Securities?</b>	The New Shares issued under the Offer will rank equally with all existing Shares.  The Attaching Options will have an exercise price of \$0.0225 per Option and are exercisable up to 31 December 2015.  PBD has applied for quotation of the New Shares and the Attaching Options on ASX.	Sections 6.1 and 6.2
<b>What is my entitlement?</b>	If you are an Eligible Shareholder you should have received a personalised Entitlement and Acceptance Form. The number of Rights that you have is set out on your Entitlement and Acceptance Form accompanying the Prospectus. Any fractions of Rights have been rounded down to the nearest Right.  If you did not receive your personalised Entitlement and	Entitlement and Acceptance Form

Question	Answer	Further information
	Acceptance Form, you should call the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) to find out your number of Rights and to be sent your Entitlement and Acceptance Form.	
<b>Can I sell or transfer my Rights?</b>	No. The Offer is non-renounceable and, accordingly, you cannot sell or transfer any of your Rights on ASX or via an off-market transfer.	Section 4
<b>What are my options?</b>	<p>You may either:</p> <ul style="list-style-type: none"> <li>• take up your entitlement in full;</li> <li>• take up part of your entitlement and allow the balance of your Rights to lapse;</li> <li>• take up your entitlement in full and apply to take up Shortfall Shares; or</li> <li>• ignore the Offer.</li> </ul>	Section 4
<b>How do I accept my Rights?</b>	If you are an Eligible Shareholder and you wish to apply for all or some of the New Securities making up your Rights, you must complete the accompanying Entitlement and Acceptance Form and lodge it together with a certified cheque or bank draft, or payment through BPAY® for the Application Monies. If you are paying by BPAY® you do not need to return the Entitlement and Acceptance Form.	Section 4
<b>Can I apply for shares in excess of my Rights?</b>	<p>Yes, you may apply for Shortfall Shares in excess of your Rights.</p> <p>Shortfall Shares will be issued at the discretion of the Directors and, as a result, there is no guarantee that you will receive all of the Shortfall Shares that you apply for, or any at all. If there is an over-subscription for Shortfall Shares, the Directors reserve the right to scale back each application. The Shortfall Shares will be issued with 1 Attaching Option for every Shortfall Share subscribed for.</p>	Section 3.8
<b>How do I apply for Shortfall Shares?</b>	To apply for Shortfall Shares, complete your Entitlement and Acceptance Form by inserting the total number of New Shares in respect of which you wish to exercise your Rights under the Offer plus the number of Shortfall Shares you wish to apply for (if any).	Section 3.8
<b>What if I do nothing?</b>	You will still own your existing Shares, but this will be a lesser percentage of the Shares on issue after completion of the Offer.	Section 4
<b>Is the Offer underwritten?</b>	No, the Offer is not underwritten.	
<b>What are the control effects</b>	If Mulpha (a 19.9% shareholder) subscribes for its full entitlement (which it has confirmed to the Company that	Section 5.5

Question	Answer	Further information
<b>of the substantial shareholders taking up their Rights under the Offer?</b>	<p>it intends to do), and no other shareholders subscribe for their Rights under the Offer, the potential maximum voting power of Mulpha in the Company will increase to 30.3% (and 38.3% if it immediately exercises its Attaching Options).</p> <p>If Future Rise Investments (an existing 19.7% shareholder) subscribes for its full entitlement, and no other shareholders subscribe for their Rights under the Offer other than Mulpha, the potential maximum voting power of Mulpha in the Company will be 26.8%, and the potential maximum voting power of Future Rise Investments in the Company will increase to 26.6%.</p> <p>Details of the dispersion strategy that forms part of the structure of the Offer, and which may reduce the potential control effects of the Offer, are set out in section 5.5(2).</p>	
<b>What proceeds will be raised under the Offer and how will the proceeds be used?</b>	<p>If fully subscribed the Offer will raise approximately \$41.8 million (before costs of the Offer). The net proceeds from the Offer will be used to repay the St. George Facility in full, repay the Mulpha Facility in full and to fund working capital, part of which will be used to make further payments relating to PBD's investment in the Burwood Square Project.</p>	Section 5.1 and 5.2
<b>What are the risks associated with applying for New Shares and any Shortfall Shares under the Offer?</b>	<p>An investment in PBD involves general risks associated with any investment in the share market, including that the price of New Shares may rise or fall.</p> <p>There are also a number of risk factors, both specific to PBD and of a general nature, which may affect the future operating and financial performance of PBD and the value of an investment in PBD.</p> <p>An investment in PBD should be considered speculative.</p> <p>Further information on risk factors is contained in section 7.</p>	Section 7
<b>How can I obtain further information?</b>	<p>PBD encourages you to seek advice from your accountant, broker, financial or other professional adviser in respect of the Offer including any possible tax consequences.</p> <p>If you have any questions regarding the Offer or on how to complete the Entitlement and Acceptance Form, you should contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia).</p>	

### **3 Details of the Offer**

#### **3.1 The Offer**

PBD is making a pro-rata non-renounceable entitlement issue to Eligible Shareholders of 3 New Shares for every 4 Shares held on the Record Date at the issue price of \$0.015 per New Share, together with one free Attaching Option for every New Share subscribed for under the Offer. The Attaching Options are exercisable at \$0.0225 before 31 December 2015.

The subscription for New Securities is voluntary. Eligible Shareholders should consult their accountant, broker, financial or other professional adviser with respect to the Offer.

The number of New Securities to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. Eligible Shareholders are also able to apply for New Shares in excess of their Rights under a Shortfall Facility. Please see section 3.8 for more information on the Shortfall Facility.

The maximum number of New Shares issued under the Offer will be 2,783,757,632 New Shares (including the issue of New Shares that would otherwise have been offered to the Ineligible Shareholders, which will be treated in accordance with the procedure set out in section 3.7). If the Offer is fully subscribed, the gross proceeds (before the costs of the Offer) will be approximately \$41.8 million.

The closing date and time for acceptances and payment is 5.00pm (Sydney time) on 21 November 2013 (subject to any extension by PBD).

Mulpha, who is currently one of the Company's largest shareholders holding 19.9% of the existing Shares, has given a written commitment to PBD that it intends to subscribe for its full entitlement under the Offer. Please see section 5.5 for details of the effect the Offer may have on the control of PBD.

#### **3.2 New Shares**

Each New Share will have the same rights and rank equally with previously issued Shares of PBD. No other shares in the capital of PBD of any other class are on issue.

The holders of Shares are entitled:

- to vote at all meetings of shareholders;
- to receive, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of PBD, any dividends declared by PBD; and
- to receive, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of PBD, the remaining property of PBD upon the liquidation, dissolution or winding-up of PBD, whether voluntary or involuntary.

Further details of the rights and liabilities attaching to New Shares are set out in section 6.1.

#### **3.3 Attaching Options**

Each Attaching Option will have the rights set out in section 6.2. The Company currently has no other Options on issue.

### **3.4 Who is entitled to Participate in the Offer?**

Shareholders are entitled to participate in the Offer if they:

- have a registered address in Australia or New Zealand; or
- have a registered address outside Australia or New Zealand and are contacted by the Company and offered the right to participate, or contact the Company and can demonstrate to the satisfaction of the Company that their participation in the Offer would not constitute a violation of applicable securities laws in their jurisdiction (see section 3.5 below).

### **3.5 Ineligible Shareholders**

There are a small number of shareholders with registered addresses outside Australia and New Zealand to whom PBD considers it is not reasonable to make the Offer having regard to:

- the limited number of shareholders in the place where the Offer is to be made;
- the number and value of New Securities the shareholders would be offered; and
- the cost of complying with the legal requirements, and requirements of regulatory authorities in those jurisdictions.

Those shareholders who are considered to be ineligible will be notified that they are ineligible to participate in the Offer. If any such shareholder wishes to participate they may contact PBD at least 7 days before the Closing Date and subject to them demonstrating to the satisfaction of PBD that the offer to, and subscription by, such shareholder is lawful and in compliance with all securities and other applicable laws in the jurisdiction in which that shareholder resides, they may be able to participate in the Offer. Such confirmation may require delivery of a particular certificate or an opinion of counsel. Their participation is at the absolute discretion of PBD, and any decision of PBD is final.

Any shareholder who is ultimately unable to participate in the Offer will have their Rights dealt with in accordance with the nominee procedure, details of which are set out in section 3.7.

### **3.6 Nominee and trustee holders**

Shareholders with a registered address in Australia or New Zealand, who hold Shares on the Record Date on behalf of persons who are not resident in Australia or New Zealand, are responsible for ensuring that exercising Rights and taking up the New Securities under the Offer does not breach securities law in the relevant overseas jurisdictions. Return of a duly completed Entitlement and Acceptance Form will be taken by PBD to constitute a representation that there has been no breach of such laws.

### **3.7 Nominee to acquire and sell New Securities of Ineligible Shareholders**

Entitlement and Acceptance Forms will generally not be delivered by PBD to Ineligible Shareholders. Instead, Ineligible Shareholders will be sent a letter advising them that the New Securities to which they would be entitled will be issued to and be held by Bell Potter Nominees, who will hold those New Securities as agent for the benefit of the Ineligible Shareholders.

In accordance with the Corporations Act, ASIC has approved the appointment of Bell Potter Nominees as nominee for those Ineligible Shareholders who are excluded from the Offer, on the following terms:

- PBD will issue the New Securities that would otherwise be issued to Ineligible Shareholders who may have accepted the Offer to Bell Potter Nominees; and
- following the close of the Offer, Bell Potter Nominees will sell the New Securities on-market and will distribute any proceeds from the sale of those New Securities, net of actual expenses, to the Share Registry so that the Share Registry can prepare and mail cheques to each of the Ineligible Shareholders for their relevant pro-rata proportion of the net proceeds of the sale (if any).

There is no guarantee that Bell Potter Nominees will be able to obtain any proceeds for Ineligible Shareholders from the sale of the New Securities, net of actual expenses. Bell Potter Nominees will have the absolute and sole discretion to determine the timing and the price at which New Securities may be sold and the manner of any such sale, provided that Bell Potter Nominees will aim to sell the New Securities with a view to obtaining the best price reasonably practicable in the circumstances.

### **3.8 Shortfall Shares**

The Offer is not underwritten, and accordingly there is no certainty on the amount of proceeds that will be raised under the Offer.

As a means of minimising any shortfall under the Offer, the Company is offering Eligible Shareholders the opportunity to subscribe for Shortfall Shares under a Shortfall Facility. The total number of Shortfall Shares available to be issued will be limited to the number of New Shares which have not been taken up by Eligible Shareholders under the Offer.

In the event that the New Shares are not fully subscribed for, Eligible Shareholders who have subscribed for their full entitlement and have made an application for Shortfall Shares may be allocated Shortfall Shares as follows:

- the number of Shortfall Shares allocated to an Eligible Shareholder who has applied for Shortfall Shares will be at the discretion of the Directors, taking into account the overall number of Shortfall Shares applied for by Eligible Shareholders;
- the Directors reserve the right to allocate Shortfall Shares to Eligible Shareholders in part or not at all or to scale back applications for Shortfall Shares;
- an Eligible Shareholder will not receive more Shortfall Shares than they have applied for; and
- allocations will be made in a way such that the provisions of the Corporations Act, in particular the takeovers prohibitions in Chapter 6, are complied with.

There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Shortfall Shares that they may apply for. If an application for Shortfall Shares is scaled back or an Eligible Shareholder receives less Shortfall Shares than applied for, the Application Monies for those Shortfall Shares which are not issued to the Applicant will be returned to the Applicant without any payment of interest.

Due to legal restrictions, certain Eligible Shareholders of PBD may not be able to subscribe for Shortfall Shares under the Shortfall Facility.

Any issue of Shortfall Shares will be accompanied by the issue of 1 free Attaching Option for every Shortfall Share subscribed for.

If, despite the Shortfall Facility, there are Shortfall Shares that are not subscribed for, the Directors reserve the right to place those Shortfall Shares with existing or new investors within 3 months from the close of the Offer. Any allocations of Shortfall Shares made in this way will need to take into account compliance with the provisions of the Corporations Act, in particular the takeovers prohibitions in Chapter 6, and also ASX Listing Rules.

### **3.9 Entitlement and Acceptance Form is binding**

A completed and lodged Entitlement and Acceptance Form together with the Application Monies for the number of New Shares applied for cannot be withdrawn and constitutes a binding application for the number of New Securities specified in the Entitlement and Acceptance Form on the terms set out in the Prospectus. The Entitlement and Acceptance Form does not need to be signed to be binding.

If an Entitlement and Acceptance Form is not completed correctly, PBD in its absolute discretion can reject it or treat it as valid. PBD's decision as to whether to accept or reject an Entitlement and Acceptance Form or how to construe, amend or complete it is final.

### **3.10 Application Monies**

In order to subscribe for New Shares, the Entitlement and Acceptance Form must be completed and signed by the Eligible Shareholder (unless otherwise stated in section 4). The Application Monies must be paid in the manner described in section 4. Applicants who hold their Shares through a registered dealer should contact their dealer in sufficient time to ensure that the completed Entitlement and Acceptance Form and the related payments are received by the Share Registry before the Closing Date.

### **3.11 Issue of New Securities**

The New Securities will be issued as soon as practicable after the Closing Date and holding statements are anticipated to be despatched from Australia on 2 December 2013.

Issues of New Shares under the Offer will only be made after permission for their quotation on ASX has been granted.

Application Monies will be held in a subscription account until the New Securities are issued. This account will be established and kept by the Share Registry on behalf of each participating Applicant. Interest earned on the Application Monies will be for the benefit of PBD, and will be retained by PBD irrespective of whether New Securities are issued.

### **3.12 Uncertificated holdings**

The New Shares and the Attaching Options will be registered separately in the names of those Eligible Shareholders who have participated in the Offer as uncertificated holdings. PBD will despatch new holding statements for the New Shares and the Attaching Options to the participating Eligible Shareholders on the date indicated in the timetable set out under the Heading "Key Dates" in section 1 of the Prospectus.

### **3.13 Minimum Subscription**

There is no minimum subscription for the Offer.

### **3.14 Securities Exchange Quotation**

PBD has made an application to ASX for the quotation of both the New Shares and the Attaching Options offered under the Prospectus.

If the New Shares are not accepted for quotation on ASX, none of the New Shares will be issued and PBD will repay all Application Monies (without interest). If the Attaching Options are not accepted for quotation on ASX, the Offer will proceed, but shareholders should be aware that there is unlikely to be a viable market for the Attaching Options and a sale or transfer of the Attaching Options will be difficult.

### **3.15 Withdrawal of Offer**

PBD reserves the right not to proceed with the Offer at any time before the issue of the New Securities to Eligible Shareholders. If the Offer does not proceed, PBD will return all Application Monies (without interest) as soon as practicable after giving notice of its withdrawal.

### **3.16 Statement as to Resale Restrictions**

The New Securities to be issued under the Offer may be resold to other investors within Australia without further disclosure required to be made and will not be subject to escrow restrictions.

### **3.17 Privacy Statement**

If you complete an Entitlement and Acceptance Form, you will be providing personal information to PBD (directly or via the Share Registry). PBD collects, holds and will use that information to assess your Application, service your needs as a shareholder and to facilitate distribution payments and corporate communications to you as a shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that is held about you. If you wish to do so please contact the Share Registry at the relevant contact numbers set out in the Prospectus.

In Australia, the collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as ASX Settlement Operating Rules. You should note that if the information required on the Entitlement and Acceptance Form is not provided, PBD may not be able to accept or process your Application.



## **4 Options of Eligible Shareholders under the Offer**

### **4.1 What Eligible Shareholders may do**

The number of New Securities to which Eligible Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form. Before taking any action in relation to the Offer, you should read the Prospectus in its entirety, and seek professional advice from your accountant, broker, financial or other professional adviser.

If you apply for all of your New Shares under the Offer, you will not have your shareholding in PBD diluted.

As an Eligible Shareholder, you may:

- (1) take up your entitlement in full;
- (2) take up part of your entitlement and allow the balance of your Rights to lapse;
- (3) take up your entitlement in full and apply to take up Shortfall Shares under the Shortfall Facility; or
- (4) ignore the Offer.

### **4.2 Take up your entitlement in full**

If you wish to take up all of your entitlement, please complete the Entitlement and Acceptance Form, which accompanies the Prospectus, in accordance with the instructions set out in the form.

You must pay for your entitlement by certified cheque or bank draft, or by BPAY®, in accordance with the instructions set out in section 4.6 below.

### **4.3 Take up part of your entitlement and allow the balance of your Rights to lapse**

If you wish to only take up part of your entitlement, please complete the Entitlement and Acceptance Form, which accompanies the Prospectus, by inserting the number of New Shares for which you wish to accept the Offer under the Prospectus (being less than your entitlement as specified on the Entitlement and Acceptance Form).

You must pay for the number of New Shares for which you wish to accept the Offer by certified cheque or bank draft, or by BPAY®, in accordance with the instructions set out in section 4.6 below.

### **4.4 Take up your entitlement in full and apply to take up Shortfall Shares**

Subject to the Corporations Act and the requirements of ASX Listing Rules, Eligible Shareholders may subscribe under the Shortfall Facility for Shortfall Shares in addition to their entitlement. The issue price for Shortfall Shares is the same price as the issue price for New Shares under the Offer.

Shortfall Shares subscribed for by Eligible Shareholders will be allotted at the same time as the New Shares under the Offer are allotted.

If you wish to take up Shortfall Shares please complete the Entitlement and Acceptance Form, which accompanies the Prospectus, by inserting the number of New Shares (including Shortfall Shares) for which you wish to accept the Offer under the Prospectus (being more than your entitlement as specified on the Entitlement and Acceptance Form).

Any issue of Shortfall Shares will be accompanied by the issue of 1 free Attaching Option for every Shortfall Share subscribed for.

You must pay for the number of New Shares (including Shortfall Shares) for which you wish to accept the Offer (being more than your entitlement as specified on the Entitlement and Acceptance Form) by certified cheque or bank draft, or by BPAY®, in accordance with the instructions set out in section 4.6 below.

The decision of the Company on the allocation of the Shortfall will be final. Shareholders who apply for Shortfall Shares may not be successful (wholly or partially). In the event that your application to participate in the Shortfall is not accepted in part or in full, the relevant Application Monies will be refunded by the Company in accordance with the provisions of the Corporations Act (without interest).

#### **4.5 Ignore the Offer**

If you do not wish to take up any part of your entitlement to New Shares, you are not required to take any action, in which case you will receive no New Securities and your Rights will lapse.

#### **4.6 Payment of Application Monies**

Entitlement and Acceptance Forms and accompanying cheques or bank drafts may be lodged at any time before 5.00pm (Sydney time) on the Closing Date. Applications received after that time may not be accepted. The Company will not be responsible for postal or delivery delays. Any fractions of a cent that arise on the calculation of Application Monies should be rounded to the nearest whole cent.

You may make payment of your Application Monies by BPAY® (subject to the restrictions in paragraph (1) below) or by certified cheque or bank draft.

##### **(1) Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Reference Number). **You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.**

Please note that if you choose to pay your Application Monies (being the Issue Price multiplied by the number of New Shares and Shortfall Shares (if any) for which the Application is made (subject to any rounding as explained in section 4.7)) by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but you will be taken to have agreed to the statements to be provided by shareholders to the Share Registry on that Entitlement and Acceptance Form;
- if you do not pay for the exercise of all of your Rights and any Shortfall Shares you apply for, you are deemed to have subscribed in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- if you pay an amount in excess of the amount required to exercise all of your Rights and any Shortfall Shares you have applied for, you will be refunded the surplus amount (without interest).

Please make sure to use the specific Biller Code and unique Reference Number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Reference Number specific to the Rights represented on that form.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

**(2) Payment by certified cheque or bank draft**

You should complete your personalised Entitlement and Acceptance Form, in accordance with the instructions on the form and return it accompanied by a certified cheque or bank draft (in Australian currency) drawn on an Australian branch of an Australian bank, for the amount of your Application Monies (being the Issue Price multiplied by the number of New Shares and Shortfall Shares (if any) for which the Application is made (subject to any rounding as explained in section 4.7)).

All cheques must be made payable to 'PBD Developments Limited' and crossed 'Not Negotiable'.

Do not forward cash or money orders. Receipts for payments will not be issued.

Completed Entitlement and Acceptance Forms and accompanying certified cheques or bank drafts must be returned by mail to the following address and received no later than 5.00pm (Sydney time) on the Closing Date:

Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 3001

The method of transmittal of an Entitlement and Acceptance Form and Application Monies is at the option and risk of the sender. PBD recommends that the Entitlement and Acceptance Form and Application Monies be sent by registered mail.

**4.7 Fractions arising on calculation of Application Monies**

Any fractions of a cent that arise on the calculation of Application Monies should be rounded to the nearest whole cent, and payment made for the rounded amount.

**4.8 Enquiries concerning exercising your Rights**

If you have any questions regarding the Offer or on how to complete the Entitlement and Acceptance Form, you should contact the Share Registry, being Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) during business hours on Monday to Friday before the Closing Date.

## **5 Purpose and Effect of the Offer**

### **5.1 Purpose of the Offer**

The purpose of the Offer is to raise capital to repay the St. George Facility and the Mulpha Facility in full and to fund further working capital.

#### ***Repayment of debt facilities***

The St. George Facility is a secured \$32.5 million facility with St. George Bank. As at the date of the Prospectus, the St. George Facility is drawn to approximately \$26 million.

The Mulpha Facility is an unsecured \$12 million facility that the Company has entered into on a short-term basis. As at the date of the Prospectus, the Mulpha Facility is drawn to \$8 million.

#### ***Working capital***

As part of the Company's new strategic direction, PBD is seeking to geographically diversify its residential development capacity and undertake projects on the eastern seaboard of Australia, in addition to its holdings in Western Australia. The repayment of the St. George Facility and the Mulpha Facility out of the proceeds of the Offer will allow the Company to access a new \$40 million revolving credit facility with SHKIB and will also, in the Director's opinion, provide the Company with additional financial flexibility to allow the Company to pursue its new strategic direction, and to make further investments in both its existing projects or in new projects.

As part of this diversification strategy, the Company has recently entered into two new property development joint ventures, and agreed to acquire interests in two further property developments subject to shareholder approval (which is expected to be sought in December 2013).

#### ***Bridgeview Project***

In April 2013, PBD entered into a joint venture to develop 23 townhouses in Annandale, in Sydney, New South Wales. The Company has made a \$9 million contribution to the joint venture to commence the development of the property. Marketing and pre-selling of the development has commenced and demolition of the existing structures on site has been completed. Based on current indicative timelines it is anticipated that the development will be completed by the end of 2014.

#### ***Burwood Square Project***

In September 2013, PBD entered into a joint venture to develop a mixed use project in Burwood, in Sydney, New South Wales. This project consists of 210 residential units, retail areas and basement car-parking. Residential sales risk has been mitigated with almost all of the apartments pre-sold. Construction at Burwood is due to commence in November 2013, with construction completion expected by late 2015. To date, the Company has invested \$8.5 million in the joint venture development and it is anticipated that the Company will contribute a further \$17.5 million in the financial year ending 30 June 2014.

#### ***The Milton project and Point Cook project***

The Company has recently announced that, subject to shareholder approval, it intends to acquire a 50% interest in The Milton project, a 309 apartment development in Brisbane for \$28 million, and a 14 hectare non-contiguous en-globo site, known as the Yang Land, forming a part of the Saltwater Coast residential estate in Point Cook, Victoria for

\$18 million (to be paid progressively over an 18 month period). Both property interests will be acquired from FKP Limited.

The combination of the Company's ability to draw down on the SHKIB Facility, together with any proceeds raised under the Offer that can be used for working capital, provides the Company with the opportunity to consider financial investments in other new projects, including making payments relating to the various projects outlined above. Please also see the risks associated with some of those projects contained in section 7.

## 5.2 Use of Proceeds

Funds raised under the Offer will be used for the following purposes:

<b>Purpose</b>	<b>Estimate</b>
(1) Repay the St. George Facility	\$26.0 million
(2) Repay the Mulpha Facility	\$12.0 million
(3) Working capital	\$3.6 million
(4) Pay estimated costs associated with the Offer	\$0.2 million
<b>Total Use of Proceeds</b>	<b>\$41.8 million</b>

*Notes: Use of proceeds figures are approximate and have been rounded up. The amount to repay the Mulpha Facility will depend on the amount drawn under that facility as at the time of repayment and any movement in the Australian dollar against the Malaysian ringgit. At the date of the Prospectus the amount drawn under the Mulpha Facility is \$8 million. For the purposes of the table above it has been assumed that the maximum amount of the loan under the Mulpha Facility (being \$12 million) has been drawn, but no estimate has been made in respect of potential foreign currency losses. To the extent that the repayment amount is less than \$12 million, the balance will be put towards working capital.*

If the Offer is not fully subscribed, and the Company does not raise sufficient funds under the Offer to repay the St. George Facility and the Mulpha Facility, subject to shareholder approval being obtained at the Company's forthcoming Annual General Meeting permitting SHKIB to take security over the Company's assets following a discharge of the St. George Facility, SHKIB has advised the Company that it will permit the Company to draw down sufficient funds under the SHKIB Facility for the purpose of repaying the St. George Facility in full. In this situation, the Company will be solely reliant on the SHKIB Facility and any existing working capital to repay the Mulpha Facility and to fund any current or future investments.

If shareholder approval is not obtained at the Company's forthcoming Annual General Meeting permitting SHKIB to take security over the Company's assets following a discharge of the St. George Facility, the Company will not be permitted to draw down under the SHKIB Facility to repay the St. George Facility in full, and both the St. George Facility and the Mulpha Facility will remain in place for the time being. In this situation the Company will need to consider its options with regard to repayment of both the St. George Facility and the Mulpha Facility, and in particular the Mulpha Facility which expires on 13 December 2013.

## 5.3 Effect of the Offer on PBD's financial position

The audited statement of financial position as at 30 June 2013 and the unaudited pro forma statement of financial position as at 30 June 2013 shown in the table below have been prepared on the basis of the accounting policies normally adopted by the Company.

The unaudited pro forma statement of financial position as at 30 June 2013 has been prepared on two bases:

- the Offer is subscribed to 50%; and
- the Offer is fully subscribed.

The unaudited pro forma statement of financial position as at 30 June 2013 has been prepared to provide investors with information on the assets and liabilities of the Company as noted in the table below. The historical and pro forma statements of financial position are presented in an abbreviated form, insofar as they do not include all of the disclosures and notes required by Australian Accounting Standards applicable to annual financial statements.

**PBD Developments Limited**  
**Consolidated Audited Statement of Financial Position and**  
**Pro Forma Consolidated Unaudited Statement of Financial Position**

	30-Jun-13 (\$'000)	Consolidated pro forma post Offer (\$'000) (assuming 50% subscribed)	Consolidated pro forma post Offer (\$'000) (assuming fully subscribed)
<b>Current Assets</b>			
Cash and cash equivalents	0	0	10,095
Trade and other receivables	239	239	239
Inventories	21,480	21,480	21,480
Other current Assets	160	160	160
<b>Current Assets</b>	<b>21,879</b>	<b>21,879</b>	<b>31,974</b>
Non-current assets held-for-sale	2,948	2,948	2,948
<b>Total Current Assets</b>	<b>24,827</b>	<b>24,827</b>	<b>34,922</b>
<b>Non-Current Assets</b>			
Receivable from joint arrangement	9,000	9,000	9,000
Inventories	48,000	48,000	48,000
Investments equity accounted	0	14,000	14,000
Property, plant and equipment (net)	3,025	3,025	3,025
<b>Total Non-Current Assets</b>	<b>60,025</b>	<b>74,025</b>	<b>74,025</b>
<b>Total Assets</b>	<b>84,852</b>	<b>98,852</b>	<b>108,947</b>
<b>Current Liabilities</b>			
Trade and other payables	897	897	897
Borrowings	2,114	16,204	5,500
Provisions	86	86	86
<b>Total Current Liabilities</b>	<b>3,097</b>	<b>17,187</b>	<b>6,483</b>
<b>Non-Current Liabilities</b>			
Other payables	0	0	0
Borrowings	20,757	79	0
Provisions	92	92	92
Deferred tax liabilities	0	0	0
<b>Total Non-Current Liabilities</b>	<b>20,849</b>	<b>171</b>	<b>92</b>
<b>Total Liabilities</b>	<b>23,947</b>	<b>17,359</b>	<b>6,576</b>
<b>NET ASSETS</b>	<b>60,905</b>	<b>81,493</b>	<b>102,371</b>
<b>Equity</b>			
Contributed equity	228,145	248,823	269,701
Reserves	0	0	0
Retained earnings	-167,240	-167,330	-167,330
<b>TOTAL EQUITY</b>	<b>60,905</b>	<b>81,493</b>	<b>102,371</b>

**Notes to the unaudited pro forma statement of financial position:**

The unaudited pro forma statement of financial position reflects the following events that have occurred subsequent to the period ended 30 June 2013:

- the Company has entered into a \$12 million facility with Mulpha of which \$8 million is drawn down as at the date of the Prospectus. A financial liability in relation to the foreign exchange of \$90,000 has been recognised in relation to the draw down; and
- to date the Company has invested \$8.5 million in the Burwood Square Project with \$8 million from the Mulpha Facility and \$500,000 from the St George Facility used to fund the investment. A further amount of \$5.5 million representing the participation fee and certain other milestone payments that remain to be paid have been recognised as a liability. While the Company expects to also invest a further \$12 million in the Burwood Square Project, the nature of the commitment to fund those amounts does not require the Company to recognise them as a liability.

The unaudited pro forma statement of financial position has been prepared based on the Company's audited financial statements as at 30 June 2013, subsequent events, and the following transactions and events relating to the issue of the New Shares under this Prospectus:

- the issue of 2,783,757,632 New Shares at an issue price of \$0.015 each to raise approximately \$41.8 million before costs pursuant to the Prospectus, based on the maximum subscription under the Offer;
- the issue of 1,391,878,816 New Shares at an issue price of \$0.015 each to raise approximately \$20.878 million before costs pursuant to the Prospectus, based on a 50% subscription under the Offer;
- costs of the Offer are estimated to be \$200,000, which are to be offset against the contributed equity;
- the repayment of \$8 million under the Mulpha Facility (plus the foreign exchange liability of \$90,000) based on the amount drawn as at the date of the Prospectus and the maximum subscription under the Offer;
- the repayment of \$23.371 million, being the amount outstanding under the St. George Facility as at 30 June 2013, based on the maximum subscription under the Offer; and
- the repayment of \$20.678 million under the St George Facility based on the 50% subscription.

While this unaudited pro forma statement of financial position is included for illustrative purposes, the actual assets and liabilities of the consolidated entity after the issue of New Shares is likely to vary according to the ongoing operating activities of the consolidated entity over the period.

The unaudited pro forma statement of financial position does not reflect the trading of the consolidated entity since 30 June 2013.



## 5.4 Effect of the Offer on PBD's share capital

The capital structure of PBD following completion of the Offer is summarised below assuming that the Offer is fully subscribed (including those New Securities that would have otherwise been issued to Ineligible Shareholders).

Shares	Number
Shares outstanding at the date of the Prospectus	3,711,676,843
New Shares to be issued under the Offer (Including New Shares to be issued upon exercise of Rights which would have otherwise been issued to Ineligible Shareholders and which are treated in accordance with the process described in section 3.6 of the Prospectus).	2,783,757,632*
<b>Total Shares on issue at completion of the Offer (if fully subscribed)</b>	<b>6,495,434,475</b>

Share Options*	Exercise Price	Expiry Date	Number
Attaching Options	\$0.0225	31 December 2015	2,783,757,632*
<b>Total Options on issue at completion of the Offer (if fully subscribed)</b>			<b>2,783,757,632</b>

\* Note: subject to rounding down of individual entitlements.

## 5.5 Potential effect on the control of PBD

### (1) Impact of the Offer on control of PBD

#### **Legal overview**

Section 606 of the Corporations Act provides that a person must not (without an available exception under the Corporations Act) acquire a relevant interest in issued voting shares in a company if, as a result of the acquisition that person's or someone else's voting power in the company would either increase from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%.

The Corporations Act contains certain exceptions to the prohibitions in section 606 of the Corporations Act. Item 10 of section 611 of the Corporations Act (**Rights Issue Exemption**) provides an exception for an acquisition pursuant to a rights issue if the following conditions are satisfied:

- (a) PBD offers to issue New Securities to Eligible Shareholders on a pro-rata basis;
- (b) all Eligible Shareholders have a reasonable opportunity to accept the Offer;
- (c) agreements to issue are not entered into until the Closing Date; and
- (d) the terms of the Offer are the same.

If the Rights Issue Exemption is to be relied upon then, in respect of Ineligible Shareholders, section 615 of the Corporations Act (regarding the appointment of a nominee for the sale of foreign shareholders' rights) must be complied with, which includes a requirement for ASIC to approve the nominee.

The Rights Issue Exemption is being relied on in the present circumstances and accordingly PBD has appointed Bell Potter Nominees pursuant to section 615 of the Corporations Act (refer to section 3.7). ASIC has approved the appointment of Bell Potter Nominees in connection with the Offer.

### ***Shareholder confirmations to participate***

As at the date of the Prospectus, the Company's two largest shareholders are Mulpha, holding 19.9% of the Shares, and Future Rise Investments, holding 19.71% of the Shares. The next largest shareholder holds 12.93%.

Mulpha has provided written confirmation to the Company that it intends to subscribe for its full entitlement under the Offer. If Mulpha subscribes for its full entitlement and the remainder of the Offer is not fully subscribed, Mulpha will increase its percentage holding of Shares. The extent to which Mulpha's holding of Shares increases will depend on the extent to which other shareholders participate in the Offer.

The Company has not received any confirmation on whether Future Rise Investments proposes to participate in the Offer.

### ***About Mulpha***

Mulpha is a wholly owned subsidiary of Mulpha International Bhd (**MIB**), a company registered under the laws of Malaysia. MIB is a diversified conglomerate which is listed on the Malaysian Stock Exchange. The executive chairman of MIB is Mr Lee Seng Huang. The Company has been advised that Mr Lee and his mother have in aggregate a direct or indirect interest in approximately 38.42% of the issued share capital of MIB. MIB currently has a board of nine directors, five of which are independent non-executive directors. The Company has been advised that Mr Lee and his mother do not control MIB.

### ***About Future Rise Investments***

Based on public information, Future Rise Investments Limited (**Future Rise Investments**) provides securities trading and investment advice. The company is based in the British Virgin Islands and operates as a subsidiary of COL Capital Ltd. Future Rise Investments holds its interest in Shares through its client account with Sun Hung Kai Investment Services Limited (**SHK Services**) which carries on wealth management and brokerage services in Hong Kong. Future Rise Investments acquired its Shares from SHK Services following SHK Services' sub-underwriting of PBD's pro-rata renounceable rights issue launched in December 2012. PBD has been advised that SHK Services' only interest in Future Rise Investments' holding of Shares is as a margin lender to Future Rise Investments. PBD has been further advised that SHK Services does not hold a relevant interest in Future Rise Investments' Shares, and SHK Services and Future Rise Investments are not associates for the purposes of the Corporations Act.

PBD understands that SHK Services is a wholly owned subsidiary of Sun Hung Kai & Co Limited, the group executive chairman of which is Mr Lee Seng Huang. PBD has been advised that Sun Hung Kai & Co Limited (and SHK Services) and Mulpha are not associates for the purposes of the Corporations Act.

### ***Potential control effects of the Offer***

The table set out below shows the potential voting power of Mulpha and Future Rise Investments in PBD based on three scenarios:

- Mulpha participates for its full entitlement under the Offer and no other shareholders participate in the Offer;
- Mulpha participates for its full entitlement under the Offer and the other shareholders (including Future Rise Investments) subscribe for 50% of the total New Shares available under the Offer; and
- all shareholders (including Mulpha and Future Rise Investments) participate for their full entitlements under the Offer.

Shareholder Outcomes*		Level of Acceptance (% take up) by PBD Shareholders (other than Mulpha)		
		nil	50.0%	100%
	Total Shares on issue before the Offer	3,711,676,843	3,711,676,843	3,711,676,843
<b># of New Shares subscribed</b>	Mulpha	553,967,766	553,967,766	553,967,766
	Future Rise Investments	nil	274,356,862	548,713,725
	Other shareholders	nil	840,538,071	1,681,076,141
	<b>Total Shares on issue after the Offer</b>	<b>4,265,644,609</b>	<b>5,380,539,542</b>	<b>6,495,434,475</b>
<b>% of Shares held after the Offer</b>	Mulpha	30.3%	24.0%	19.9%
	Future Rise Investments	17.2%	18.7%	19.7%
	Other shareholders	52.5%	57.3%	60.4%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>% of Shares held assuming Attaching Options are exercised</b>	<b>Total Shares on issue after exercise of Attaching Options</b>	<b>4,819,612,375</b>	<b>7,049,402,241</b>	<b>9,279,192,107</b>
	Mulpha	38.3%	26.2%	19.9%
	Future Rise Investments	15.2%	18.2%	19.7%
	Other Shareholders	46.5%	55.6%	60.4%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

*\*Note: Assumes that Mulpha subscribes for its full entitlement (in accordance with its confirmation to the Company that it intends to do so). There may be some rounding of share numbers due to fractions that may arise on individual entitlements. Percentages have been rounded to the nearest decimal point.*

If both Mulpha and Future Rise Investments participate for their respective full entitlements under the Offer, and assuming no other shareholders participate in the Offer, the respective percentage holding of Shares of each party following the Offer would be:

- Mulpha – 26.8%

- Future Rise Investments – 26.6%

(2) **Dispersion strategy**

The dispersion strategy that has been agreed and forms part of the structure of the Offer is as follows:

- (a) the issue price is \$0.015 per New Share, which represents a 37.5% discount to the closing price of Shares traded on ASX on 16 October 2013, the trading day immediately prior to the date of announcement of the Offer, and a 26.9% discount to the volume weighted average price of Shares on ASX over the 20 trading days up to 16 October 2013;
- (b) Eligible Shareholders are able to apply for Shortfall Shares under the Shortfall Facility, in addition to their Rights;
- (c) due to Corporations Act restrictions, it is unlikely that PBD's largest shareholders, Mulpha and Future Rise Investments will be able to apply for Shortfall Shares under the Shortfall Facility; and
- (d) if there is any remaining Shortfall following the subscription of Eligible Shareholders for Shortfall Shares under the Shortfall Facility, the Directors reserve the right to place those Shortfall Shares to investors within three months from the Closing Date subject to compliance with all legal and regulatory requirements.

## **6 Rights and liabilities attaching to New Shares and Attaching Options**

### **6.1 Rights and liabilities attaching to New Shares**

The following is a broad summary (though not necessarily an exhaustive or definitive summary) of the rights and liabilities attaching to the New Shares which will be issued pursuant to the Offer. Full details are contained in the constitution of the Company, the Corporations Act and ASX Listing Rules.

(1) **Share Capital**

All Shares rank equally in all respects.

(2) **Voting Rights**

At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for every Share held.

(3) **Dividend Rights**

Subject to the rights of holders of shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the shareholders according to the amounts paid on the Shares held by them.

(4) **Rights on Winding-Up**

Subject to the rights of holders with shares with special rights in a winding-up (at present there are none), on a winding-up of the Company all assets which may be legally distributed amongst the shareholders will be distributed in proportion to the Shares held by them respectively.

(5) **Transfer of Shares**

Shares in the Company may be transferred:

- (a) in accordance with any computerised and electronic system for trading in shares established or recognised by ASX Listing Rules or the Corporations Act for the purpose of facilitating a transfer in shares (including a transfer that takes effect pursuant to ASX Settlement Operating Rules or some other computerised or electronic transfer process); or
- (b) by instrument in writing which is in accordance with the Corporations Act, approved by ASX, in any other usual or common form or in any other form approved by the Board.

(6) **Further Increases in Capital**

The allotment and issue of any Shares is under the control of the Directors and subject to any restrictions on the allotment of Shares imposed by the constitution, ASX Listing Rules or the Corporations Act, the Directors may allot, issue or grant options over or otherwise dispose of Shares to such persons, with such rights or restrictions as they may from time to time determine.

(7) **Variations of Rights Attaching to Shares**

Where shares of different classes are issued, the rights attaching to the shares of a class can thereafter only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or with the written consent of the holders of at least three quarters of the issued shares of that class.

(8) **General Meeting**

Each holder of Shares is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to shareholders under the constitution, the Corporations Act and ASX Listing Rules.

A copy of the constitution of the Company is available for inspection, free of charge, at the registered office of the Company until the Closing Date.

## **6.2 Rights and liabilities of the Attaching Options**

One free Attaching Option will be issued for every New Share subscribed for under the Offer (including the Shortfall Facility). The Attaching Options will be issued on the following summarised terms and conditions. This summary is not intended to be exhaustive and must be read subject to the full terms and conditions of the Attaching Options, which are available for inspection at the registered office of the Company until the Closing Date.

(1) **Exercise Period and Expiry Date**

The Attaching Options are exercisable in accordance with paragraph (3) below. Attaching Options not exercised by that date will lapse.

(2) **Exercise Price**

Each Attaching Option entitles the holder to acquire one Share on payment of the sum of \$0.0225 per Attaching Option to the Company. Any fractions of a cent that arise on the calculation of the exercise price should be rounded to the nearest whole cent and payment made for the rounded amount.

(3) **Notice of Exercise**

Attaching Options may be exercised at any time prior to 5.00pm (Sydney time) on 31 December 2015 by notice in writing to the Company.

(4) **Shares Issued on Exercise of Attaching Options**

Shares to be issued pursuant to the exercise of Attaching Options will be issued following receipt of all the relevant documents and payments (in cleared funds) and will rank equally with the then issued Shares.

(5) **Quotation of Attaching Options and Shares on Exercise**

The Company has made an application to ASX for quotation of the Attaching Options. However, the Company cannot guarantee that ASX will grant the Attaching Options admission to official quotation, in which case they will remain unlisted.

If the Attaching Options are unlisted there is unlikely to be a viable market for them and a sale or transfer of the Attaching Options will be difficult.

Application will be made at the time of exercise for quotation of the Shares to be issued upon exercise of Attaching Options. The Attaching Options are transferable.

(6) **Participation Rights or Entitlements**

There are no participating rights or entitlements inherent in the Attaching Options and holders will not be entitled to participate in new issues of securities offered to shareholders during the currency of the Attaching Options, except in their capacity as existing shareholders.

However, the Company will ensure that, for the purpose of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced so as to give holders the opportunity to exercise their Attaching Options before the date for determining entitlements to participate in any issue.

(7) **Bonus Issues**

If, from time to time, before the expiry of the options, the Company makes a bonus issue of Shares to shareholders for no consideration, the number of Shares over which an Attaching Option is exercisable will be increased by the number of Shares which the holder would have received if the Attaching Option had been exercised before the date for calculating entitlements to the bonus issue.

(8) **Pro-Rata Issue**

If, from time to time, before the expiry of the Attaching Options, the Company makes a pro-rata issue of Shares to shareholders, the exercise price of the Attaching Options may be reduced in accordance with ASX Listing Rule 6.22.2.

(9) **Capital reorganisation**

If there is a reorganisation of the issued capital of the Company (including any consolidation, subdivision, reduction, or return of capital), the rights of the holder of Attaching Options shall be changed to the extent necessary to comply with ASX Listing Rules at the time of the reorganisation.

### **6.3 Dividend Policy**

PBD does not anticipate paying dividends for the forthcoming financial year.

### **6.4 CHES**

The Company participates in CHES. Under CHES, the Company does not issue certificates to shareholders but will instead provide shareholders with a statement of their holdings in the Company. If you are broker sponsored, ASX Settlement will send you a CHES statement. The CHES statement will set out the number of New Shares issued to you under the Prospectus and give details of your Holder Identification Number, in the case of a holding on the CHES sub-register and the terms and conditions applicable to the New Shares.

If you are registered in the issuer sponsored sub register your statement will be despatched by the Share Registry and will contain the number of New Shares issued to the shareholder under the Offer and your Security Holder Reference Number.

A CHES statement or issuer sponsored statement is routinely sent to shareholders by the Share Registry at the end of any calendar month during which the balance of their holding

changes. Shareholders may request a statement at any other time; however, a charge may be incurred for additional statements.

Arrangements can be made at any subsequent time to convert a shareholder's holding from the issuer-sponsored subregister to the CHESSE subregister under sponsorship of a broker, or the reverse, by contacting the Share Registry and/or the shareholder's broker.



## **7 Risk Factors**

### **7.1 Introduction**

There are a number of risk factors, both specific to PBD or the Offer, and of a general nature, which could adversely impact the Company's performance and financial position and the value of its Shares. Some of these risks can be mitigated by the use of safeguards and appropriate controls, however, many are outside the control of the Company. This section describes certain specific areas that are believed to be the major risks associated with an investment in PBD.

The risks in this section are not exhaustive of the risks faced by a potential investor in PBD but they are considered by the Directors to be the more significant risks that potential investors should be aware of. You should consider carefully the risks described in this section, and consult your accountant, broker, financial or other professional adviser before making an investment decision.

### **7.2 Specific risk factors**

#### **(Debt Reduction Targets)**

If PBD is unsuccessful in raising sufficient proceeds under the Offer to repay the St. George Facility in full (approximately \$26 million), and PBD is unable to draw down on the SHKIB Facility to repay the St. George Facility (because shareholder approval is not obtained at the Company's forthcoming Annual General Meeting permitting SHKIB to take security over the Company's assets following a discharge of the St. George Facility), the St. George Facility will not be repaid and will remain in place for the time being.

As at the date of the Prospectus the St. George Facility is drawn to the approximate amount of \$26 million. The terms of the St. George Facility require that the facility limit is reduced to \$20 million by 31 December 2014, and full repayment of the facility is required by 31 January 2016.

Generally, PBD manages its need to reduce debt by either the sale and settlement of residential properties or through its capital management strategy.

With respect to debt reduction through the sale and settlement of residential properties, this could occur by settlements of PBD's Oceanique apartments and other non-core assets. Since 2010, when the Oceanique apartment complex was completed, PBD has sold and settled 44 of 66 apartments. The sale and settlement of Oceanique apartments continues.

PBD may also reduce debt by seeking to divest non-core assets. The Company's existing site at Bandy Creek (Esperance) is under an unconditional contract of sale and Lot 370 (Port Bouvard Residential Estate, Dawesville WA) is currently under a conditional contract of sale. There is no guarantee that the contract in relation to Lot 370 will become unconditional, or that settlement on either site will occur.

However, despite the above, there can be no guarantee that the sale and settlement of apartments at the Company's Oceanique apartment complex will occur at the rate and prices required, or that the contract for Bandy Creek will settle and the contract for Dawesville will become unconditional, and settlement occur, in which case the Company may struggle to meet the debt reduction milestones under the St. George Facility. In these circumstances, the Company would have to consider alternatives such as supplementary capital raisings, debt refinancings or additional debt raisings. There can be no guarantee that any of these or any other options would be available to the Company. Any failure by PBD to make the mandatory reduction or repayments under the St. George Facility would represent an event of default under the St. George Facility and may result in the early enforced payment of all amounts outstanding.

**(SHKIB Facility)**

The Company has entered into the SHKIB Facility. One of the conditions precedent to draw down of funds under the SHKIB Facility is that the Company provide evidence of the release of the security granted in favour of St. George Bank. This will only occur on the repayment of all amounts outstanding under the St. George Facility. If the Company does not raise sufficient proceeds under the Offer to repay the St. George Facility in full, SHKIB has confirmed to the Company that the Company may use the SHKIB Facility to repay the St. George Facility in full provided that PBD shareholders have passed the relevant resolution at the Company's forthcoming Annual General Meeting to permit SHKIB to take security over the Company's assets following the repayment of the St. George Facility, and the discharge of the related security in favour of St. George Bank. If the relevant shareholder approval is not obtained, the Company will not be able to satisfy the condition precedent under the SHKIB Facility, and it will not be able to draw down on the SHKIB Facility to repay the St. George Facility, or for any other purpose. Instead, it would need to rely on other working capital to continue to pay interest on the St. George Facility, and to make other payments under the St. George Facility as required. Any failure by PBD to pay interest on the St. George Facility, or to make any other mandatory payments under the St. George Facility, would represent an event of default under the St. George Facility and may result in the early enforced payment of all amounts outstanding.

The SHKIB Facility contains, amongst other things, a financial covenant that for so long as any amount is owing under the SHKIB Facility the Company must maintain a loan to value ratio equal to or less than 60%. A failure to maintain that ratio is an event of default under the SHKIB Facility and may result in the early enforced payment of all amounts outstanding.

**(Burwood Square Project)**

If the Company does not raise sufficient proceeds under the Offer to fund future working capital, and the Company is not permitted to drawdown on the SHKIB Facility for whatever reason, the Company may not be able to meet its future obligations to fund its investment in the Burwood Square Project. Any failure to meet a payment would be a breach of the joint venture agreement, and could result in PBD reducing its share of participation in the development, resulting in a reduced share of proceeds from the development.

**(Bridgeview Project)**

The development of the Bridgeview Project remains subject to the joint venturer obtaining project finance to allow development of the site. While indicative terms have been received from a potential financier, no binding commitment to provide the required project finance has been provided. If project finance is not able to be obtained, the Bridgeview Project may not be able to proceed.

To date, the Company has contributed \$9 million towards the development of the Bridgeview Project. PBD currently holds a first registered mortgage over the land to be developed. However, pursuant to the joint venture agreement for the Bridgeview Project, PBD must not withhold its consent to subordinating its mortgage behind that of any financier of the project. Consequently, if project finance for the Bridgeview Project is obtained, the Company will likely only maintain a second ranking charge with respect to its \$9 million contribution. On any future enforcement by the first ranking financier, there is no guarantee that there will be sufficient proceeds realised from any sale of the asset to repay the full amount of the contribution made by the Company.

**(Point Grey Project)**

The Point Grey Project has obtained the necessary approvals to commence the residential property component in Western Australia of the development. These approvals allow for subdivision applications to be lodged and approved for the different areas of the project. This has occurred for the current identified first stage of subdivision which received approval for 341 lots in September 2011. The project, as currently envisaged, also anticipates the construction of a marina. The Western Australian State Government

approval for the marina was granted in August 2012 however the Federal Government is still considering approval for the marina.

At this time, the Federal Government has requested more information from the Company, which is expected to be provided later this year or in early 2014. There can be no guarantee that the Federal Government approval for the marina will be given, or that approval will be given for the size of the marina currently applied for. The carrying value of Point Grey adopted by the Directors in the financial statements for the year ended 30 June 2013 does not assume the construction of the marina. A rejection of the proposal by the Federal Government might make the project less attractive to other buyers of the site if the Company were to consider disposing of the project instead of developing it.

**(Availability of funding and refinancing risk)**

Development businesses are capital intensive. The Company's ability to raise funds on favourable terms for future refinancing, development and acquisitions depends on a number of factors including general economic, political, capital and credit market conditions and the reputation, performance and financial strength of the Company's business. These factors could increase the cost of funding, or reduce the availability of funding, as well as increase the Company's refinancing risk for maturing debt facilities. The Company's ability to refinance present and future debt facilities as they fall due may be affected by market conditions and the Company's operating performance. If the debt facilities are not refinanced and need to be repaid, it is possible that the Company may need to realise assets for less than their fair value, which would impact future cash flows and profitability. In addition, PBD's lenders may wish to enforce their security over PBD's assets, and sell those assets, or PBD may be placed into external administration or have receivers and managers appointed.

**(Development and planning risks)**

As part of its property development and land development business PBD identifies, analyses and invests in property development and land projects. Generally, property development and land projects have a number of risks including:

- the risk that planning consents and regulatory approvals are not obtained or, if obtained, are received later than expected, or are not properly adhered to;
- development costs escalating beyond those originally anticipated;
- project delays due to factors beyond the control of PBD;
- expected sales prices or timing on expected sales are not achieved;
- a contractor or sub-contractor not performing their role or breaches their contract; and
- competing property development projects adversely affecting the overall return achieved by any property development projects undertaken by PBD, because they provide competitive alternatives for potential purchasers and lessees.

A sustained downturn in the commercial, retail, industrial and/ or residential property markets due to deterioration in the economic climate could result in reduced development profits through reduced selling prices or delays in achieving sales.

Increases in supply or falls in demand in any of the sectors of the property market in which PBD operates or invests could influence the acquisition of sites, the timing and value of PBD sales and the carrying value of projects.

Although some of the risks outlined above can be mitigated through prudent management, it is not possible to remove entirely the risks inherent in property development and if any of

the above were to occur there may be an adverse impact on PBD's future financial performance and financial position.

**(Property performance risk)**

Investments in property or companies that invest in property should be viewed as a longer term investment. The impact of property performance (both in terms of properties held or acquired by PBD and the general property market) on the value of PBD's share price cannot definitively be assessed at this or any future stage.

**(Sale settlement risk)**

The Company's projects are primarily residential in nature and successful development of the projects is reliant on the completed (settled) sale of lots to residential buyers. Although a deposit is taken around the time a contract of sale is entered into, there can be no guarantee that the purchaser will ultimately meet their obligations in accordance with the terms of the sale contract. The failure of any purchaser to meet their obligations may lead to additional costs for the Company, including legal costs, and may lead to the sale not progressing and the Company having to re-market the lots at a different price. Any failure to settle a sale also impacts on the Company's cashflow and its ability to use funds received from any sale for other purposes.

**(Key personnel risks)**

Like all businesses, PBD depends on the continued access to experienced and qualified management and development personnel. In accordance with its stated strategic direction to increase its focus on development opportunities on the eastern seaboard of Australia PBD has recently relocated its operational hub from Perth to Sydney, which has resulted in the loss of several experienced and qualified management and development personnel. PBD has managed this risk by ensuring a comprehensive handover and transitional period between personnel, however, certain knowledge may be lost as a result of the restructure, and it may take time for the new personnel to develop the appropriate experience. Furthermore, certain essential corporate services for PBD are undertaken through shared services arrangements with third parties. None of the personnel providing these services will be employed by PBD and so any knowledge gained by these personnel will not be retained within PBD if those arrangements end. PBD intends to recruit suitably experienced personnel over time to mitigate this risk.

**(Currency risk)**

The Mulpha Facility is denominated in Malaysian ringgit. The SHKIB Facility allows SHKIB to finance drawings in either Australian dollars or Hong Kong dollars, at its discretion. As such, PBD may be subject to exchange rate movements and therefore the risk that the size of the loan will either increase or reduce, depending on actual exchange rate movements. PBD may manage this risk through entering into foreign currency hedge contracts, and is required to do so with regard to any borrowings provided under the SHKIB Facility in Hong Kong dollars. As at the date of the Prospectus no such hedge contracts have been entered into by PBD.

**(Interest Rate Risk)**

The St. George Facility and the SHKIB Facility are subject to variable interest rates. Should interest rates move upward this may increase the overall interest cost to PBD. Similarly, where the interest rates move down, interest costs may reduce. An increase in interest rates may also adversely affect the demand for property assets being marketed by PBD. A reduction in the demand or sale prices achieved for PBD developments may affect PBD's profitability and cash flow.

**(Litigation Risk)**

PBD is not currently exposed to any contractual disputes or litigation matters that the Board considers could have a materially adverse effect on the financial position of the Company. However, there is a risk that PBD may in the future be party to disputes in respect of its assets, developments and contractual rights and obligations (including the interpretation

thereof) or subject to a class action which may have an adverse impact on PBD's financial performance and / or financial position.

### **7.3 Risks associated with the Offer**

#### **(Dilution)**

If the Offer is fully subscribed it will result in the issue of up to approximately 2,783,757,632 New Shares and 2,783,757,632 Options. If an Eligible Shareholder does not take up their full entitlement their percentage holding of Shares will be diluted. Ineligible Shareholders will have their percentage holding of Shares diluted as a result of the Offer.

#### **(No underwriting)**

Certain information and statements made in the Prospectus assume that the Offer is fully subscribed. The Offer is not underwritten and it is highly likely that the Offer will not be fully subscribed. The Directors have tried to mitigate this risk by offering Shortfall Shares for sale under the Shortfall Facility but there can be no guarantee that all of the Shortfall Shares will be subscribed for. If this is the case, the proceeds of the Offer will be less than approximately \$41.8 million, and the Company may need to consider alternative methods to raise additional capital such as increasing debt or undertaking a further placement of Shares. It should be noted that the Directors reserve the right to issue to new or existing investors any Shortfall Shares that are not taken up under the Shortfall Facility within three months of the close of the Offer.

#### **(Offer provides no guarantee of future performance)**

While the Offer will help improve PBD's financial position and provide it with additional flexibility, it does not guarantee PBD's future financial performance.

### **7.4 General Risk Factors**

#### **(Economic conditions)**

The performance of PBD may be significantly affected by changes in local, national and international financial and economic conditions, and particularly conditions which affect the property development sector. Profitability of the business may be affected by factors such as market conditions, interest rates, inflation and consumer demand.

#### **(Changes in government policy)**

Changes in government policy (including fiscal, monetary and regulatory policies at federal, state and local levels), including policies on government land development, environmental, public housing, immigration and first homebuyer assistance and delays in the granting of approvals or the registration of subdivision plans may affect the amount and timing of the Company's future cash flows and profits. In addition, State government and/or council development contributions may be introduced or increased in locations that the Company operates, impacting land values, cash flows and profitability of projects.

#### **(Geo-political Factors)**

PBD may be affected by the impact that geo-political factors have on the various world economies or the Australian economy or on financial markets and investments generally or specifically.

#### **(Equity market conditions)**

PBD, being a company listed on ASX, is subject to the market forces that influence the broad sharemarket trends and the price of securities of individual companies. Accordingly, assuming that the New Shares are granted official quotation on ASX, they may trade on ASX at higher or lower prices than the Issue Price.

#### **(Liquidity and Realisation Risk)**

There can be no guarantee that an active market in Shares will develop or that the price of Shares will increase. There may be relatively few buyers or a relatively high number of sellers of Shares on ASX at any given time. This may increase the volatility of the price of

Shares. It may also affect the prevailing price of Shares at which shareholders are able to sell.

Assuming the Attaching Options are granted official quotation on ASX there is no guarantee that an active market in the Attaching Options will develop. There is also no guarantee that the Company's Share price will trade above the exercise price of the Attaching Options.

## **8 Additional Information**

### **8.1 ASX listing, continuous disclosure and documents available for inspection**

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

The Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights and liabilities attaching to the securities being offered under the Prospectus. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Shareholders should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of the Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the securities exchange operated by ASX Limited.

Information that is already in the public domain has not been reported in the Prospectus other than that which is considered necessary to make the Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (1) it is subject to regular reporting and disclosure obligations;
- (2) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC, or inspected at the registered office of the Company during normal office hours; and
- (3) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of the Prospectus and the Closing Date:
  - (a) the annual financial report most recently lodged by the Company with ASIC;
  - (b) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in paragraph (3)(a) above and before the lodgement of the Prospectus with ASIC; and

- (c) any continuous disclosure documents given by the Company to ASX in accordance with ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in paragraph (3)(a) above and before the lodgement of the Prospectus with ASIC.

Details of announcements made, and documents lodged, by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of the Prospectus with ASIC are set out in the table below.

<b>Date</b>	<b>Description of Document</b>
23/10/2013	Update on Burwood Square
17/10/2013	Form 604 – Change of interests of substantial holder
17/10/2013	Appendix 3B
17/10/2013	Non-renounceable entitlement issue
16/10/2013	Appendix 3Z – Justin Lorenz
16/10/2013	Appendix 3Z – Geoffrey Grady
15/10/2013	FKP: to sell 50% of The Milton and part of Point Cook
15/10/2013	PBD to acquire 50% of The Milton and part of Point Cook
14/10/2013	Change of registered address
8/10/2013	Form 604 – Change of interests of a substantial holder
8/10/2013	Notice of ceasing to be a substantial holder from FKP
4/10/2013	Response to ASX Price Query
1/10/2013	Appendix 3X – Marcus Seow
1/10/2013	Appointment of Non-Executive Independent Director

## 8.2 Material Contracts

### (1) ***Mulpha Facility***

Mulpha has agreed to provide PBD with an unsecured short term facility up to \$12 million. Interest is repayable on the loan at the rate of 13% per annum. The principal amount outstanding under the facility is re-payable in full on 13 December 2013, together with all accrued interest to that date. As at the date of the Prospectus, PBD has drawn down \$8 million under the terms of this facility.

### (2) ***SHKIB Facility***

SHKIB has agreed to provide PBD with a revolving \$40 million facility. As at the date of the Prospectus, no amount has been drawn down under the SHKIB Facility. The key terms of the SHKIB Facility are as follows:

#### (a) ***Facility limit***

The SHKIB Facility is for a total revolving facility of \$40 million.

#### (b) ***Facility currency***

SHKIB has the option, at its discretion, to provide any drawings under the SHKIB Facility in either Australian dollars or Hong Kong dollars, up to the Facility Limit.



(c) **Term**

The SHKIB Facility is available for a term of 3 years from the date that the conditions precedent are satisfied.

(d) **Conditions precedent**

The conditions to first drawdown under the SHKIB Facility include a number of conditions precedent, the majority of which are considered to be market standard. One of the conditions precedent requires PBD to provide evidence to SHKIB showing that all security granted in favour of St. George Bank has been discharged. This condition precedent is still to be satisfied.

(e) **Conditions subsequent**

The SHKIB Facility is subject to a number of conditions subsequent, principally with regard to the granting of security in favour of SHKIB over various assets of PBD to secure PBD's obligations under the SHKIB Facility. The Company is seeking shareholder approval at its forthcoming Annual General Meeting to grant the relevant security to SHKIB following the discharge of the St. George Facility, and the release of the existing securities in favour of St. George Bank. If the conditions subsequent are not satisfied by 7 February 2014, that will constitute an event of default under the SHKIB Facility and any amounts owing under the SHKIB Facility will become immediately due for payment.

(f) **Interest rate**

Until the date of satisfaction of the conditions subsequent, interest on any amount drawn down under the SHKIB Facility is 12% per annum, irrespective of whether the amount is drawn in Australian dollars or Hong Kong dollars. After the date of satisfaction of the conditions subsequent, interest is payable on any amount drawn down under the SHKIB Facility at the bank bill rate plus a margin of 6.585% (subject to any particular interest rates being payable due to a market disruption event). The bank bill rate is generally the rate displayed on the "BBSY" page of the Reuters Monitor System at 10.30am on the first day of the interest period. Interest may be capitalised subject to the satisfaction of various conditions.

(g) **Purpose**

The SHKIB Facility may be used towards, amongst other things, general working capital, repayment of amounts under the St. George Facility and the acquisition and development of additional projects consented to by SHKIB.

(h) **Repaying and prepaying**

The SHKIB facility is repayable in full at the end of the term. PBD may prepay any amount in multiples of \$1 million on an interest payment date. For so long as the loan to value ratio is greater than 50%, or an event of default is subsisting, PBD must use all net sale proceeds of any property to prepay any amounts owing. Any amounts pre-paid may be redrawn, subject to the loan to value ratio not being greater than 50% and no event of default subsisting.

(i) **Financial covenants**

The SHKIB Facility requires that for so long as there is any amount owing, the Company must maintain a loan to value ratio (being the ratio of the amount owing under the SHKIB Facility at the relevant time to the aggregate value of all secured real property as set out in the most recent valuation report) equal to or less than 60%. PBD is also required to within one month of any drawdown, enter into foreign

exchange arrangements (on terms acceptable to SHKIB) in respect of 75% of the aggregate drawings in Hong Kong dollars under the facility.

(j) **Events of default**

Amongst other things, an event of default under the SHKIB Facility includes any non-payment of an amount on time, any enforcement against the assets of PBD for an amount greater than \$500,000, an insolvency event of PBD or any subsidiary of PBD, a change of control of PBD, a breach of undertaking, a suspension of trading of Shares for a continuous period of 5 business days or more, the conditions subsequent not being satisfied by 7 February 2014 or any default occurs under any other transaction document relating to the SHKIB Facility. If an event of default continues, then SHKIB may make a demand for immediate payment of all amounts owing under the SHKIB Facility.

### **8.3 Interests of Directors**

Other than as set out below or elsewhere in the Prospectus, no Director:

- (1) has or had at any time in the last two years an interest in the formation or promotion of the Company, or in any property acquired or proposed to be acquired by the Company in connection with the Offer or promotion of the Company, or the Offer; or
- (2) has been paid or agreed to be paid an amount, or has been given or agreed to be given any other benefit, either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by him in connection with the formation or promotion of the Company or the Offer.

#### **Directors' interests in Securities**

No Directors (or their associates) have any interests in securities of the Company as at the date of the Prospectus.

#### **Remuneration**

Each of the Directors receives directors' fees from the Company.

### **8.4 Interests of advisers**

Other than as set out in the Prospectus, no person named in the Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus has or had at any time in the last two years an interest in the formation or promotion of the Company, or in any property acquired or proposed to be acquired by the Company in connection with the Offer or the formation or promotion of the Company, or in the Offer; or has been paid or agreed to be paid any amount or agreed to be given any other benefit, either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by him in connection with the formation or promotion of the Company or the Offer.

### **8.5 Expenses of the Offer**

The total expenses of the Offer payable by the Company are estimated at approximately \$0.2 million. These expenses include listing fees, legal fees, accounting fees, Share Registry expenses, printing and other miscellaneous expenses. They will be borne by the Company.

## **8.6 Electronic prospectus**

Pursuant to Class Order 00/44, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic entitlement and acceptance form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic entitlement and acceptance form, subject to compliance with certain conditions.

If you have received the Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please telephone the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) and the Share Registry will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at <http://www.pbddevelopments.com.au/news/2013>.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

## **8.7 Consents**

Norton Rose Fulbright Australia has consented to being named in the Prospectus in the form and context in which it is named and has not withdrawn its consent as at the date of lodgement of the Prospectus.

Computershare Investor Services Pty Limited has consented to be named in the Prospectus in the form and context in which it is named and has not withdrawn its consent as at the date of lodgement of the Prospectus.

Bell Potter Nominees Limited has consented to being named in the Prospectus in the form and context in which it is named and has not withdrawn its consent as at the date of lodgement of the Prospectus.

Each of the parties referred to in this section:

- (1) does not make, or purport to make, any statement in the Prospectus, nor is any statement in the Prospectus based on any statement of those parties, other than as specified in this section; and
- (2) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of the Prospectus other than a reference to its name and a statement included in the Prospectus with the consent of that party as specified in this section.

## 9 Directors' Statement

Each Director has given, and has not withdrawn, before the date of the Prospectus, his consent to the lodgement of the Prospectus with ASIC and to the issue of the Prospectus in accordance with section 720 of the Corporations Act.

Signed for and on behalf of  
PBD Developments Limited



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Winson Chow

Dated: 24 October 2013

## 10 Glossary

<b>\$</b>	Australian Dollars unless otherwise stated.
<b>Annual General Meeting</b>	The Annual General Meeting of the Company to be held on or about 22 November 2013.
<b>Applicant</b>	An Eligible Shareholder who submits an Entitlement and Acceptance Form.
<b>Application</b>	An application by way of a completed Entitlement and Acceptance Form to subscribe for New Securities under the Prospectus.
<b>Application Monies</b>	The monies received from Applicants in respect to their Application.
<b>ASIC</b>	The Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited ACN 008 624 691 or the Australian Securities Exchange financial market, as the context requires.
<b>ASX Listing Rules</b>	The Australian Securities Exchange Listing Rules, as amended or varied from time to time.
<b>Attaching Options</b>	Options to subscribe for Shares with an exercise price of \$0.0225 and an expiry date of 31 December 2015, the terms of which are summarised in section 6.2.
<b>Bell Potter Nominees</b>	Bell Potter Nominees Limited, Australian Financial Services licence number 269278.
<b>Board</b>	The board of Directors.
<b>Bridgeview Project</b>	The joint venture project between PBD Estate No. 2 Pty Ltd, BHW Group Pty Ltd and Dundas Developments Pty Ltd to develop 23 townhouses at 300 Johnson Street, Annandale, in Sydney, New South Wales.
<b>Burwood Square Project</b>	The Company's joint venture project with B1 Goldfield Development Pty Limited to develop a mixed use site at Burwood in Sydney, New South Wales.
<b>CHESS</b>	The Clearing House Electronic Subregister System operated by ASX Settlement & Transfer Corporation Pty Limited ACN 008 504 532.
<b>Closing Date</b>	The date on which the Offer closes being 21 November 2013, or such other earlier or later date as determined by the Company.
<b>Company or PBD Corporations Act</b>	PBD Developments Limited ACN 009 134 114, and its subsidiaries. Corporations Act 2001 (Cth).
<b>Directors</b>	The directors of the Company.
<b>Eligible Shareholders</b>	Shareholders with registered addresses in Australia and New Zealand and certain shareholders who are resident in other jurisdictions who are contacted by the Company and offered the right to participate, or who contact the Company and can demonstrate to the satisfaction of the Company that their participation in the Offer would not constitute a violation of applicable securities laws in that jurisdiction.
<b>Entitlement and Acceptance Form</b>	The entitlement and acceptance form accompanying the Prospectus.
<b>Future Rise Investments</b>	Future Rise Investments Limited, a company registered in the British Virgin Islands.
<b>Ineligible Shareholders</b>	A shareholder who is not an Eligible Shareholder.
<b>Issue Price</b>	\$0.015 per New Share.

<b>Mulpha</b>	Mulpha Strategic Limited, the shareholder in PBD, or Mulpha Ventures Sdn Bhd, the lender under the Mulpha Facility, as the context requires.
<b>Mulpha Facility</b>	The unsecured moneylending agreement between PBD and Mulpha Ventures Sdn Bhd dated 13 September 2013, as more fully described in section 8.2(1).
<b>New Securities</b>	The New Shares (including any Shortfall Shares) and the Attaching Options.
<b>New Shares</b>	The Shares in the Company offered in the Prospectus, the terms of which are summarised in section 6.1.
<b>Offer</b>	The offer of New Securities pursuant to the Prospectus, including the Rights Issue.
<b>Option</b>	An option to subscribe for a Share.
<b>Prospectus</b>	This prospectus dated 24 October 2013.
<b>Record Date</b>	1 November 2013.
<b>Rights</b>	The rights to subscribe for New Shares with Attaching Options under the Rights Issue.
<b>Rights Issue</b>	A pro-rata non-renounceable entitlement issue of 3 New Shares for every 4 Shares held on the Record Date at an issue price of \$0.015 per New Share, together with 1 free Attaching Option for every New Share subscribed for.
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	Computershare Investor Services Pty Limited, ABN 48 078 279 277.
<b>Shortfall</b>	The difference between the total number of New Securities on offer under the Rights Issue and the number of New Securities subscribed for under the Rights Issue.
<b>Shortfall Facility</b>	The offer to Eligible Shareholders to subscribe for Shortfall Securities in addition to their Rights.
<b>Shortfall Options</b>	The Attaching Options which are part of the Shortfall.
<b>Shortfall Securities</b>	The Shortfall Shares and the Shortfall Options.
<b>Shortfall Shares</b>	The New Shares which are part of the Shortfall.
<b>SHKIB</b>	Sun Hung Kai International Bank [Brunei] Limited, a company incorporated under the laws of Brunei.
<b>SHKIB Facility</b>	The loan agreement between PBD and SHKIB Brunei dated 7 August 2013, as more fully described in section 8.2(2).
<b>St. George Facility</b>	The loan facility between the Company and St. George Bank with a facility limit of \$32.5 million secured against the assets of the Company and drawn to \$25.2 million as at the date of the Prospectus.

## **Corporate Directory**

### **Board of Directors**

Mr Winson Chow (Non-Executive Chairman, Director)  
Ms Cerena Fu (Non-Executive Independent Director)  
Mr David Hunt (Non-Executive Director)  
Mr Marcus Seow (Non-Executive Independent Director)

### **Company Secretary**

Ms Nicole Moodie

### **Registered Office**

Level 5, 99 Macquarie Street, Sydney NSW 2000

### **Share Registry**

Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
Sydney, NSW 2000  
Phone: 1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)

[www-au.computershare.com](http://www-au.computershare.com)

### **Legal adviser**

Norton Rose Fulbright Australia  
Grosvenor Place  
225 George Street  
Sydney NSW 2000

**ASX Code: PBD**

# PBD Developments Limited

ABN 12 009 134 114

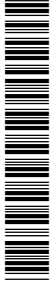
## For all enquiries:

Phone:



(within Australia) 1300 850 505

(outside Australia) +61 3 9415 4000



┌ 000001 000 PBD  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

## Make your payment:



See over for details of the Offer and how to make your payment

## Non-Renounceable Rights Issue — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (Sydney time) Thursday 21 November 2013**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your accountant, broker, financial or other professional adviser.

### Step 1: Registration Name

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

You can apply to accept part of your entitlement, all of your entitlement or all of your entitlement and additional Shares from the Shortfall Facility. Please enter the number of New Shares you wish to apply for and any additional Shares you wish to apply for (if any) and the amount of payment for those Shares.

You will also receive one free attaching option for every New Share successfully subscribed for under the Rights Issue.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Prospectus dated 24 October 2013.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the Entitlement and Acceptance Form with BPAY payment.

**By Mail:** Complete the reverse side of this Entitlement and Acceptance Form and detach and return with your payment. Make your cheque or bank draft payable in Australian dollars to "**PBD Developments Limited**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Any fractions of a cent that arise on the calculation of application monies should be rounded to the nearest whole cent, and payment made for the rounded amount.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip overleaf as indicated. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

**Turn over for details of the Offer and payment methods** →




# Entitlement and Acceptance Form

X 9999999991

I ND

## STEP 1 Registration Name & Offer Details

 For your security keep your SRN/  
HIN confidential.


**Registration Name:** MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

Entitlement #: 12345678


**Offer Details:** Existing Shares entitled to participate  
as at 7:00pm (Sydney time) 1 November 2013:  
  
Entitlement to New Shares  
on a 3 for 4 basis:  
  
Amount payable on Application  
at \$0.015 per New Share:  
  
Number of free Attaching Options  
based on 100% take up of your entitlement:

	1
	1
	\$0.01
	1

## STEP 2 Make Your Payment

	Bill Code:
	Ref No:

### Pay by Mail:

 Make your cheque, money order or bank draft payable to "**PBD Developments Limited**".

Return your cheque with the below slip to:

**Computershare Investor Services Pty Limited**  
GPO BOX 505 Melbourne Victoria 3001 Australia

Contact your financial institution to make your payment from your cheque or savings account.

## Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating dividend payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email [privacy@computershare.com.au](mailto:privacy@computershare.com.au).

Detach here -----

## Acceptance Payment Details

# of New Shares taken up under entitlement:

# of additional Shares applied for under Shortfall Facility:

Amount enclosed at \$0.015 per New Share (rounded to nearest cent): **A\$**

**Payment must be received by 5:00pm (Sydney time) Thursday 21 November 2013**



Entitlement #: 12345678

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

## Contact Details

**Contact Name** \_\_\_\_\_ **Daytime Telephone** \_\_\_\_\_

## Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

123456789123456789+000000001-3051+14