



INFORMATION MEMORANDUM

July 2017

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1.0 IMPORTANT INFORMATION



1. Transactions

1.1 Network Equity Ltd (ACN 613 665 099) ("Company") is implementing a proposed capital raising by way of issuing C Class shares in the Company.

1.2 The capital raising will comprise of one transaction; a capital raising from Sophisticated Investors only (the "Sophisticated Investor Transaction"). The minimum and maximum total amounts to be raised through the Sophisticated Investor Transaction are entirely at the discretion of the Company.

2. Purpose of the Information Memorandum

2.1 This Information Memorandum is provided only to Sophisticated Investors. It is presented for informational purposes solely to assist Sophisticated Investors to investigate participating in the Sophisticated Investor Transaction and may be used only for that purpose.

2.2 This Information Memorandum does not constitute or contain any offer for sale or issue of any securities or any invitation to subscribe for or purchase any securities. The Company reserves the right to accept or reject any offer to subscribe for Shares in connection with the Sophisticated Investor Transaction at its absolute discretion.

3. Nature of this Information Memorandum

3.1 This Information Memorandum has not been filed, registered or approved in any jurisdiction and no action has been, or propose to be taken to register or qualify this Information Memorandum or the Shares, or to permit any public offering of the Shares, in any jurisdiction.

3.2 No person may offer, sell or re-sell any Shares, or distribute or transmit all or part of this Information Memorandum, to any person, whether directly or indirectly, without the prior written approval of the Company. If such approval is given, any

person who does so must ensure that such conduct does not, and would not likely result in:

- (i) such conduct being viewed as an offer of Shares to the public or an offer requiring a prospectus or other similar offering or disclosure document, or any registration or filing, in any jurisdiction;
- (ii) any contravention of the securities laws of any jurisdiction; or
- (iii) any Relevant Entity incurring any liability whatsoever.

3.3 Australia - This Information Memorandum is provided only to persons in respect of whom an exception contained in section 708 of the Corporations Act applies. Accordingly, this Information Memorandum is not a prospectus or similar disclosure document that is required to be lodged with ASIC under section 718 of the Corporations Act. It does not contain all of the information that would normally be contained in such a prospectus or disclosure document.

3.4 Other Jurisdictions - The absence of a discussion in this Information Memorandum regarding issue or sale restrictions for the Shares in any particular jurisdiction does not imply that Shares may or may not be purchased in such jurisdiction by prospective investors. Jurisdictions not specifically addressed herein may or may not permit the purchase of Shares by prospective investors who are subject to the laws and regulations of such jurisdictions.

4. Glossary

Capitalised terms used in this Information Memorandum are defined in the glossary in Section 14.

5. Who may participate?

You may only participate in the Sophisticated Investor Transaction if:

- (a) you are a Sophisticated Investor and you agree to provide to the Company, immediately upon demand by the Company or any of its Representatives, an original or certified copy of a Qualified Accountant Certificate to certify that you are a Sophisticated Investor. If you are not able to provide such a Qualified Accountant Certificate, you will not be eligible to participate in the Sophisticated Investor Transaction;
- (b) you agree to the legal provisions set out in Section 15, including the representations, acknowledgements warranties, and undertakings set out in paragraph 7; and
- (c) your offer to participate is accepted by the Company at its absolute discretion.

6. How to apply

6.1 If you wish to participate in the Sophisticated Investor Transaction, you must return your duly completed and executed Application for Shares Form.

6.2 You may submit your Application for Shares Form by post or email as follows:

Network Equity Limited
Email:
allotment@networkequity.com.au

Postal:
PO Box 1453
Parramatta CBD NSW 2124,
Australia

6.3 By submitting your Sophisticated Investor Application Form to the Company, you will be deemed to provide

the representations, warranties, acknowledgements and undertakings contained in paragraph 7 of Section 15 to the Company.

6.4 Please note that the minimum investment amount is A\$100,000 per Investor.

7. Terms of use

You must not retain this Information Memorandum or any part of it or seek to participate in the Sophisticated Investor Transaction unless you have read and accepted the legal provisions set out in Section 15. If you do not accept the legal provisions set out in Section 15, you must immediately dispose of this Information Memorandum or return it to the Company.



2.0 INVESTMENT OVERVIEW

2.1 Who is Network Equity?

Network Equity Limited is a public company that invests in goodwill assets and technology sector.

2.2 Why are funds being raised?

Raising capital in conjunction with the opportunity provided by the Horwood Professional Group (“Horwood”) will expedite our expansion road map. The funds raised will allow the company to capitalise on opportunities for acquisition of accountancy practices around Australia as they arise.

Horwood will provide all necessary professional requirements and facilities to service clients of accounting practices for a fixed contracted cost of 70% of revenue for the life of the goodwill.

Leveraging Horwood HQ’s facilities, management and housing of clients as well as Horwood Partners client service platforms, the company has an opportunity to earn high net returns (22%+) from the ownership of professional goodwill assets. The company is guaranteed at least 22% of annual earnings from the above arrangement.

2.3 What role does Horwood Professional Group play?

Network Equity will align with Horwood Professional Group to acquire goodwill assets. The funds invested will be used for steady acquisition of professional accounting practices over the first three years. For more information, please refer to Section 5.2 Strategic Alliance.

2.4 How is the Alliance advantageous for Network Equity?

Through the Strategic Alliance with Horwood Professional Group, Network Equity benefits from:

- Horwood HQ's ever-growing supply of prospective practices for sale - with first right of refusal for acquisition
- An expert team of professionals maximising value extraction from their acquired and growing clientele

These benefits are ongoing and sustainable and will lead the growth of ROI for Network Equity.

Network Equity's aim is to acquire more than 20,000 clients within the first 36 months through acquisition and HQ membership.

2.5 How much capital is being raised?

Network Equity Ltd will raise a maximum of \$20,000,000 through a minimum issue of 150,000,000 C Class Shares at:

- \$0.10 per share for the first \$5,000,000
- \$0.135 per share for the second \$5,000,000
- \$0.16 per share for the third \$5,000,000
- \$0.25 per share for the fourth \$5,000,000

The minimum amount required for this capital raising to proceed is \$4,000,000. There is currently no provision for over-subscriptions should this capital raising be oversubscribed. Once \$20,000,000 has been raised, this capital raising round will immediately close. The Board reserves the right to accept or reject any investment application and may do so at its discretion.

C Class Shares have the exact rights, privileges and entitlement as Ordinary Shares to income and capital of the company. However, C Class Shares will not retain voting rights, which extend to Ordinary Shares only.

2.6 What is the minimum and maximum investment amounts?

The minimum investment amount is \$100,000. The maximum investment from a single investor is \$500,000.

2.7 Who can apply for shares?

This investment opportunity is open to wholesale, sophisticated and professional investors and internal staff. Further information regarding this can be found in Section 12 Investment Summary.

2.8 What is the intended use of funds?

Funds raised will primarily be used for Accounting Practice Acquisition and compliance costs. A breakdown on the use of funds can be found in Section 7 The Operations.

2.9 When can investors expect a return on their investment?

The current business model has been successfully operated under the management of Horwood for the last 6 years and has proven effective in delivering its current Goodwill Proprietors (The Partners) a very secure return above 22% before taxation.



Network Equity will be provided the exact opportunity to enjoy the same success as the current Partners of Horwood, to earn a secured 22%+ through the exact operating systems and arrangements with Horwood HQ. This is a unique and rare opportunity for an investment to earn at a level similar to that of a successful professional partner/ accountant.

All of Horwood’s operations and client services are already in place. With their proven track record and sound financial performance, Horwood is primed to accommodate and service new clients with maximum efficiency. Consequently, the faster the investment money is raised, the faster Network Equity can secure acquisitions and the faster Horwood Partners can extract value from clients to generate returns for Network Equity cash dividends.

It is by our estimation that the first distribution will be made in February 2018 and full year (anniversary) distribution will be made in August 2018. The first 12 months will achieve return on earnings of at least 22%.

2.10 What is the Exit Strategy for investors in Network Equity?

2.10.1 Primary Exit

Listing Network Equity shares on the exchange. Our primary focus from day one is to harness enough investment contribution to give the company the critical mass of \$20 million in investment assets or \$20 million in revenue, to list the company shares on the ASX (Australian Stock Exchange).

Listing the company shares on the stock exchange would provide the initial investors the ability to realise ("cash out") all or part of their shareholding in the company.

2.10.2 Secondary Exit

The company will offer a share buy back scheme. More detailed information can be found in Section 9 Exit Strategy.

2.11 Who are the Directors and Advisors?

- Mr Alexander Le is Executive Director, Company President and CEO (Chief Executive Officer) of Network Equity Ltd.
- Mr Alan Suy is Executive Director, Company Vice President and COO (Chief Operating Officer) of Network Equity Ltd.
- Dr Liang Liang is Executive Director and CLO (Chief Liason Officer) of Network Equity Ltd.

The board of advisors we have secured include:

- Mr Paramjit Bindra
- Dr Thomas Chiu
- Dr Serena Tan
- Mr Simon Chhoeu
- Ms Lili Su

Please refer to Section 10 and Section 11 for more details.

2.12 What are the risks associated with this investment opportunity?

Network Equity is considered to be business grade investment and as such returns should be expected within the first year of operation. More information about the Investment Risks can be found in Section 13. All prospective investors are strongly encouraged to read Section 13 in full.

3.0 THE INDUSTRY

The Accounting industry in Australia is as old as the country itself and this is also true for many countries around the world. Where there is civilisation there is commerce, government and banking - and inherently the practice of accounting.

The traditional services of an accountant remain to this day. We seek an accountant to help meet our business requirements, fulfil our government lodgment obligations and reconcile our banking needs.

In addition to the traditional services of accounting, it also abundantly clear the evolution of the industry. Accountants today commonly branch out their businesses into specialised areas such as Finance, Financial Planning, Property Consultancy, Business Mentoring, Insolvency and Auditing.

There is a growing sector within the accounting industry where the accounting firm will provide the full gamut of 'value added' services relating to business, investment, finance, financial planning and legal. These are now simply known as a 'Professional Services Firm'.

3.1 The Industry is Changing

Traditionally accounting firms generate a steady business (but under-performing compared to its potential). Clients are loyal, and revenue is mostly recurrent. By and large the Government determines what work needs to be completed for the clients. Although business is constant, this style of business encourages apathy.

People who work in the accounting industry share a general sense of under utilisation and under appreciation. The repetitive nature of accounting work discourages the industry to harness creativity and proactivity in offering more to its clients. Consequently, clients are typically under serviced.

Network Equity recognises that the industry is changing and there is a massive opportunity to capitalise in this area.

3.2 Industry Trends

3.2.1 Technology Will Drive Business

Advancements in internet and software automation and integration has seen the accounting industry become more efficient, profitable and competitive. As this continues, accountants will need to upgrade their skill sets to offer more value-added services to clients, or fade and become less relevant.

3.2.2 Government Will Simplify Compliance

Due to the Government's mandate to run more efficiently and reduce administration costs, the Government has and will continue to streamline the process of submitting and assessing tax returns. As compliance becomes a commodity, more and more accounting firms are 'outsourcing' work to offshore companies. This trend will continue to make the traditional accountant less relevant unless they offer other value adding services.

3.2.3 Consolidation

The accounting profession is still a made up of primarily small businesses.

- There are an estimated 1.5 million accounting firms in the world but only 60,000 of these have revenues above \$3 million
- The vast majority of firms have less than 3 partners
- An estimated 45% of all current partners are over 50 years of age and many will retire within the next 6 years
- An estimated 65% of all firms employ less than 5 people

Due to the above factors, there will be substantial opportunities for mergers and acquisitions over the next 5 years.

3.2.4 Changing Culture

Current corporate structure dictates that we have dedicated marketing, HR, IT, sales and management teams. The younger generations have come to expect this type of arrangement. M&A opportunities have and continue to arise from this phenomenon, as firms try to extract more value from their teams.

Accountancy is typically perceived as stagnant or dull - a profession that fails to enter the higher salary brackets. Here-in lies a massive opportunity to turn this on its head and offer a more compelling proposition to young talent.

3.2.5 New Generation of Leaders

The evident transition from Baby Boomer managers to Gen X leaders is one of the single biggest transformations seen in accounting partnerships in the past three years, along with the advent of greater

cultural diversity and the inclusion of more women. This breed of young leaders are more expansive in their thinking and strive to make a larger impact.

As Baby Boomers retire, the Gen X and Gen Y Partners will take over. These two groups have new sets of requirements and expectations including:

- Improved work/life balance
- Utilising technology more effectively to achieve faster results
- Achieving success in a shorter period with greater reward
- Flexibility with their work hours and mobility
- Earning more
- Differentiate their services by delivering more to their clients

3.2.6 Business Hub

Clients are becoming more sophisticated and informed and thus have a higher expectation of their accountancy services. Personalisation, meaningful client relationship and exceptional customer support continue to be key factors in retaining clientele and demarcating service differentiation. The new accounting firm will become a business hub where clients and like-minded providers meet and network.

3.3 Industry Overview

The Accounting Services sector employs more than 133,000 Australians, and represents a significant portion of the professional services industry. It contributes considerably to the economy, generating \$17 billion in revenue in 2014-15. Many businesses within the sector are located in Australia’s major cities, with the majority based in NSW, followed by Victoria.

Industry Revenue (2013-2014)	\$17.0 billion
Number of Accounting Services Workers (June 2015)	136,480
Number of Accounting Services Businesses (June 2014)	31,762
Accounting firm wages in FY2013/14	\$9.1 billion
Proportion of accounting services businesses that exited market in FY2013/14	11%
Proportion of non-employing accounting service businesses in FY2013/14	53%

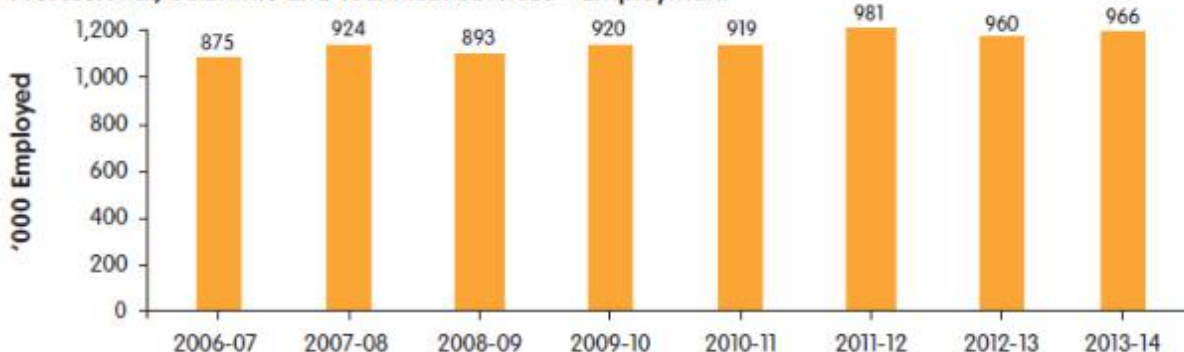
3.3.1 Professional, Scientific and Technical Services Industry Division

The accounting services division belong to the professional, scientific and technical services industry. The Professional, Scientific & Technical Services Industry Division includes a range of sectors, including Accounting Services, Legal Services, Scientific Research and Market Research.

Professional, Scientific & Technical Services employs close to one million Australians (966,000) or roughly 8% of the total workforce. In the year to June 2014 employment rose by 6,000 additional workers. This is in line with total employment growth and reflective of the fairly stable growth over the previous decade.

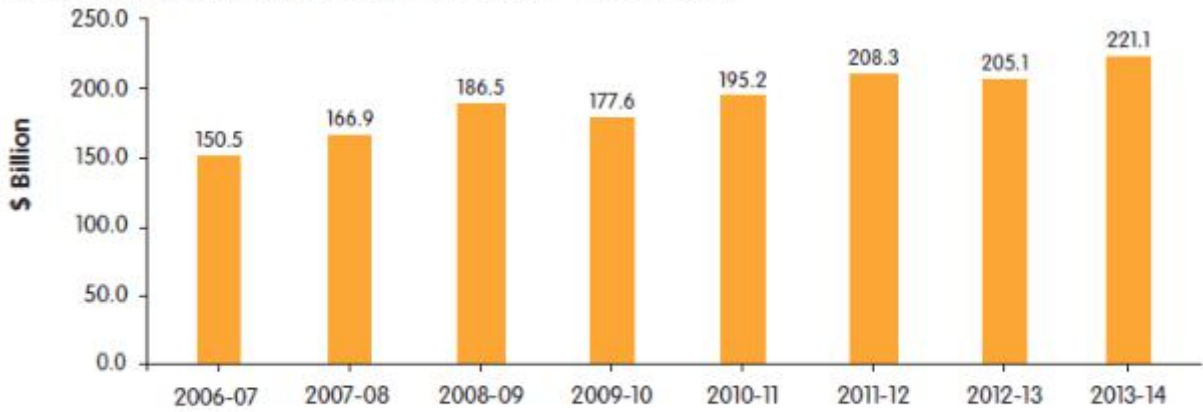
Professional, Scientific and Technical Services is increasing in importance for the Australian economy, making up 6.2% of GDP in the year to June 2014, up from an average of 4.9% in the 1990’s and 3.9% during the 1980’s. Total industry income has grown by an average rate of 5.8% since 2006-07, declining in only two of the seven periods.

Professional, Scientific and Technical Services – Employment



Source: ABS

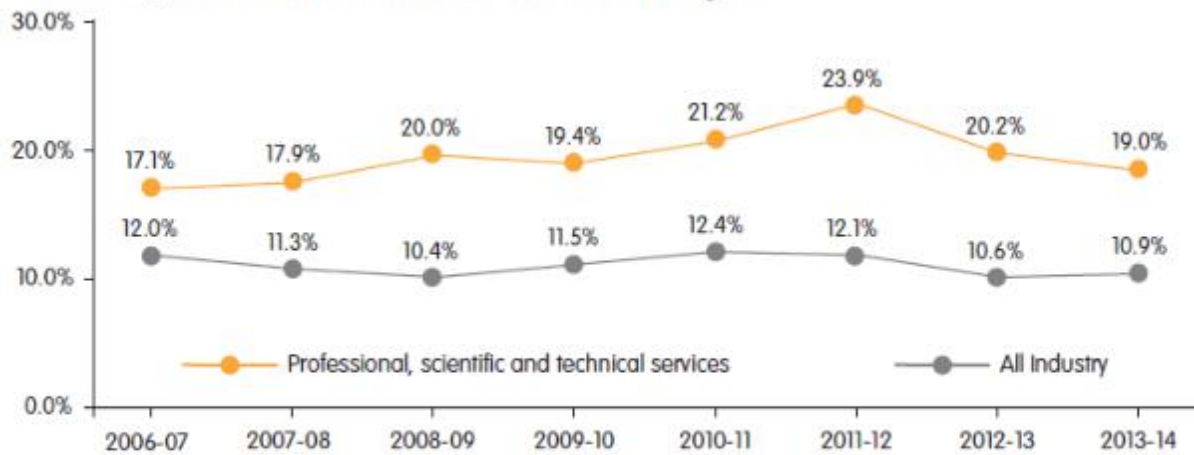
Professional, Scientific and Technical Services – Total Income



Source: ABS

Profit margins for the industry are higher than the all industry average, though profit margins have steadily decreased between FY2011/12 and FY2013/14.

Professional, Scientific and Technical Services – Profit Margin



Source: ABS

Please note 'All Industry' includes all Industries with the exception of Insurance and Financial Services.



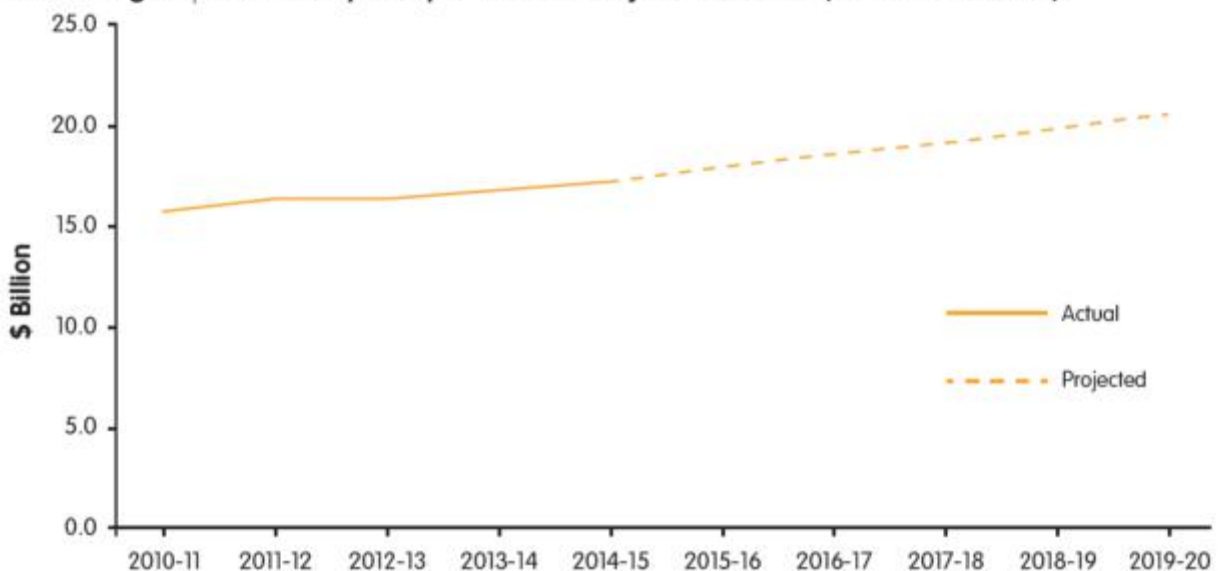
3.4 Industry Outlook

Accounting Services' revenue is expected to grow by 21.2% from FY2015/16 to FY2019/20 to \$20.6 billion, from its current \$17.0 billion.

Revenue growth over the medium term is expected to be driven by technological change and continued growth of advisory and consulting services.

The number of accounting businesses are forecast to grow by 5.8% over the five years from FY2015/16 to FY2019/20. During the same period employment is expected to increase by 11.2% indicating sound growth and opportunities for consolidation within the sector.

Accounting Services Industry Group Actual and Projected Revenue (2010/11 to 2019/20)



Source: IBISWorld

Capital expenditure by the private sector is a major determinant of accounting industry performance, as most of the industry's revenue comes from the private sector. With Capital expenditure by the private sector expected to continue to fall over 2016/17, the growth of industry revenue may be hampered in the short term.

In addition, total business numbers across all industries are growing again for the first time in four years, indicating potential new sources of revenue for accounting firms.

3.5 Industry Drivers

3.5.1 Capital expenditure by the private sector

The capital flowing in from the private sector, particularly the financial services sector, is a significant driver as a major source of income for accounting firms. The end of the mining boom and overall caution in business investment have pushed private capital expenditure lower. This trend is expected to continue in 2016/17.

3.5.2 Demand from business services

While demand from the financial services sector fell during the global financial crisis, it accounted for much of the growth between 2009-10 and 2010-11. Demand from businesses overall is also expected to rise over 2016-2017.

3.5.3 Number of businesses

Growth in the formation of new businesses provides ongoing revenue streams for accounting firms. The number of new Australian businesses has increased in FY2013/14 for the first time since FY2010/11, signaling an opportunity for accounting firms to bring on new clients.

3.5.4 IT and telecommunications adoption

Accounting firms are increasingly investing in information technology and telecommunications to open up new revenue streams and generate more value for clients. This has led to the growth of real-time accounting services and cloud services.

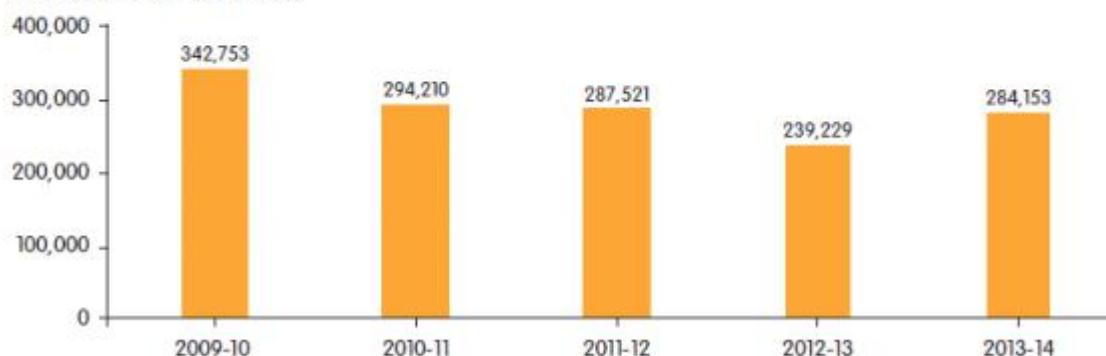
With IT and telecommunications adoption expected to continue rising over 2016-17, the accounting industry performance will likely to coincide in growth.

Number of Workers – Legal and Accounting Services (2014 vs. 2015, by State, '000)



Source: ABS

Australian Business Entries



Source: ABS

Accounting Services Businesses in Operation (State, Turnover)

	Operating at the end of FY 2013-14				
	Zero to less than \$50k	\$50k to less than \$200k	\$200k to less than \$2m	\$2m or more	Total
	no.	no.	no.	no.	no.
New South Wales	3,870	3,919	3,079	361	11,229
Victoria	2,925	2,931	2,243	314	8,413
Queensland	1,904	2,100	1,624	206	5,834
South Australia	548	617	587	72	1,824
Western Australia	1,102	1,163	996	137	3,398
Tasmania	153	127	120	13	413
Northern Territory	53	71	57	6	187
Australian Capital Territory	150	133	154	27	464
Total	10,705	11,061	8,860	1,136	31,762

Source: ABS

Accounting Services Businesses in Operation (State, Number of Employees)

	Operating at the end of FY 2013-14				
	Non Employing	1-19 Employees	20-199 Employees	200+ Employees	Total
	no.	no.	no.	no.	no.
New South Wales	5,897	5,186	135	11	11,229
Victoria	4,480	3,800	129	4	8,413
Queensland	3,101	2,618	114	0	5,834
South Australia	948	825	50	0	1,824
Western Australia	1,838	1,501	58	0	3,398
Tasmania	226	181	6	0	413
Northern Territory	103	82	0	0	187
Australian Capital Territory	247	210	7	0	464
Total	16,840	14,403	499	15	31,762

Source: ABS



4.0 MARKET OPPORTUNITY

The market opportunity for Network Equity to capitalise on acquisitions is ripe as there will be many baby boomers retiring over the next 3-6 years. As more practices come up for sale during this one off occurrence, Network Equity will be in a prime position to negotiate for advantageous terms.

4.1 Competitive Edge

4.1.1 Attraction To The Seller

The Horwood Professional Group possesses innovative and holistic services for their clients. With its attractive professional repertoire, accounting firms will find it more favourable to sell their business to Network Equity, instilled with the confidence that their clients will be well looked after.

4.1.2 Horwood HQ Network

Horwood HQ currently runs a very successful Managed Certified Membership Program whereby accounting firms and individual accountants join to receive a range of benefits. The program focuses on growing the member's client base through mentoring, advisory and value-added services which the members are motivated to promote.

Network Equity's relationship with Horwood HQ puts us in a unique position to be the first to know about any members wanting to exit the industry and sell their client base. Network Equity and Horwood HQ have the first right of refusal to acquire members' client base.

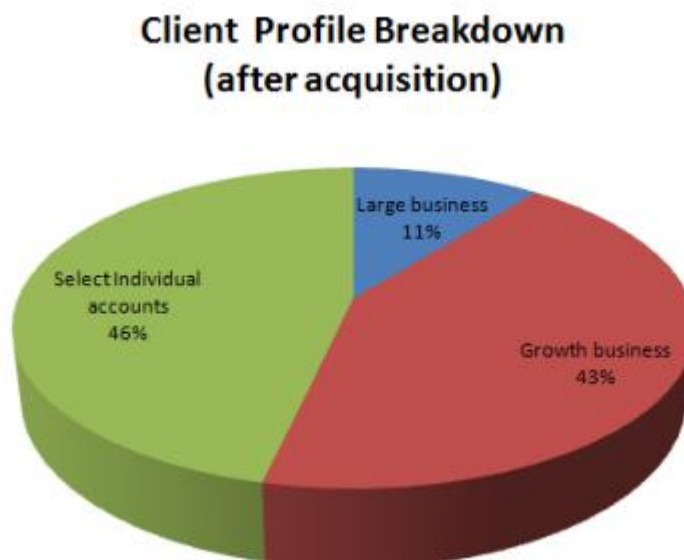
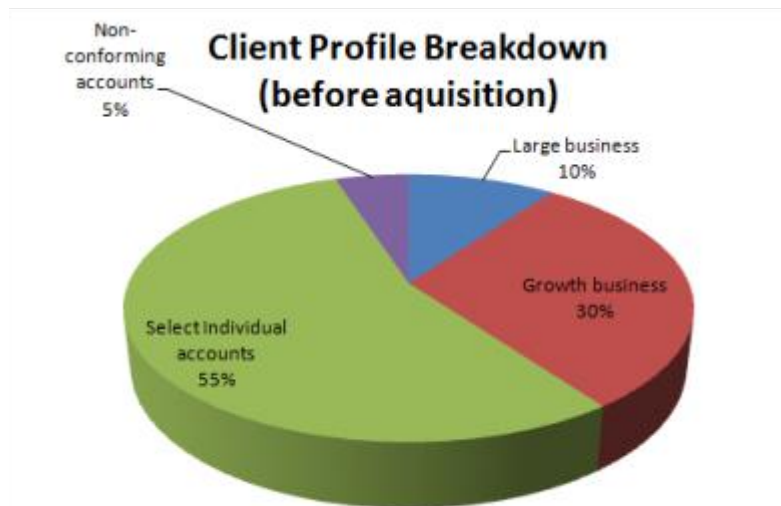


4.1.3 Financial Capacity & Readiness

Network Equity will raise the capital required to proactively capture opportunities quickly and efficiently as they arise. With cash reserves, Network Equity will be in a better position (than other players in the market who may require loans) to secure the target acquisitions on more beneficial and equitable terms.

4.2 Targeted Approach

Network Equity has a strict due diligence process which is used to select our acquisitions. This process has historically been very successful in delivering favourable outcomes. Our experienced managers are highly proficient at applying this method with efficacy. Naturally it will provide Network Equity with the competitive edge at acquiring quality acquisitions with genuine growth potential. An example of the typical firm we target is described below:



5.0 THE BUSINESS

5.1 Background

Network Equity is an Australian public company with a focus on investments in the Active Business Asset class and in emerging growth industry equities. Network Equity currently has invested approximately A\$10 million in a combination of Active Business Assets and shares in technology companies. Most shareholders of Network Equity are from Australia.

Network Equity's investment methodology is applied with the aim of achieving absolute returns for investors. This is our central endeavour. It is complimented by quarterly communication to keep investors abreast of our perspective and portfolio positioning. Network Equity is a public company and it aims to be listed on the Australian Securities Exchange within the next 24 months.

5.2 Strategic Alliance

Network Equity has a strategic alliance with Horwood Professional Group ('Horwood'). Each party is described below.

5.2.1 Horwood Professional Group

Horwood HQ specialises in the management of accountants' memberships. As a member of HQ, accountants are able to outsource their accounting work to Horwood Partners. This arrangement allows accountants to focus more on client facing tasks and affords them valuable time in acquiring new clients while ensuring their existing clients are cared for at a professional level. This arrangement simultaneously minimises overhead costs and streamlines business operations for the member.

Horwood Partners' experienced team of qualified accountants specialise in managing and servicing end user accounting clients including Horwood HQ members' clients.

5.2.2 Network Equity Alliance

Network Equity and Horwood HQ work together to acquire professional practices. Network Equity manages acquisition investors while Horwood Partners provides for the complete housing and servicing of those newly acquired clients.

From the vast pool of accounting members within Horwood HQ, Network Equity receives the first notice and first right of refusal to acquire practices wishing to sell.

Network Equity will focus on acquiring high-calibre practices and their subsequent clientele while Horwood Partners will focus on servicing these clients. Network Equity will see growing ROI on acquisitions via Horwood Partner's expert value extraction from these clients ie. providing clients with accounting and digital service expansion and enhancements.

Network Equity's revenue is further compounded by Horwood HQ's organic membership growth. As membership numbers increase, Network Equity receives first access to a growing pool of prospective practices preparing to sell.



6.0 BUSINESS STRATEGY

Equipped with strong business fundamentals, Network Equity has developed our strategy based on creating as much future value as possible by investing in income producing assets. We constantly seek opportunities and involvement in emerging growth industry equities. To achieve this goal we are working across two main focus areas. They are:

1. Exponential Growth Through Acquisition - To acquire accounting practices available in the market place as well as from the growing pool of Horwood HQ members, with an aim of 20,000

clients within the first 36 months. We simultaneously extract maximum value from said clientele with Horwood Partners' expert accounting services and enhancements.

2. Technology Roadmap - To capitalise on the digital trend of accounting service and create a business platform in which all our advisors, members, and clients (end user) will want to use every day. Subsequently, this strategy will generate additional return and sustainable long term growth within the accounting business. Please refer to Sections 6.2.2 and 6.2.3 for more details.



6.1 Growth and Acquisition

Network Equity and Horwood Professional Group's strategic alliance will unlock the opportunity to earn a high net return of 22%+ from their ownership of professional goodwill assets. The company is guaranteed at least 22% of annual earnings from the above arrangement. To attain this return on investment, Network Equity's focus is to grow this business through consolidation.

Historically, consolidation in the public accounting space for medium-large firms over the last 25 years has been well documented and recognised.

In 1986, nine large accounting firms dominated the industry. But in 1987, Klynveld Main Goerdeler (KMG) merged with Peat Marwick Mitchell to create KPMG Peat Marwick, reducing the number of top-tier players to the "Big Eight."

In 1989, Ernst & Whinney merged with Arthur Young, and Deloitte Haskins & Sells merged with Touche Ross, further consolidating the industry to the "Big Six."

In 1998, the merger of Price Waterhouse and Coopers & Lybrand created the "Big Five."

The dissolution of Arthur Andersen in 2002 resulted in the final "Big Four."

6.2 Technology Roadmap

Network Equity recognises the growing digital trend of accounting services in today's commercial landscape. That is why they will invest in technology assets with the secured funding, to harness a strategic alliance with an adept software development company called Goesoft Pty Ltd.

Goesoft has already launched three successful software platforms used to actively support Horwood's clients. Network Equity will be leveraging the proven expertise of Goesoft to provide an effective digital offering to the clients of their acquired practices. It will better cater to the modern client's needs, attract a larger client base and ultimately enhance Network Equity's ROI.

Network Equity will also benefit directly from the growing popularity of Goesoft digital platforms. They are positioned to possess a 5% ownership in Goesoft Pty Ltd, and capitalise on an exclusive licensing agreement for its software platforms with Horwood Professional Group.

6.2.1 Horwood Display

Horwood Display is a cloud based practice management platform specifically designed for accountants. The platform gives you the ability to manage your practice and clients anywhere, anytime, using a mobile device:

- Manage all job details and job history
- View work in progress, their statuses, and assign tasks to staff members
- Monitor invoicing and billing
- Give clients access to the portal to share job progress
- Message and send notifications to clients

6.2.2 Bill Pay

Bill Payment System (BPS) is an expense processing platform that streamlines clients' payments and processing, reducing the need for data entry. It has comprehensive reporting, but can also integrate with accounting software to relieve efforts in book keeping.

Key advantages of a BPS facility include:

- The BPS organises, files and pays bills for you, both online and offline
- Ensures all bills are paid within 24 hours of the due date
- Provide live updates of your account balances
- Collate meaningful statements and reports from your expenses

The BPS platform is currently in operation and is used by a business under license. BPS is considered a disruptive technology within the finance industry and has potential to be adopted globally.

The benefits of cloud-based business platforms are substantial when it reaches a critical mass of users. As Network Equity is a cornerstone investor of

Goesoft Pty Ltd, Network Equity is well positioned to further capitalise on the growth of each of these platforms, which is expected to create significant value in the long run.

6.2.3 Horwood HQ Advisory App

The Horwood HQ Advisory app is a client's companion, to be downloaded and used on their mobile device. It allows clients to access answers to their business related questions on the go, any time of the day. Horwood HQ members have been using the app to provide advice and support to their clients. The advisory app appeals to many small businesses who have business queries and seek fast advice, subsequently the questions they submit form a pool of prospective clients for the advisors who respond.

This app can also be white-labeled and customised to the users' (members or affiliates) requirements, allowing them to effectively market the tool as their own. In doing so, it adds significant value to their business, by providing clients with instantaneous digital support.

6.3 Our Strengths

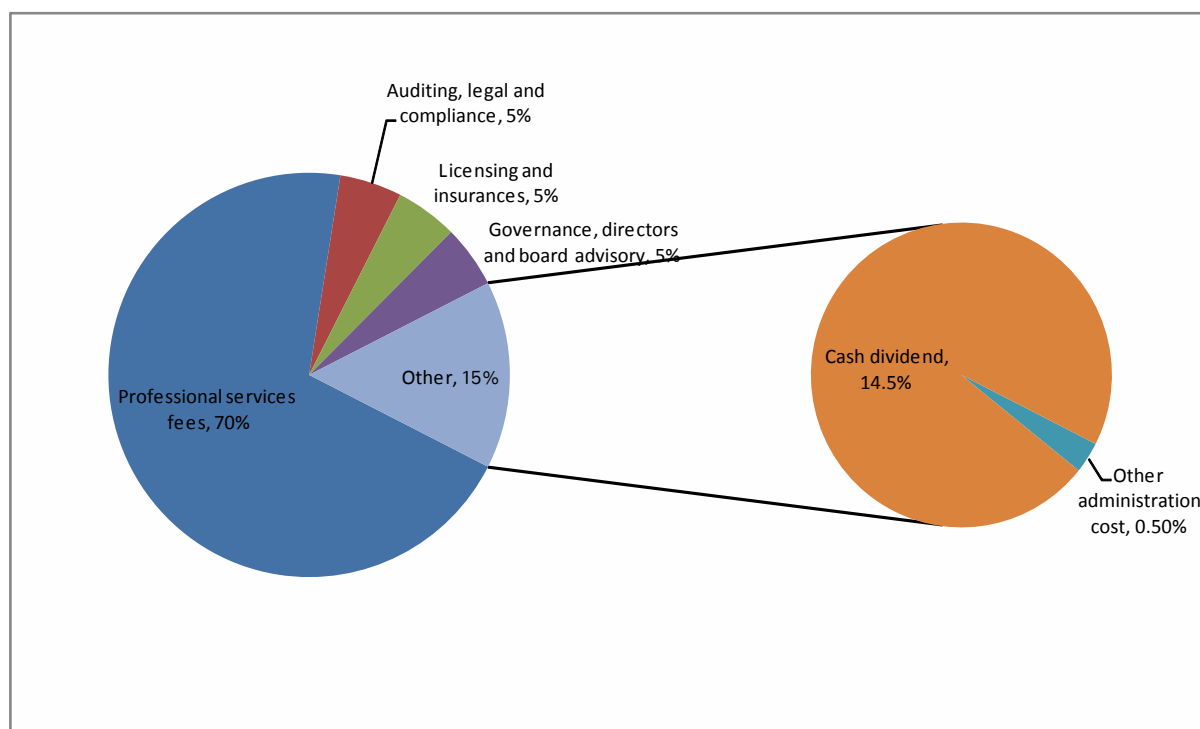
One of the advantages that Network Equity has is our relationship with Horwood. Their experienced team of qualified accountants and business managers have years of industry experience not only in acquisitions but in deal negotiations and business operations. Horwood also has a strong network of accountants where succession planning is a topic that is constantly brought up. This unique relationship with accountants allows Network Equity to have their ears close to the ground and commence early stage negotiations with those who are seeking an exit.

7.0 THE OPERATIONS

Network Equity will align with Horwood Professional Group and focus on acquisitions. The funds invested will be used for steady acquisition of professional practices over the first three years. When an acquisition is made, Horwood Partners will take over the client management role and assume immediate responsibility for the servicing and housing of the clients.

Horwood Partners will provide the complete housing and servicing of the clients at a contracted fixed cost of 70% of annual revenue. Network Equity will receive the remainder 30% of revenue with which it will share 50% with investment partner Horwood HQ. Network Equity would also arrange at least 14.5% is returned directly to the investors as cash dividends and Horwood HQ will ensure that an annual 15% capital growth is robust and sustainable.

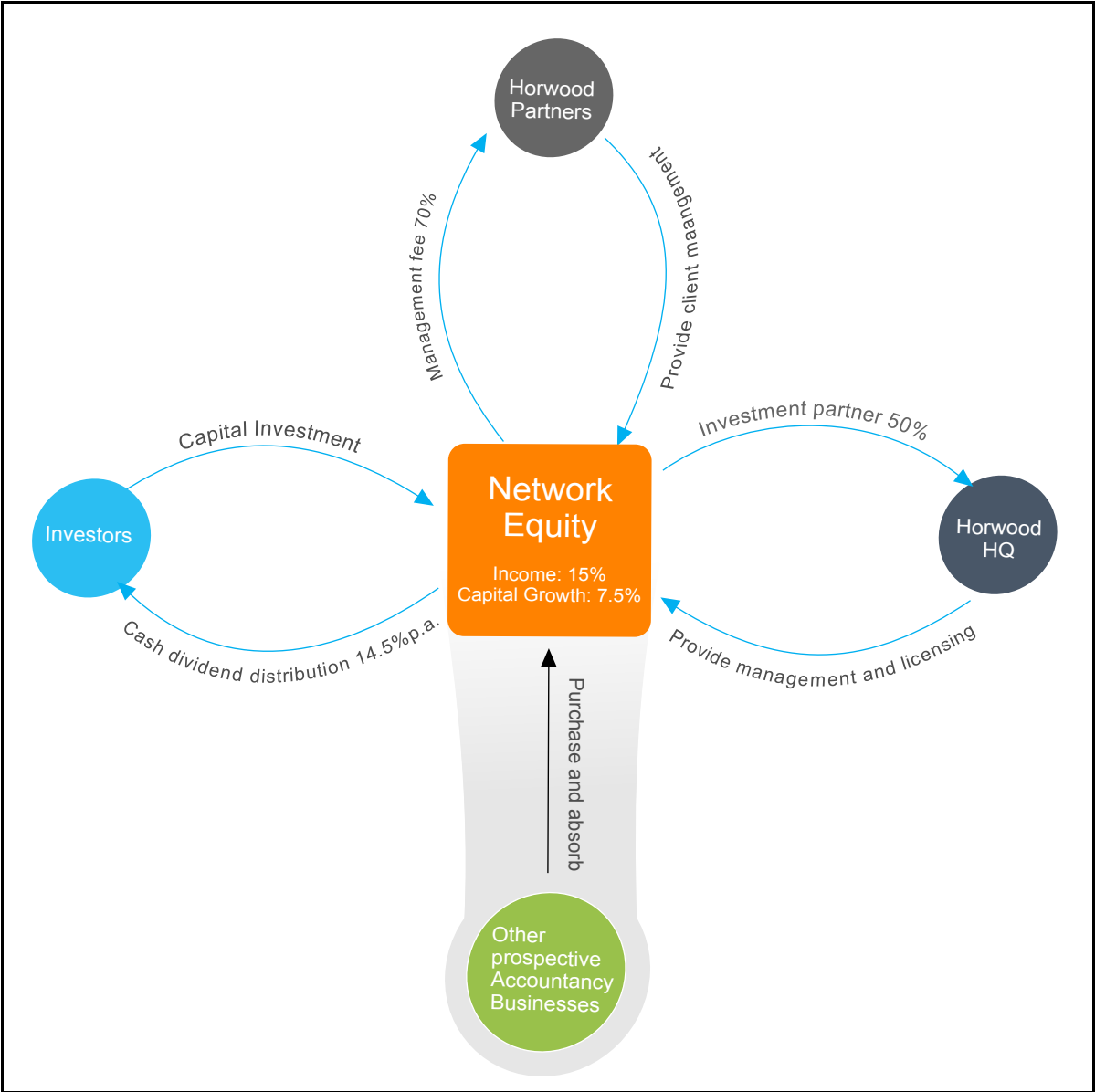
With the 30% return from revenue, 50% share (15%) will go to Horwood HQ for licensing, insurances, compliance, corporate governance and professional management. Horwood HQ will subsequently disperse the other 15% share mentioned above by covering cost of compliance 5%, cost of governance 5%, cost of insurance and licensing 5%.



Distribution of revenue and expense breakdown

Horwood HQ will also be entitled to 50% (7.5%) capital growth. Horwood HQ will use its share of this capital gain to pay commissions for referrals, marketing, promotion and public relations.

Network Equity will set aside 0.5% out of 15% for administration costs, leaving a net cash dividend of 14.5%.



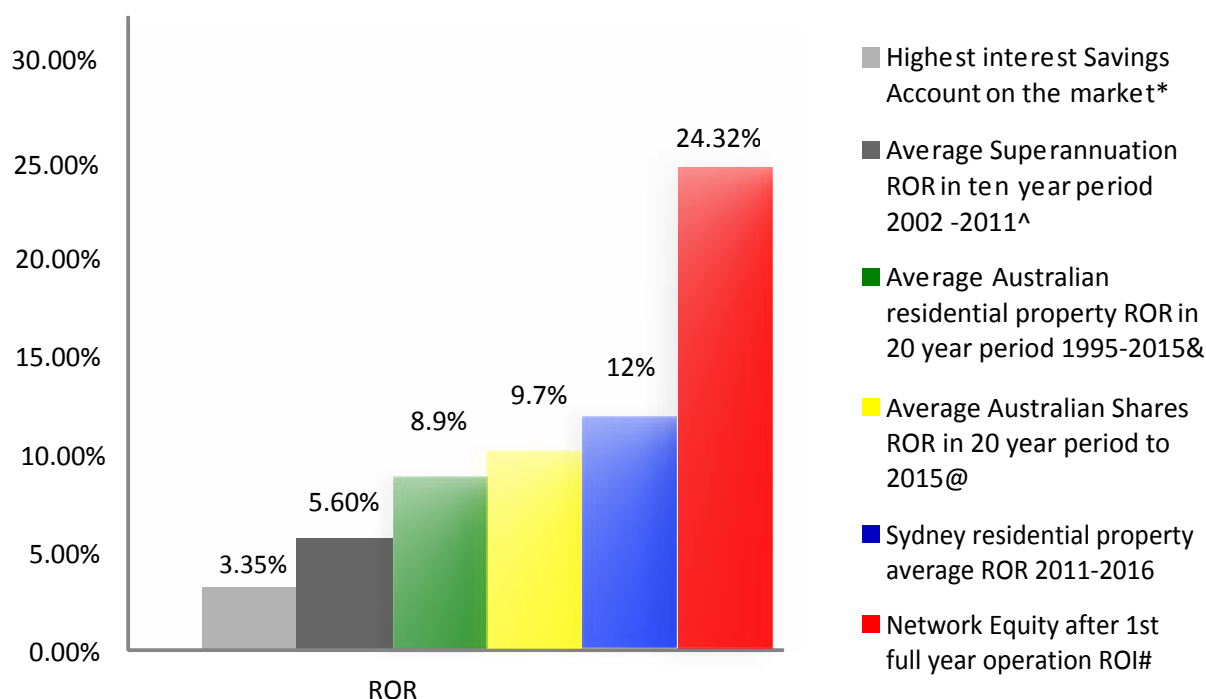
Network Equity acquisition and servicing model

8.0 THE FINANCIALS

8.1 Rate of Return (ROR) Comparison

Estimate cash dividend return from the acquisition model:

First year - the expected return is 24.32% p.a. after the first full year of operation



* ME Bank Online Savings Account (3.35% p.a.) as at 13 July 2016, sourced from www.finder.com.au

^ Average annualised ROR (5.6% p.a.) for all superannuation entities from the ten year period 2005 to 2015, sourced from *Annual Superannuation Bulletin* June 2015 edition APRA, page 2.

& Australian residential property Investment returns for 20 years to December 2014 (No gearing), sourced from *ASX 2015 Long-term Investing Report*, page 10

@ Australian shares Investment returns for 20 years to December 2014 (No gearing), sourced from *ASX 2015 Long-term Investing Report*, page 10

Forecasted projections based on successful share allotment, results may vary with circumstances and other influences.

The revenue target is as follows:

- \$2million in year 1
- \$8 million in year 2
- \$16 million in year 3

This revenue forecast is attainable through Network Equity's acquisition strategy and support from the Horwood Professional Group. Capital growth is forecasted to be an average of 15% per annum.

9.0 EXIT STRATEGIES



9.1 Primary Exit

Network Equity aims to list the company shares on the Australian Stock Exchange within 24 months.

Listing the company shares on the stock exchange would provide the initial investors the ability to realise ("cash out") all or part of their shareholding in the company. This is the company's primary exit strategy.

9.2 Secondary Exit

Network Equity's secondary exit strategy for its shareholders is an offer of share buy back after the 18 month lock-out period expires (from the date of purchase). After the 18 month lock-out period expires, the shareholder has the option to sell their shares back to the company at face value (initial purchase price).

Please note, the share buyback transaction may take up to 6 months to process.



10.0 THE TEAM

The team at Network Equity has a clear track record of personal and business success. Network Equity is proud to have assembled an excellent team. From its Executive Directors and Advisors down to its managers and frontline staff, it's ready to execute our plan and build Network Equity into a leading investment firm specialising in emerging growth industry.



Mr Alexander Le
Chief Executive Officer, Director

Alexander Le is the current CEO of Horwood Partners. He has held the position since 2010, guiding the firm from its inception to the well received and well recognised professional service brand that it is today. Mr Le is also the founder and Managing Director of software company, Goesoft. He is a professional partner at Horwood Partners, a Senior Business Advisor since 1995, a mentor to the partners and accountants at Horwood HQ.

Mr Le, renowned for his astute pragmatism, provides expert advice informed by over 20 years' experience consulting for international accountancy firms and multi-national companies. As a business advisor, Mr Le has helped clients lead the way in a number of industries, including property development and management, construction, transport, telecommunications, medical services, manufacturing, engineering, non-profit ventures and retail.

A graduate from Sydney University, Mr Le is a practising Business Advisor and economist for over 20 years.



Mr Alan Suy
Chief Operating Officer, Director

Prior to his appointment as Chief Operating Officer of Horwood Partners, Alan Suy has held a number of management positions, utilising over fifteen years' experience in business management and IT consultancy. His expertise encompasses delivery of information services and infrastructure solutions across the professional services, retail, manufacturing and construction, industries. He holds a Bachelor of Engineering (with Honours) specialising in Computer Engineering, and a Graduate Certificate in Commerce, both from the University of NSW.

Mr Suy's past projects involved strategic planning, business advisory, and project management. His extensive business development and management experience saw him plan and implement long-term strategies designed to ensure growth and meet key business objectives.

As Chief Operating Officer, Mr Suy has helped Horwood Professional Group build and implement the innovative business model that ensures the success of the Group's expansion continues. He is also the current Chief Technical Advisor and Lead Engineer of the software company Goesoft.



Dr Liang Liang
Chief Liaison Officer, Director

As our Chief Liaison Officer, Dr Liang Liang has extensive experience in building professional relationships with business clients and partners. Graduating from the University of Sydney (with Honours) in Dentistry, Dr Liang and his wife built their flagship practice which within the first two years of business, was voted 'Best Dental Practice in ACT' by Canberra media and reached a 7-figure revenue at the same time.

'I truly believe win:win relationships are the foundation of business and personal success. I have strived for this in our practice and in all aspects of our life'.

As a healthcare professional, Dr Liang has applied his nurturing nature across his mentoring work with other healthcare professionals and businesses. His professional mentoring also extends to businesses outside of healthcare, both nationally and internationally.

Dr Liang's sound healthcare expertise and drive to help others succeed make him an ideal addition to the team to foster meaningful and sustainable relationships with our members, clients and partners.

11.0 THE ADVISORS

Network Equity has appointed separate advisors to help the team in the decision making process. The advisory board enables the Network Equity team to have access to an independent view and/or a “safe” place to discuss issues of major significance.

They also provide an independent source of information and advice to the directors on strategic issues and any risks confronting the business.

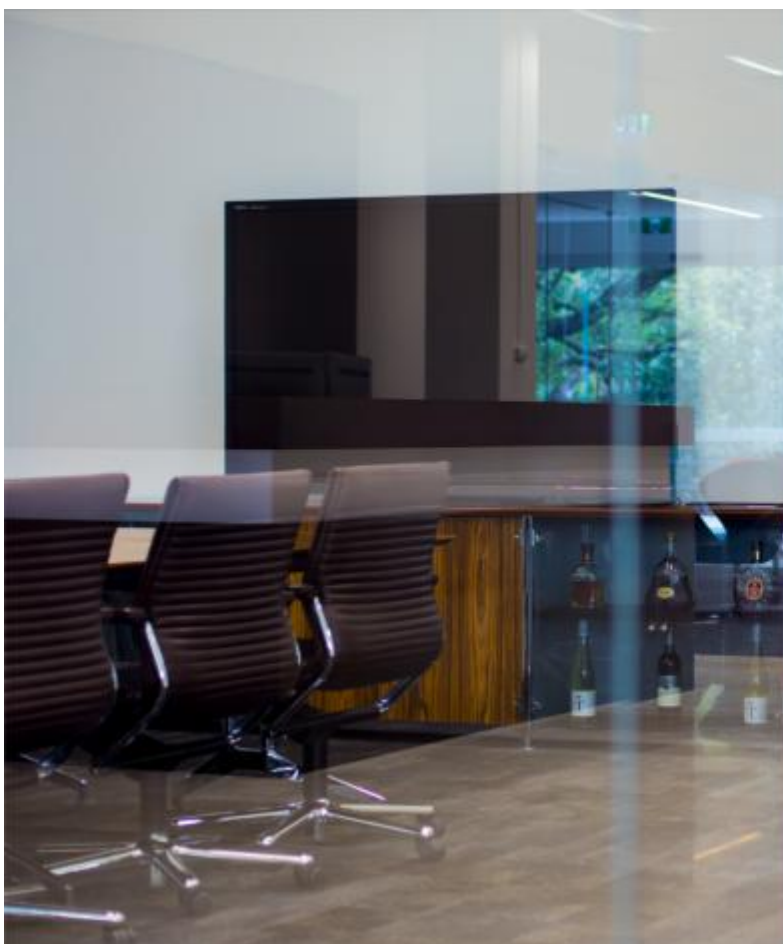


Prof Thomas Chiu
Strategist, Asia Pacific Region
B.Soc Sci, LLB, PDLP, PhD

Prof Chiu has more than 30 years experience in international trade consulting in the Asia Pacific Region, in particular between China and Australia. He runs his own legal practice in Sydney, and is currently retained as a foreign legal expert by a multinational law firm in Hong Kong. He has experience in corporate governance from his position as the General Counsel of Tower Limited in the late 1990s.

Widely considered to be Australia's leading expert on Chinese trade and investment law, Professor Chiu is the co-editor and co-author of 'Foreign Investment' in vol. 24, International Trade, Law of Australia, of The Law Book Company Ltd, Sydney.

Previously appointed a Member of the Australia-China Council of Department for Foreign Affairs and Trade, Prof Chiu has been actively involved in enhancing trade and bilateral investments between regional Australia and various Chinese provinces. He also holds senior positions in a number of companies in Australia and China.





Mr Paramjit Bindra
Technology Management

Mr Paramjit Bindra has more than 35 years' experience in Information & Business Technology with extensive experience in the Pharmaceuticals industry, FMCG and IT services. Mr Bindra holds qualifications in Mechanical Engineering, an MBA in Information Technology, and a Doctorate in Management Studies.

Mr Bindra's past achievements include pioneering computerisation in the 1980s at 85 operational sites for the largest organisation in the United Arab Emirates, and has held senior positions at Cynamid Australia, Wyeth Australia and Pfizer Australia.

With extensive international experience in Singapore, Indonesia, UAE, Australia and New Zealand, he has been instrumental in implementing new systems, strategies and IT governance, building and leading high performing teams and process improvement. He has led projects at multiple levels in areas such as Business Continuity, Network, Infrastructure, Business Intelligence systems and Mobile computing.



Dr Serena Tan
Marketing, Public Relations

Dr Serena Tan graduated from the University of Sydney (with Honours) in Dentistry. In addition to the achievements that her and her husband Dr. Liang Liang attained in their flagship practice, she enjoys mentoring and coaching.

She is passionate about lifestyle productivity and believes that a connected and 'on purpose' individual is one that is deeply engaged in being their most creative, productive selves.

Her unique eye for detail combined with a deep understanding of human psychology makes her a true asset on our advisory board.



Mr Simon Chhoeu

Senior Partner of Horwood Partners,
Director of SME Growth Partners
CA, FCPA, CFP, FFIN

Mr Simon Chhoeu is a Partner at Horwood Partners specialising in business advisory services. With over 16 years' of professional experience in the accounting industry, Mr Chhoeu has a wealth of knowledge in manufacturing, construction, agricultural and international exporting businesses.

He has been instrumental in mentoring clients with multi-million dollar projects and assisting them to establish business links and opportunities in China and throughout Asia.



Ms Lili Su

Facility, Operations and Administration

Ms Su has over 15 years' IT experience working in the wealth management arm of a major bank, executing a number of projects from small to multi-million dollar rollouts.

Graduating from the University of NSW, Ms Su holds a bachelor of Computer Science. She has hands on experience in all stages of the software development life cycle from business requirement gathering, coding through to production release. Ms Su is knowledgeable in fund valuation, unit pricing, regulatory reporting, investment tax and accounting.

Ms Su's attention to detail had earned her a high level of confidence and respect from business users in her project deliveries. In addition, her experience in training and supervision has ensured project delivery to be on time and meeting expectations.

12.0 INVESTMENT SUMMARY

Investment vehicle	Unlisted public company
Professional management, intellectual property and licensing	Horwood HQ (Investment partner 50%)
Client management	Horwood Partners appointed as agent in all professional management operations
Minimum investment	\$100,000 Australian Dollars
Dividend distribution	<p>Shareholder's expected return of over 9% a year in the first 3 years.</p> <p>Dividend will be distributed at the end of every six months after the first year¹</p>
Capital growth	Capital gain on investment is over 15% p.a. over the first 3 years
Return on investment (ROI)	Shareholder's expected minimum aggregate return would be over 24% after the first year
Other particulars	<p>All investment of \$250,000 and above will receive participation rights - you are invited to get involved, as an observer, in the acquisition and management operation of the assets</p> <p>You may use your superfund to invest</p>
Exit strategy	<p>Primary: List on the Australian Stock Exchange</p> <p>Secondary: Share buy back offer</p>

¹Calculations are based on Stage 1 investment (before tax). Returns may vary depending on the stage of investment. Please visit <http://www.networkequity.com.au/investing/return-calculator/> for specific calculations

13.0 THE RISKS

1. Exposure to risk

1.1 We urge you to consider this Information Memorandum carefully. Any decision to invest should only be undertaken after you have obtained your own independent professional advice and considered the investment terms carefully. In particular, you and your advisors should take into account the risk factors described in this section before deciding whether to invest. These risk factors may materially and adversely affect the Company's financial position and/or performance. Many of them are outside the control of the Company and cannot be mitigated.

1.2 This section highlights some of the risks that you and your advisors should consider prior to making any investment in the Company. It is not, and does not purport to be, a comprehensive statement of all relevant risks and is not exhaustive. You must seek your own professional advice and must make your own assessment in relation to the risks, taking into account your own individual financial circumstances and investment objectives.

1.3 You should consider any investment in the Company at this time as a high risk investment that carries with it a not insignificant chance of loss, in whole or in part. No guarantee can or will be given that you will earn any return from an investment in the Company or that the investment is not at risk of being lost.

2. General economic conditions

There are general risks associated with any investment. The price or value of the Shares may rise or fall depending on a range of general economic factors that are beyond the Company's control, including, but not limited to:

- (i) movements in international stock markets;
- (ii) changes in interest, inflation, foreign exchange and/or taxation rates;
- (iii) changes in laws, regulations or policies;
- (iv) domestic and international economic conditions;
- (v) supply and demand for goods and services and commodities;
- (vi) industrial disruption;
- (vii) instability in the global banking and financial system; and
- (viii) the outbreak of war or occurrence of terrorist attacks anywhere in the world

3. Limited liquidity

3.1 The Company is not a listed entity and the Shares have not been quoted on the Australian Securities Exchange or any other securities market. As such, an investment in the Shares is an illiquid investment for which a secondary market will not be established and investors will not be able to buy or sell Shares through any stock exchange. No representation, warranty or guarantee is given that any application for listing in any public securities market will be made.

3.2 Please note that any investors who acquire Shares as part of the Transactions will be required to become a party to a shareholders' agreement (the "Shareholders' Agreement") containing customary restrictions on transfers and other disposals. A copy of the Shareholders'

Agreement will be provided at a later stage in this capital raising process only to those prospective investors whom the Company considers at its absolute discretion are appropriate to take forward in the process.

3.3 There will be no private or public market for the Shares. Except in limited circumstances, the Shares may not be resold, pledged or otherwise transferred. You should be aware that you might be required to bear the financial risk of this investment for an indefinite period of time. The transfer or resale of Shares will be subject to certain limitations and restrictions on transferability pursuant to the constitution of the Company, and the Shareholder's Agreement, in addition to the statutory limitations described in Section 15 paragraph 5.

4. Access to further capital

There will be no assurance that the Company's business objectives can be met without further financing or that, if further financing is necessary, it can be obtained on favourable terms or at all. Any additional equity financing may be dilutive to holders of Shares. Debt financing may involve restrictions on financing and operating activities and debt providers will rank above equity holders in the event of insolvency. Future activities may require the Company to alter its capitalisation significantly. Any inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial position and/or performance.

5. Scaling

As the business is bringing a small successful system to a larger environment, it is inevitable that there will fresh challenges such as dealing with multiple stakeholders, operational delays due to multi-layer structuring, implementing new systems, onboarding clients and the acceptance of innovation in the newly acquired entities.


6. Competitors and other third parties

Competitors can emerge quickly and aggressive marketing by existing or emerging competitors could reduce the Company's profitability, particularly by limiting its market share and/or slowing the rate of growth of its customer base. In addition, various aspects of the Company's future operations and performance are dependent upon the attitudes and actions of, and the outcomes of negotiations with third parties. Such attitudes, actions and outcomes are unpredictable and may materially and adversely affect the Company's business. There is also a risk that any licenses, approvals or consents that are material to the operation of the Company's business may be revoked or not renewed or renewed on more restrictive or onerous terms.

7. Intellectual property

7.1 Much of the value of the Company's business is derived from goodwill, intellectual property (including copyright material and trademarks), business methods, proprietary systems know-how and confidential information.

7.2 At present, the Company has not applied for any patents in any



jurisdictions and is protecting its intellectual property through secrecy. In this regard, the Company has established contractual protections for its confidential information in its agreements with key members of its staff, including its content writers and software developers. Such contractual arrangements also include provisions to vest the ownership of relevant intellectual property rights in the Company.

7.3 The Company's intellectual property portfolio may change over time. There is a possibility of third party objection or opposition to any applications for registration of patents and/or trademarks by the Company. There is also a risk that competitors may file proceedings to challenge the validity of any such applications.

8. Key personnel

The key personnel employed or engaged by the Company all have a high degree of expertise and the Company is reliant upon their continued service to maintain high performance in all operational areas. The loss of key personnel and/or any inability to recruit and/or retain high calibre staff could adversely affect the Company.

9. Litigation and insurance

9.1 At present, the Company is not involved in any litigation and is not aware of any basis on which any litigation against the Company may arise. However, there is always the risk that litigation may occur as a result of future actions or omissions or differing interpretations of obligations or outcomes.

9.2 The Company intends to maintain insurance that it believes to be consistent with industry practice, having regard to the nature of the activities conducted by the Company. However, no assurance can be given that the Company will be able to obtain any insurance coverage at all or at reasonable rates or that any coverage will be adequate and available to cover any particular claims.

10. Forward Looking Statements

10.1 This Information Memorandum may contain references to certain assumptions, intentions, expectations and plans of the Company ("Forward Looking Statements"). The Forward Looking Statements were prepared on the basis of known and unknown risks, uncertainties, assumptions and other important factors, many of which: (i) are beyond the control of the Company; and/or (ii) may cause actual results, performance or achievements of the Company to differ materially from those expressed or implied by such statements.

10.2 The Forward Looking Statements may or may not be achieved. No representation, warranty or guarantee, express or implied, is given by the Company or any of its Representatives that any of the Forward Looking Statements will be achieved either totally or partially or that any particular rate of return will be achieved. You and your advisors should make your own independent review of the Forward Looking Statements and of the relevant assumptions, calculations and accounting policies upon which they are based.

14.0 GLOSSARY

ASIC means the Australian Securities and Investments Commission.

Corporations Act means the Corporations Act 2001.

Eligible Investor means an investor to whom an offering of Shares in connection with the Transactions may be lawfully made in the jurisdiction in which that investor resides and/or the jurisdiction in which that investor receives such offer without any requirement for the Company to produce a disclosure document under the applicable securities laws of that jurisdiction.

Forward Looking Statements has the meaning given in Section 13.

Information Memorandum means this information memorandum, including its schedules and annexures, together with the Sophisticated Investor Application Form and any other enclosures and any other information provided to you (whether orally or in writing) by the Company or its Representatives in relation to the Company and/or the Transactions.

Qualified Accountant has the meaning given in section 88B of the Corporations Act.

Qualified Accountant Certificate means, in respect of an Eligible Investor, a certificate issued by a Qualified Accountant and dated no more than 6 months before the date of this Information Memorandum certifying that:

- (a) the Eligible Investor has net assets of at least A\$2,500,000 or is a company or trust controlled by any such person; or
- (b) the gross income of the Eligible Investor for each of the last two financial years was at least A\$250,000 per year or that the Eligible Investor is a company or trust controlled by any such person.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Relevant Entity means the Company and each of its Related Bodies Corporate, and each of their respective Representatives.

Representatives means, in respect of any person, its directors, officers, employees, agents, consultants and advisors.

Shares means any ordinary shares in the Company that may be issued to an investor whose offer to participate in the Transactions is accepted by the Shareholders' Agreement has the meaning given in paragraph 3.2 of Section 13.

Sophisticated Investor means an Eligible Investor:

- (a) who, as certified by a Qualified Accountant no more than 6 months before the date of this Information Memorandum, has net assets of at least A\$2,500,000 or is a company or trust controlled by any such Eligible Investor;
- (b) whose gross income for each of the last two financial years, as certified by a Qualified Accountant no more than 6 months before the date of this Information Memorandum, was at least A\$250,000 per year or who is a company or trust controlled by any such Eligible Investor;
- (c) who is a "professional investor" as defined in section 9 of the Corporations Act (excluding paragraph (e) of that definition); or
- (d) who has or controls gross assets of at least A\$10 million (including any assets held by an associate or under a trust that the investor manages).

Sophisticated Investor Application Form means the application form for participation in the Sophisticated Investor Transaction, a copy of which is enclosed with this Information Memorandum.

Sophisticated Investor Transaction has the meaning given in paragraph 1.2(b) of section 1.

Transactions has the meaning given in paragraph 1.2 of section 1.



15.0 LEGAL PROVISIONS

Acceptance of these terms

The terms set out in Section 14 mandatorily apply to your access to, and use of, this Information Memorandum and any application that you may make to acquire any Shares. If you do not accept the terms set out in section 14, you must immediately dispose of this Information Memorandum or return it to the Company.

1. Confidentiality

This Information Memorandum is confidential to the Company and is not intended for, and must not be distributed to, any other person other than as expressly permitted herein. You must not, without the prior written consent of the Company, transmit, reproduce or make available this Information Memorandum or any part of it to anyone other than your professional advisers. Any such disclosure to your advisers must be on a confidential basis, for the purposes only of assessing that information as an adviser to you.

2. Extent of disclosure

2.1 This Information Memorandum is not intended to be a complete or accurate statement of all material information regarding any potential investment in the Company or its underlying business and does not purport to contain all of the information that may be required by you to evaluate the Transactions. You must conduct your own investigation and analysis and independently check the accuracy, reliability and completeness of this Information Memorandum.

2.2 Except where expressly stated otherwise, this Information Memorandum relates to the business of the Company as at the date of this Information Memorandum. The Company accepts no responsibility to inform you or your Representatives of any fact, matter or circumstance arising or brought to its notice (whether before, on or after the date of this Information Memorandum) that may affect any information provided to you or your Representatives. If the Company decides to inform you or your Representatives of any such fact, matter or circumstance, it does so at its absolute discretion subject to the terms of this Information Memorandum and the provisions of this section 14 shall apply equally to such information.

3. Disclaimer, exclusion of liability and release

3.1 To the maximum extent permitted by law, each Relevant Entity expressly:

- (a) (Disclaimer) disclaims all conditions, representations, warranties and guarantees (whether express or implied, statutory or otherwise) as to:
 - (i) the accuracy, reliability or completeness of any information contained in this Information Memorandum; and/or
 - (ii) the future performance of the Shares or any return on any investments made pursuant to this Information Memorandum; and
- (b) (Exclusion of liability) excludes all liability to you and any other person for any loss, cost, expense, claim or damage (whether arising in contract, negligence, negligent misstatement or other tort,



equity, statute or otherwise, and for any loss, whether it be consequential, indirect, incidental, special, punitive, exemplary or otherwise) arising directly or indirectly out of, or in connection with, any:

- (i) statements (including Forward Looking Statements), opinions, information or matters (express or implied) contained in, or derived from, this Information Memorandum;
- (ii) omissions from this Information Memorandum;
- (iii) use of, or reliance upon, this Information Memorandum by you or any other person; and/or
- (iv) participation in the Transactions and/or acquisition of Shares by you or any other person.

3.2 Any use of, or reliance upon, this Information Memorandum and any application for, or acquisition of, Shares by you is entirely at your own risk and you release all Relevant Entities from any claim, demand or cause of action that you may otherwise have had against any of them arising directly or indirectly in connection therewith and this provision may be pleaded as a bar and complete defence to any such claim, demand or cause of action.

4. Requirement to take independent advice


4.1 This Information Memorandum does not take into account the investment objectives, financial situation or needs of any particular person and you must not construe any of the contents of this

Information Memorandum as legal, tax, investment or other advice. Accordingly, before making any investment decision in relation to this Information Memorandum, you must obtain independent and specific advice from appropriate professional advisors and assess whether the acquisition of Shares is appropriate in light of your own financial circumstances.

4.2 You must make your own inquiries and consult your own advisors at your own expense. The Company will not be liable to compensate you for any costs or expenses incurred in reviewing or analysing any information contained in this Information Memorandum or in investigating the Transactions or otherwise.

5. Re-sale restrictions

This Information Memorandum is provided, and any issue of Shares in connection with the Transactions will be made, pursuant to the exclusions in section 708 of the Corporations Act. Accordingly, this Information Memorandum and any participation in the Transactions is also subject to the restrictions set out in section 707 of the Corporations Act. Section 707(3) of the Corporations Act states that a sale of securities issued pursuant to a section 708 exception within 12 months of the issue of those securities may require a disclosure document. A disclosure document is required in circumstances where the investor acquired the securities for the purpose of re-sale.



Under the Corporations Act, an investor is deemed to have the purpose of resale if it sells those securities within 12 months of issue, unless the investor can show that its intention at the time of issue was not re-sale and that circumstances have changed since the issue of the securities such that it is reasonable to presume that the securities were not acquired by the investor for the purpose of re-sale. Please be aware of the requirements imposed under section 707 of the Corporations Act and the potential statutory restrictions on re-sale.

6. Eligibility to participate

6.1 You may only participate in the Sophisticated Investor Transaction if you are Sophisticated Investor and your offer to participate is accepted by the Company at its absolute discretion. No Relevant Entity accepts any liability or responsibility to determine whether any person is able to participate in the Transactions.

6.2 Qualified Accountant Certificate - You must, immediately upon demand by the Company or any of its Representatives, provide to the Company an original or certified copy of a Qualified Accountant Certificate to certify that you are a Sophisticated Investor. If you are not able to provide such a Qualified Accountant Certificate, you will not be eligible to participate in the Sophisticated Investor Transaction.

7. Representations, warranties and acknowledgements

By retaining this Information Memorandum, investigating your potential participation in the Sophisticated Investor Transaction and/or applying to acquire any Shares, you will be deemed to have irrevocably represented, warranted, acknowledged and undertaken to the Company (for itself and as agent and trustee for and on behalf of each Relevant Entity) that: (a) you are a Sophisticated Investor and

you can and will provide to the Company, immediately upon demand by the Company or any of its Representatives, an original or certified copy of a Qualified Accountant Certificate to certify that you are a Sophisticated Investor;

(b) you have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Shares and participating in the Sophisticated Investor Transaction and you have the financial capacity to invest in the Shares and bear the associated risks;

(c) you understand that you may bear the economic risk of any investment in Shares for an indefinite period of time and that you may not withdraw from any such investment or dispose of any such Shares except as expressly provided in the constitution of the Company and the Shareholders' Agreement and subject to the statutory limitations.



(d) this Information Memorandum is not a formal disclosure document and does not constitute or contain any offer for sale or issue of any securities or any invitation to subscribe for or purchase any securities. Any issue of Shares, or offer or invitation to subscribe for Shares, that the Company may make to you in relation to the Sophisticated Investor Transaction will be made without the Company producing a formal disclosure document under the applicable securities laws of the jurisdiction in which you reside or the jurisdiction in which you receive this Information Memorandum, and you confirm that any such issue, offer or invitation can be made to you without contravening such laws;

(e) in respect of any financial product or financial service that the Company may be taken to have provided to you in connection with this Information Memorandum or the Sophisticated Investor Transaction, you are, and at all times will remain, a wholesale client for the purposes of section 761G or section 761GA of the Corporations Act;

(f) you are contemplating participating in the Sophisticated Investor Transaction for investment purposes only and not with a view to sell or re-distribution of any Shares and, except as expressly disclosed

to the Company, you do so on your own behalf only and no other person will have a direct or indirect beneficial or economic interest in any Shares that you may acquire; and

(g) you understand that the taxation, legal and other economic consequences to you of participating in the Sophisticated Investor Transaction depend on your individual circumstances and accordingly you will seek your own professional advice in connection with the taxation, legal and other economic considerations relating to any potential investment in Shares that you may make.

8. Governing law and jurisdiction

The laws of New South Wales, Australia, will govern your retention of this Information Memorandum and any interactions between you and the Company in relation to the Transactions.

In any matter arising out of, or in connection with, this Information Memorandum or the Transactions, you irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of New South Wales, Australia and waive any claim or objection based on absence of jurisdiction or inconvenient forum.



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