



IMPERIAL PACIFIC LIMITED

- ASX Announcement -

Despatch of Pro-Rata Entitlement Booklet and Forms

Imperial Pacific Limited confirms that the Share Offer Booklet document and personalised Entitlement and Acceptance Forms for its Entitlement Offer have been despatched to eligible shareholders today.

For and on behalf of the Board

P.E.J. Murray
Director

16 October 2020



Imperial Pacific Limited

ACN 000 144 561

Non-renounceable Entitlement Offer of 3 New Shares for every 5 Existing Shares

At an issue price of \$1.00 per New Share

Offer Booklet

**This Offer opens on 13 October 2020 and closes at 5:00pm (AEDT) on
5 November 2020 (unless extended)**

This document is important and requires your immediate attention.

You should read this document and the accompanying Entitlement and Acceptance Form in their entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser without delay.

This Offer Booklet is not a prospectus under the *Corporations Act 2001* (Cth) and has not been lodged with ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Booklet.

Pro-rata Non-Renounceable Rights Issue Offer Document

Directors announced to the Australia Securities Exchange on 30 September 2020 that **Imperial Pacific Limited** is undertaking a pro-rata non-renounceable rights issue on a 3 for 5 basis to raise approximately \$1.8 million (the “Offer” or the “Entitlement Offer”). The Offer is unconditional and is underwritten.

The Offer Booklet sets out:

Important Information

Key Dates

Key Entitlement Offer Statistics

Corporate Directory

Chairman’s Letter

Particulars of the Entitlement Offer

1. Frequently asked questions
2. Annual Report 2020 / Assets / Legal Case
3. Details of the Entitlement Offer
4. Action Required by Eligible Shareholders
5. Purpose, effect and impact of the Entitlement Offer
6. Risk Factors
7. Additional information
8. Glossary

Important Information

This Offer Booklet is dated 7 October 2020. It has been prepared by Imperial Pacific Limited (“**Imperial Pacific**”).

This Offer Booklet is not a prospectus

The Entitlement Offer is made under section 708AA(2)(f) of the Corporations Act. This Offer Booklet is not a prospectus and it does not contain all of the information that an investor would find in a prospectus or which may be required to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this Offer Booklet. It has not been and will not be lodged with ASIC. Neither ASIC, ASX nor their respective officers take any responsibility for the content of this Offer Booklet or for the merits of the investment to which this Offer relates.

If you are an Eligible Shareholder of Imperial Pacific (see Section 3.4), this Offer Booklet is important and requires your immediate attention.

You should read the entire Offer Booklet before deciding whether to invest in the New Shares. Please carefully read the instructions on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement under the Entitlement Offer (“**Entitlements**”). If you have any questions regarding your Entitlement or the Entitlement Offer, please contact your legal, investment or other professional adviser.

No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw the application once it has been accepted. Further, Entitlements cannot be traded on the ASX or any other exchange, nor can they be privately transferred.

Professional advice

The information in this Offer Booklet is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. Imperial Pacific is not licensed to provide financial product advice in respect of the New Shares. It is important that you read this Offer Booklet in its entirety before deciding whether to apply for New Shares. In particular, you should consider the risk factors that could affect the performance of Imperial Pacific, some of which are outlined in Section 6. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to apply for New Shares. If you have any questions you should seek professional advice from your legal, investment or other professional adviser.

Foreign jurisdictions

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

The distribution of this Entitlement Offer in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Entitlement Offer outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Entitlement Offer does not constitute an offer or invitation in any place outside Australia or New Zealand where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of the New Shares outside Australia and New Zealand.

New Zealand

The Entitlements and the New Shares being offered under this Offer Booklet are not being offered or sold to the public in New Zealand other than to Shareholders with registered addresses in New Zealand in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Offer Booklet is not an investment statement or prospectus under New Zealand law, and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

United States

This document may not be released or distributed in the United States of America. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States.

No Guarantee

Neither Imperial Pacific nor any other party makes any representation or gives any guarantee or assurance:

- (a) as to the performance or success of Imperial Pacific;
- (b) as to the rate of income or capital growth from Imperial Pacific; or
- (c) that there will be no capital loss or particular taxation consequence of investing in Imperial Pacific.

An investment in Imperial Pacific does not represent a deposit or any other type of liability of the above parties. An investment in Imperial Pacific is subject to investment risk. These risks are discussed in Section 6.

Investors should note that the past share price and investment performance of Imperial Pacific provides no guidance as to its future share price and investment performance.

No representations other than in this Offer Booklet

No person is authorised to give any information or make any representation in connection with the Entitlement Offer which is not contained in this Offer Booklet. Any information or representation not contained in this Offer Booklet may not be relied on as having been authorised by Imperial Pacific.

Future performance

Except as required by law, and only to the extent so required, neither Imperial Pacific nor any other person warrants or guarantees the future performance of Imperial Pacific or any return on any investment made pursuant to this Offer Booklet.

Privacy

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing information to Imperial Pacific (directly and/or via the Share Registry) that may constitute personal information for the purposes of the Privacy Act 1988 (Cth). Imperial Pacific (and the Share Registry on its behalf) collects, holds and uses personal information provided on an Entitlement and Acceptance Form in order to assess your application and administer your holding of Shares.

If you do not provide the information requested in the Entitlement and Acceptance Form, Imperial Pacific and the Share Registry may not be able to process or accept the form.

Access to your personal information may be provided to other companies within the Imperial Pacific group and to Imperial Pacific's agents and service providers on the basis that they deal with such information in accordance with this privacy disclosure statement. You have a right to request access to the personal information that Imperial Pacific holds about you subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to Imperial Pacific's share registrar:

Registry Direct
PO Box 18366
Collins Street East
VIC 8003

Defined terms and conditions

Certain terms and abbreviations used in this Offer Booklet are defined in the Glossary in Section 8.

References to **Australian dollars** or **\$** are references to the lawful currency of Australia. Any discrepancies between the totals and the sum of all the individual components in the tables contained in this Offer Booklet are due to rounding.

All times and dates are a reference to Australian Eastern Daylight Time ("**AEDT**").

Key Dates	Date – 2020
Announcement of Entitlement Offer	Wednesday 30 September
Lodgement Date – Appendix 3B and cleansing notice lodged with ASX	Wednesday 30 September
<i>Ex Date</i> – The date on which Existing Shares commence trading without the Entitlement to participate in the Entitlement Offer	Wednesday 7 October
Record Date – The date for determining Entitlements of Eligible Shareholders to participate in the Entitlement Offer (5:00pm AEDT)	Thursday 8 October
Entitlement Offer opens	Tuesday 13 October
Entitlement Offer closes (5:00pm AEST time)	Thursday 5 November
New Shares under the Entitlement Offer quoted on a deferred settlement basis	Friday 6 November
Notification to ASX of results of issue	Tuesday 10 November
Allotment Date – Allotment of New Shares under the Entitlement Offer	Wednesday 11 November
Normal trading of New Shares expected commencement on ASX on a T+2 basis	Thursday 12 November
Despatch Date – Anticipated despatch of holding statements for New Shares (Deferred settlement trading in Entitlement Offer shares ends)	Friday 13 November

Important Note re Dates

The above dates and times are indicative only and subject to change.

Imperial Pacific reserves the right to vary any of the above dates and times, including closing the Entitlement Offer early or extending it subject to the Corporations Act, ASX Listing Rules and other applicable laws. In particular, Imperial Pacific reserves the right to extend the closing date of the Entitlement Offer, to accept late applications either generally or in particular cases or to withdraw the Entitlement Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX.

Key Entitlement Offer statistics

Issue Price per New Share	\$1.00
Total number of New Shares available under the Entitlement Offer ¹	1,852,303
Maximum total Shares on issue following the Entitlement Offer	4,939,474
Maximum gross proceeds of the Entitlement Offer (before expenses of the Entitlement Offer)	\$1,852,303

¹ The total number of New Shares that will be issued under the Entitlement Offer may be higher due to rounding up of Entitlements.

Corporate directory

Issuer

Imperial Pacific Limited
Level 2, 111 Harrington Street
The Rocks NSW 2000
(PO Box R1414, Royal Exchange NSW 1225)
Telephone: (02) 9247 9315
Website www.imperialpacific.com.au

Directors

Mr P.E.J. Murray BA, FCA, SA Finsia
(Chairman)
Mr D.G. Butel MBA, BsC, Dip Bus Stdm Dip Ed.
Mr N.E. Schafer BApp Econ

Company Secretary

Mr Louis J Joseph BComm.

Solicitors to the Company

Hedges Bhatti Solicitors
Level 2
111 Harrington Street
The Rocks NSW 2000
Telephone: (02) 8069 3400
Website: www.hedgesbhatti.com.au

Share Registry

Registry Direct
10 Exon Street
Brighton VIC 3186
[Postal – PO Box 18366
Collins Street East
Melbourne Vic 8003]
Telephone: 1300 556 635
Website: www.registrydirect.com.au

Solicitors to the Entitlement Offer

O'Hallorans, Corporate Lawyers
3 Spring Street
Sydney NSW 2000
Telephone: (02) 9060 6440
Website: www.ohallorans.com.au



IMPERIAL PACIFIC LIMITED

Dear Shareholder

The Board of Imperial Pacific Limited presents to you an opportunity to increase your investment in the Company by participating in this Entitlement Offer. Imperial Pacific is undertaking a non-renounceable Entitlement Offer of 3 New Shares for every 5 Existing Shares held at an Issue Price of \$1.00 each.

This Offer Booklet provides you with a lot of information on this special fund raising. In addition your Board wishes to draw your attention to some other key points arising:

- This is a **rare occasion** – the first Pro Rata Entitlement Issue by your company in 20 years.
- Net Assets have risen since 30 June because of a very good improvement in the underlying share portfolio values;
- Imperial Pacific's 31% owned associated company, London City Equities Limited ("**London City Equities**"), continues its growth with its two key strategic investments. Also, its litigation against Ernst & Young continues, and may be resolved before June 2021.
- Our current **Net Assets are \$1.15** per share – even after payment of the recent 2020 dividend.
- At \$1.00 per New Share, the Issue Price reflects a **discount of 13%** on the latest Net Assets of \$1.15.
- At \$1.00 per New Share, the Issue Price reflects a fully franked **Dividend Yield of 6.25%**.

The Entitlement Offer will result in the issue of a maximum of 1,852,303 New Shares (subject to rounding) raising up to \$1,852,303 before the expenses of the Entitlement Offer. The net proceeds from the Entitlement Offer will be used by Imperial Pacific for reducing short-term interest-free advances, for supporting associate London City Equities in its equity issue, and for further investments consistent with Imperial Pacific's income focused low volatility investment strategy. It is our view that good investment opportunities are available in the current business conditions.

Imperial Pacific intends to offer a **Dividend Reinvestment Plan** following the payment of the 2020 Final Dividend in October 2020. The Dividend Reinvestment Plan will offer shareholders the right to acquire new shares at a Discount of 5% of the share price at the time. The Board of Imperial Pacific does not intend to reinstate its former share buy-back scheme in any fashion at this point.

Eligible Shareholders may apply for all or part of their Entitlement under the Entitlement Offer. The Entitlement Offer closes at 5:00pm (AEDT) on Thursday, 5 November 2020 (unless extended). To participate, you need to ensure that you have lodged your Entitlement Acceptance Form with your Application Monies so that they are received before this time.

The Board urges you to read this Offer Booklet carefully before making a decision in respect to your Entitlement. You should consult your stockbroker, accountant or other professional adviser for advice in relation to the Entitlement Offer.

It is the intention of each of the Directors to subscribe for full share entitlements. We commend this Entitlement Offer to you.

We thank you for your ongoing support of Imperial Pacific through the years.

Yours sincerely,

For and on behalf of the Board

Peter E.J. Murray

Chairman

13 October 2020

Frequently Asked Questions

Question	Answer	Where to find more information
Who is the issuer?	Imperial Pacific Limited.	Section 3.1
What is the Entitlement Offer?	A pro rata non-renounceable Entitlement Offer to raise up to \$1,852,303 (before expenses of the Entitlement Offer). Eligible Shareholders may apply for all or part of their Entitlement under the Entitlement Offer. There is no broker to the Entitlement Offer.	Section 3.2
What are the terms of the Entitlement Offer?	3 New Shares for every 5 Existing Shares at an issue price of \$1.00 per New Share. As the issue is non-renounceable, Eligible Shareholders do not have the right to sell their Entitlements on the ASX or privately. Eligible Shareholders who do not take up their Entitlements under the Entitlement Offer in full or in part will not receive any value in respect of those Entitlements that they do not take up.	Section 3.3
Who can invest?	Eligible Shareholders of Imperial Pacific as at 7:00pm (AEST) on the Record Date (8 October 2020).	Section 3.4
What are the rights of New Shares?	New Shares rank equally in all respects with Existing Shares as from Issue Record Date (the 2020 Final Dividend has already been paid).	Section 3.5
How will the proceeds be applied?	Net proceeds of the Entitlement Offer will be directed to repay short-term debt used for expanding Imperial Pacific's share portfolio, for underwriting the concurrent issue by Imperial Pacific's 31%-owned associate, London City Equities Limited (" London City Equities "), for additional strategic investments and for operational working capital.	Section 5.2
What are the potential significant risks?	Eligible Shareholders of Imperial Pacific are exposed to a number of risks in acquiring and holding Shares. Key risks specific to Imperial Pacific include: <ul style="list-style-type: none"> • Share Market risk – where adverse international and local conditions impact on securities markets everywhere. • Economic conditions – adverse world and local economic impacts generated by poor trading policies, inflation and non-effective government policies could occur from time to time. • Strategic Shareholding Investment risk – by nature as a strategic equity investor listed on the ASX with sizeable equity shareholdings rather than widespread investments, Imperial Pacific carries some specific investment risk. • Indirect litigation involvement – where an adverse legal outcome is experienced by London City Equities and that company's value falls accordingly. 	Section 6
Is the Offer underwritten?	Yes, to ensure the full amount is raised by Imperial Pacific, the Offer is underwritten by Capel Court Corporation Pty Limited, a company associated with Director Mr P.E.J. Murray. The Underwriting is being provided on a no-fee basis.	Section 3.9
What are the expenses payable by Imperial Pacific?	The total expenses of the Entitlement Offer are expected to be approximately \$15,000 (exclusive of GST).	Section 7.1

What are my alternatives?	<p>You may either:</p> <ul style="list-style-type: none"> • take up <u>all</u> or <u>part</u> of your Entitlement; • <u>do nothing</u> and allow the rights to acquire all of the New Shares representing your Entitlement to lapse. <p>You should note that if you do not take up all of your Entitlement, your percentage shareholding in Imperial Pacific will be diluted.</p>	Section 4
How can further information be obtained?	If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.	Section 3.11

2. Annual Report 2020 / Legal Case

2.1 General Features – Annual Report

On 18 September 2020 Imperial Pacific lodged its Annual Report with the Australian Securities Exchange. The Annual Report was circulated to shareholders immediately by post and by email. Shareholders are strongly advised to read that document and in particular note the following:

- The growth in Net Assets in recent years have continued to out-perform the ASX All Ordinaries Index.
- The dividend of 6.25 Cents continues to be maintained,
- Imperial Pacific's share portfolio has expanded, supported by short term debt. Recent investments include a substantial shareholding in Excelsior Capital Limited.
- 31% owned associate London City Equities has performed strongly in 2020.
- Net Assets of \$1.07 per Share at 30 June 2020 have appreciated moderately since year end. (On 9 October 2020 the value of Net Assets per Share was estimated at \$1.15.)

2.2 Legal Case Scenario

31% owned associate London City Equities has pursued legal action against Ernst & Young, former auditors of Penrice Soda Holdings that went into liquidation in July 2014. The losses incurred by London City Equities in Penrice impacted materially on Imperial Pacific because management fees payable to subsidiary Imperial Pacific Asset Management Pty Limited were reduced significantly. Furthermore, as London City Equities has no staff it has been necessary for Imperial Pacific to make substantial executive time and resources available to London City Equities. In due course both London City Equities and Imperial Pacific desire to recoup damages in compensation for this outlay. London City Equities recently announced that an Expert Forensic Accountant has reported formally its assessment that damages suffered by London City Equities are approximately \$11.5 million. **While success in the Court would impact positively on both companies, a loss could have a corresponding negative impact, particularly if costs are awarded against London City Equities. At this date Directors of Imperial Pacific believe there is insufficient information to forecast the likely extent of future benefit or loss that may arise out of the litigation.** The case is continuing, and the Court has ordered that discovery and mediation be conducted by 31 March 2021. See further detail in Section 5.6.

3. Details of the Entitlement Offer

3.1 Description of the issuer

Imperial Pacific is the issuer of New Shares under this Offer Booklet.

3.2 Description of the Entitlement Offer

The Entitlement Offer consists of a total of 1,852,303 New Shares to be offered by Imperial Pacific by way of a pro rata non-renounceable Entitlement Offer to raise up to \$1,852,303 (before expenses of the Entitlement Offer).² This takes the form of a 3 for 5 Entitlement Offer. The Entitlement Offer is explained in more detail in this Section 3.

3.3 Entitlement Offer

If you are an Eligible Shareholder, you are being offered an Entitlement to acquire 3 New Shares for every 5 Existing Shares held as at the Record Date. Eligible Shareholders have the opportunity to subscribe for all, part or none of their Entitlement to New Shares. New Shares will be issued on a fully paid basis and will rank equally with Existing Shares on issue.

The Issue Price per New Share is \$1.00. The Entitlements are non-renounceable, meaning that the entitlements to participate in the offer are not transferable and therefore cannot be traded on the ASX or any other exchange, or transferred privately. Eligible Shareholders who do not take up their entitlements under the Entitlement Offer in full or in part, will not receive any value in respect of those entitlements that they do not take up.

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number. If you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each holding. There is no broker to the Entitlement Offer.

3.4 Eligible Shareholders

Under the Entitlement Offer, Eligible Shareholders are being offered the opportunity to subscribe for 3 New Shares for every 5 Existing Shares held as at the Record Date (7:00pm AEDT on 8 October 2020), at the Offer Price of \$1.00 per New Share.

Eligible Shareholders are those Shareholders who:

- (a) are registered as a holder of Shares as at the Record Date (7:00pm (AEDT) on 8 October 2020);
- (b) as at the Record Date, have a registered address in Australia or New Zealand;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and

² The total number of New Shares that will be issued under the Entitlement Offer may be higher due to rounding up of Entitlements.

- (d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

3.5 Ranking of New Shares

The New Shares will be fully paid and rank equally in all respects with Existing Shares (note that payment by Imperial Pacific of the 2020 Final Dividend has already been implemented).

3.6 Allotment and ASX quotation

Imperial Pacific expects to allot all New Shares on 11 November 2020. Subject to approval being granted, quotation of the New Shares is expected to commence on a normal basis on 12 November 2020. Holding statements will be despatched in accordance with the ASX Listing Rules. It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving confirmation of their holding in the form of a holding statement will do so at their own risk. Imperial Pacific disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Imperial Pacific or the Share Registry or otherwise.

3.7 Application Monies

Until the time of allotment of New Shares, Imperial Pacific will hold all Application Monies in relation to those New Shares in a purpose-specific bank account. Interest earned on any Application Monies (whether or not allotment takes place) will remain the property of Imperial Pacific.

Amounts received inadvertently by Imperial Pacific in excess of the Offer Price multiplied by your Entitlements will be returned to you in accordance with your dividend instructions as soon as possible following the Closing Date, without interest. Please note it is not practicable to refund amounts of less than \$2.00 and any refunds owing for this amount or less will be retained by Imperial Pacific.

Application has been made to ASX for quotation of the New Shares to be issued under the Entitlement Offer. If application is not so made or if quotation of the New Shares is not granted by ASX within three months of the date of this Entitlement Offer, any allotment of New Shares in response to an application made under this Entitlement Offer will be void, and all Application Monies received will be returned without interest.

3.8 No minimum subscription

There is no minimum subscription for the Entitlement Offer.

3.9 Underwriting

The full amount of the fundraising sought by Imperial Pacific is underwritten to ensure that the raising is successful to allow Imperial Pacific to meet its obligations, especially in relation to the repayment of certain non-interest-bearing advances provided by the Murray Family Interests. The underwriting agreement dated 30 September 2020 was established between Imperial Pacific and Capel Court Corporation Pty Limited, a company owned by Mr P.E.J. Murray, Director of Imperial Pacific and London City Equities. The Underwriting is being provided on a no-fee basis.

3.10 Foreign Shareholders

All Shareholders who are not Eligible Shareholders are ineligible Shareholders (“**Ineligible Shareholders**”). Ineligible Shareholders will not be entitled to participate in the Entitlement Offer.

Imperial Pacific is of the view that it is unreasonable to make the Entitlement Offer to the Ineligible Shareholders having regard to:

- the number of Ineligible Shareholders;
- the number and value of New Shares that would be offered to Ineligible Shareholders; and
- the cost of complying with overseas legal requirements.

This Entitlement Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Imperial Pacific is not required to make offers under this Entitlement Offer to Ineligible Shareholders. Where this Entitlement Offer has been despatched to Shareholders with registered address outside Australia or New Zealand, this Entitlement Offer is provided for information purposes only.

Shareholders with registered address in Australia or New Zealand who are holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by Imperial Pacific to constitute a representation that there has been no breach of such regulations.

As the Entitlement Offer is non-renounceable, Ineligible Shareholders will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to them if they were eligible to participate in the Entitlement Offer.

3.10 Taxation

The taxation consequences of investing in the New Shares will depend on your particular circumstances. It is your responsibility, as a potential investor, to make your own enquiries concerning the taxation consequences of an investment in Imperial Pacific. See Section 7.4 for a general discussion of taxation issues. If you are in doubt as to the consequences of an investment, you should consult with your taxation or other professional adviser before investing.

3.11 Enquiries

If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.

4. Action required by Eligible Shareholders

4.1 Your Entitlement

Your entitlement is shown on the accompanying Entitlement and Acceptance Form. Before taking any action in relation to the Entitlement Offer, you should read this Offer Booklet in its entirety and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser.

You may:

- take up all or part of your Entitlement; or
- do nothing and allow the rights to acquire all of the New Shares representing your Entitlement to lapse.

4.2 What happens if I accept my full Entitlement?

If you take up your full Entitlement under the Entitlement Offer, you will continue to participate in the same shareholding proportion and not have your shareholding diluted by the Entitlement Offer.

4.3 What happens if I do not accept my full Entitlement?

If you do not take up your full Entitlement, your proportional shareholding in Imperial Pacific will be diluted. As the Entitlements are non-renounceable, if you decide not to take up all or part of your Entitlement, it will lapse on the Closing Date to the extent not taken up.

4.4 How do I accept all, or part, of my Entitlement?

You may accept your Entitlement following the despatch of this Offer Booklet. Imperial Pacific will accept applications until the Closing Date (5:00pm on 5 November 2020), unless extended.

If you decide to take up all or part of your Entitlement, please complete and return the Entitlement and Acceptance Form with the requisite Application Monies OR pay your Application Monies via BPAY® by following the instructions set out on the Entitlement and Acceptance Form. Imperial Pacific will treat you as applying for as many New Shares as your payment will pay for in full up to the maximum number of your Entitlement.

If you are paying by cheque, the relevant Entitlement and Acceptance Form must be accompanied by cheque or bank draft in Australian dollars drawn on an Australian branch of an Australian bank for the Issue Price of the New Shares for which application is made. All cheques must be made payable to "**Imperial Pacific Limited – Entitlement Offer Account**" and crossed "**Not Negotiable**". **Do not forward cash. Receipts for Application Monies will not be issued.**

Completed Entitlement and Acceptance Forms and accompanying cheques must be returned to the following address and received no later than 5:00pm (AEDT) on 5 November 2020 (unless extended):

**Registry Direct Limited
PO Box 18366
Collins Street East
Victoria 8003
Telephone: (03) 9020 7934 or 1300 55 66 35**

A reply paid envelope is enclosed for your convenience. If mailed in Australia, no postage stamp is required.

If you are paying by BPAY®, you are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form. Please make sure to use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the CRN specific to the Entitlement on that Form. If you inadvertently use the same CRN for more than one of your Entitlements, any excess Application Monies will be returned to you in accordance with your dividend instructions as soon as possible following the Closing Date, without interest. Please note it is not practical to refund amounts of less than \$2.00 and any refunds owing for this amount or less will be retained by Imperial

Pacific. If you are paying by BPAY® payment, you do not need to mail the personalised Entitlement and Acceptance Form.

It is your responsibility to ensure that your BPAY® payment is received by the share registry no later than 5:00pm (AEDT) on 5 November 2020 (unless extended). 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.

You should read this Offer Booklet in its entirety before deciding to take up your Entitlement.

4.5 Acceptance of applications under the Entitlement Offer

Completing and lodging an Entitlement and Acceptance Form for the Entitlement Offer or using the BPAY® facility referred to in the Entitlement and Acceptance Form for the Entitlement Offer is an offer by you to Imperial Pacific to subscribe for the number of New Shares specified in the Entitlement and Acceptance Form, or the number of New Shares equal to the amount paid using the BPAY® facility divided by the Issue Price, at the Issue Price on the terms and conditions set out in this Offer Booklet and the Entitlement and Acceptance Form.

An application for New Shares may be accepted in respect of the full amount applied for, or any amount less than that amount, without further notice to the relevant Eligible Shareholder. Acceptance of an application will give rise to a binding contract with acceptance to take place after the quotation of the New Shares on ASX.

4.6 No duty, brokerage or commission

No stamp duty, brokerage or commission is payable by applicants.

4.7 Effect of participating in the Entitlement Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate in the Entitlement Offer, you will be deemed to have represented to Imperial Pacific that you are an Eligible Shareholder and:

(a) declare that:

- (i) all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
- (ii) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement Offer;
- (iii) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;

(b) acknowledge that:

- (i) once Imperial Pacific receives the Entitlement and Acceptance Form with the requisite Application Monies or payment by BPAY®, you may not withdraw it except as allowed by law;
- (ii) you have read and understood this Offer Booklet and the personalised Entitlement and Acceptance Form in their entirety;

- (iii) the information contained in this Offer Booklet is not investment advice or a recommendation that the New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
 - (iv) you have read the statement of risks in the "Risk Factors" section that is included in Section 6 of this Offer Booklet;
 - (v) investments in Imperial Pacific are subject to risks;
- (c) agree to:
- (i) apply for, and be issued with up to, the maximum number of New Shares that you are entitled to at the Offer Price of \$1.00 per New Share; and
 - (ii) be bound by the terms of this Offer Booklet and the provisions of Imperial Pacific's constitution;
- (d) authorise Imperial Pacific to register you as the holder of New Shares and authorise Imperial Pacific and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of Imperial Pacific's Share Registry by using the contact details set out in the personalised Entitlement and Acceptance Form;
- (e) authorise Imperial Pacific to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (f) represent and warrant that the law of any place (other than Australia and New Zealand) does not prohibit you from being given this Offer Booklet or making an application for New Shares;
- (g) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person; and
- (h) will be treated as having represented and warranted:
- (i) that you are not in the United States and are not applying for New Shares on behalf of, or for the account or benefit of, a person in the United States;
 - (ii) that you and each person on whose account you are acting are not engaged in the business of distributing securities;
 - (iii) that you and each person on whose account you are acting have not and will not send any materials relating to the Entitlement Offer, including this Offer Booklet and the Entitlement and Acceptance Form, to any person that is in the United States or that is acting for the account or benefit of a person in the United States; and
 - (iv) on your own behalf and on behalf of each person on whose account you are acting that (A) neither the Entitlements nor the New Shares offered in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, or in any other jurisdiction outside Australia or New Zealand, (B) the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of a person in the United States), and (C) the New Shares to be offered and sold in the Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h))

under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

5. Purpose and effect of the Entitlement Offer

5.1 Overview

If the Entitlement Offer is fully subscribed:

- the New Shares issued pursuant to the Entitlement Offer will constitute approximately 60.0% of the total number of issued Shares immediately after the allotment of the New Shares; and
- the total number of Shares on issue after the allotment will be 4,939,474³.

The Entitlement Offer will provide Imperial Pacific with net proceeds of up to approximately \$1,837,000 after issue expenses estimated as approximately \$15,000. Please refer to Section 5.3 for further information regarding the effect of the Entitlement Offer on the capital structure.

5.2 Use of funds

The proceeds raised from the Entitlement Offer will be used for further investments consistent with Imperial Pacific's long-term growth strategy and are intended to comprise the following:

Application of Proceeds	Estimated Amounts
Item One – Repay interest-free advances provided by Murray Family Interests	\$1,600,000
Item Two – Support the current Pro Rata Entitlement Issue of London City Equities by subscribing for shares, and underwriting the issue (after recognising repayment of interest-free advances provided by Imperial Pacific to London City Equities)	\$100,000 (net cash outlay)
Item Three – Expand the Investment Portfolio carefully in equity holdings offering strategic positioning.	\$137,000
Total raised by Entitlement Offer after estimated costs.	\$1,837,000

5.3 Impact on capital structure

The table below shows the capital structure of Imperial Pacific on completion of the Entitlement Offer:

	Number of Shares	Percentage of post-Entitlement Offer Shares
Existing Shares	3,087,171	62.5%
New Shares (if fully subscribed)	1,852,303	37.5%
Total immediately after Entitlement Offer (if fully subscribed)	4,939,474	100.0%

³ Subject to the total number of New Shares that will be issued under the Entitlement Offer, which may be more than 1,852,303 New Shares due to rounding up of Entitlements.

5.4 Impact on control

The Entitlement Offer is a pro-rata offer so that if all Eligible Shareholders take up their Entitlements, the voting power of all Eligible Shareholders in the Company will remain the same. However, Shareholders who do not take up all of their Entitlements will have their interest in the Company diluted. In addition, the proportional shareholdings of Shareholders resident outside of Australia will be diluted, as those Shareholders are not entitled to participate in the Entitlement Offer.

While the final proportionate shareholding interest held by a Shareholder is entirely dependent on the extent to which other Shareholders take up their Entitlements, the issue of New Shares under the Entitlement Offer is not expected to have a material effect on the control of Imperial Pacific.

As at the date of this letter, the Company has two substantial shareholders who hold 5% or more of the voting power, being Mr P.E.J. Murray (39%) and Mr J.C. Plummer (22%). Mr P.E.J. Murray will take up his full Entitlement and in addition, further New Shares should there be a shortfall in applications for New Shares under the Entitlement Offer, by the Underwriting, for which no fee will be payable.

Depending on the level of participation by the other Shareholders, the likely increase in the shareholding (including the voting power) of Mr P.E.J. Murray following implementation of the Entitlement Offer is set out below. The table below shows Mr P.E.J. Murray's shareholding interest in Imperial Pacific on completion of the Entitlement Offer on the assumption of the percentage take-up of the Entitlements of other Shareholders as set out in the left-hand column:

% of the Shareholders other than Mr Murray who take up their Entitlements in full	Mr P.E.J. Murray's shareholding following the Entitlement Issue	Mr P.E.J. Murray's percentage shareholding interest (including voting power)
100%	1,934,000	39.2%
80%	2,159,936	43.7%
60%	2,385,304	48.3%

5.5 Impact on balance sheet

Set out below is a pro forma balance sheet of Imperial Pacific on successful completion of the Entitlement Offer (assuming the Entitlement Offer is fully subscribed). It is based upon Imperial Pacific's balance sheet as at 30 June 2020 contained in the Financial Report for Imperial Pacific for the full year ended 30 June 2020 as lodged with ASX on 18 September 2020. The balance sheet has been prepared in accordance with the Corporations Act, the Corporations Regulations 2001, Australian Accounting Standards and other mandatory financial reporting requirements in Australia.

The pro forma balance sheet reflects the impact of the Entitlement Offer and (a) all transaction expenses and costs as if they had occurred on 30 June 2020, (b) the net funds raised after repaying the interest-free advances outstanding to the Murray Family Interests, and (c) the net funds received from London City Equities of the interest-free advances it had received from Imperial Pacific over the last twelve months:

	30 June 2020 <i>(Before the Issue)</i>	30 June 2020 <i>(After the Issue, repaying the Murray Family advances and receipt of London City advance.</i>
	\$000	\$000
ASSETS		
Current Assets		
Cash and cash equivalents	45	987
Trade and Other Receivables	42	42
London City Equities Ltd Advances	940	-
Total Current Assets	1,027	1,029
Non-current assets		
Investments	4,140	4,140
Deferred tax assets	65	65
Other	69	69
Total non-current assets	4,274	4,274
Total assets	5,301	5,303
LIABILITIES		
Current Liabilities		
Trade and other payables	(78)	(78)
Advances from Murray Family Interests	(1,838)	-
Other	(50)	(50)
Total current liabilities	(1,966)	(128)
Total non-current liabilities - lease	(22)	(22)
Total liabilities	(1,988)	(150)
NET ASSETS	\$3,313	\$5,153
EQUITY		
Issued Capital	1,693	3,533
Profit reserve	5,149	5,149
Accumulated losses	(3,529)	(3,529)
TOTAL EQUITY	\$3,313	\$5,153

Note: Based on Net Rights Issue Raising of approximately \$1,837,000 after Costs.

Important Update – Net worth now estimated at \$3.55 million – \$1.15 a share.

Directors announced to the ASX on 9 October 2020 that market movement of Imperial Pacific's investment portfolio equity interests since 30 June has improved the unaudited net worth of Imperial Pacific. Accordingly Directors have estimated that the net tangible assets at 9 October had risen to \$3,550,000 after payment of the 2020 dividend, or \$1.15 a share.

5.6 Impact – Litigation Involvement with associate London City Equities Limited

Imperial Pacific is, together with London City Equities, involved in litigation against Ernst & Young (“EY”), former auditors of Penrice Soda Holdings Limited, a company that went into liquidation in 2014. London City Equities suffered direct losses of \$6.7 million. The Imperial Pacific Group of companies manages the investment portfolio of London City Equities and has suffered indirect loss arising out of a serious fall in management fee income due to London City Equities’ losses from its investment in Penrice. Imperial Pacific has been expending very substantial executive time administering London City Equities’ legal action in consultation with that company’s legal advisers. A subsidiary of Imperial Pacific is a co-plaintiff with London City Equities in this action. Imperial Pacific is advised that, should London City Equities be successful in its action and recover damages, Imperial Pacific will be entitled to some compensation for its financial loss (although the likely amount of the compensation has not yet been quantified).

The Supreme Court of New South Wales on 1 August 2019 handed down a judgment which was to the effect that London City Equities’ claim should be allowed to proceed, and that there was an arguable case on the question of duty of care owed by EY to the plaintiffs. A further Statement of Claim was served on EY on 23 April 2020, and a Defence has since been filed. The proceedings are continuing. London City Equities has announced that an Expert Forensic Accountant has formally reported that, in its opinion, the amount of damages suffered by London City are approximately \$11.5 million. The Court has recently ordered that discovery and mediation be pursued before 31 March 2021. Failing resolution by mediation, the Court will ultimately determine (if the plaintiffs are successful) the damages and legal cost recovery. The Board advises Shareholders that there is insufficient information available at this date to enable the Board reliably to estimate the extent of any likely future benefit (damages and costs) that may accrue to Imperial Pacific from this litigation.

6. Risk factors

6.1 Overview

There are a number of factors, both specific to Imperial Pacific and of a general nature, which may affect the future performance of Imperial Pacific and the outcome of an investment in Imperial Pacific. There can be no guarantees that Imperial Pacific will achieve its stated objectives, that forecasts will be met or that forward looking statements will be realised.

This Section 6 describes certain, but not all, risks associated with an investment in Imperial Pacific. Prior to making an investment decision, prospective investors should carefully consider the following risk factors, as well as the other information contained in this Offer Booklet or of which they are otherwise aware. Directors emphasise that the risk factors set out in this section are not the only risk factors that could affect the operations of the Company, its financial position and the value of Shares (including New Shares).

Nothing in this Offer Booklet is financial product advice and this document has been prepared without taking into account your investment objectives or personal circumstances. You should also consider consulting your financial or legal adviser so as to ensure you understand fully the terms of the Entitlement Offer and the inherent risks associated with Imperial Pacific and the listed investment company industry before applying for New Shares.

The specific risks associated with a holding of Shares include the following:

(a) *Market risk*

By nature as an investment entity seeking and holding recognisable equity percentage holdings in other companies, Imperial Pacific will carry broad market risk as investment expectations wax

and wain according to changing stock-market perception as well as fluctuating economic market conditions. The current Covid-19 pandemic is an example of the contingencies which can substantially affect investment sentiment and the value of investments. However, Imperial Pacific seeks to reduce this investment risk by focusing on the underlying businesses of such investments and as a large strategic shareholder, maintain close contact and support.

(b) Investment risk

While Imperial Pacific may hold a key shareholding in a company and be recognised as a supportive shareholder, it nevertheless does not control the investment and nor does it seek board representation – with the exception of London City Equities, which has a common board of directors with Imperial Pacific. However, in the case of its other investments, Imperial Pacific does not typically seek to involve itself in management, although it may become pro-active in enquiring into and seeking to correct perceived deficiencies in the structure or management of its investee entities.

(c) Litigation risk

Imperial Pacific is providing significant executive support to litigation being undertaken by London City Equities and others against Ernst & Young (“EY”) in relation to substantial losses incurred in relation to investing in Penrice Soda Holdings Limited in 2008 and 2009. Should this litigation be unsuccessful and London City Equities is ordered to meet EY’s costs, the value of Imperial Pacific’s significant shareholding in London City Equities would be impacted adversely. There may in addition be a direct adverse impact on Imperial Pacific if the claim against EY is unsuccessful and costs are awarded against Imperial Pacific’s subsidiary as a co-plaintiff as well as against London City Equities. See also Section 5.6.

6.2 General risk factors

The general risks associated with a holding of Shares include the following:

(a) Share market conditions – impact on Imperial Pacific’s own shares

The market price of Imperial Pacific shares may rise or fall between the date that the Entitlement Offer opens and the date that the New Shares are issued to you under the Entitlement Offer and become tradable. This means that the issue price that you pay for the New Shares under the Entitlement Offer may be either higher or lower than the Share price at the time you apply for the New Shares under the Entitlement Offer or at the time the New Shares are issued to you pursuant to the Entitlement Offer. There can be no guarantee that the price of the New Shares will increase.

The price at which the New Shares trade on ASX may be affected by the financial performance of Imperial Pacific and by external factors over which Imperial Pacific has no control. Imperial Pacific does not warrant the future performance of New Shares or any return on investments in those securities.

(b) Economic conditions

The performance of Imperial Pacific is influenced by a variety of general economic and business conditions including the level of inflation, international share markets, interest rates and exchange rates, governmental, fiscal, monetary and regulatory policies, and factors peculiar to the investment industry. A prolonged deterioration in general economic conditions, including an increase (or decrease) in interest rates or a decrease in consumer and business demand, could be expected to have a material adverse impact on Imperial Pacific's performance.

(c) *Dilution*

You should note that if you do not take up all of the Shares offered to you under the Entitlement Offer, then your percentage shareholding in Imperial Pacific will be diluted.

7. Additional information

7.1 Expenses of the Entitlement Offer

Expenses connected with the Entitlement Offer are to be borne by Imperial Pacific. The approximate expenses of the Entitlement Offer including legal fees, registry fees, printing fees and other general costs are estimated to be approximately \$15,000 (exclusive of GST).

7.2 Disclosure

This Offer Booklet contains an Entitlement Offer to subscribe for continuously quoted securities (as defined in the Corporations Act) of Imperial Pacific and the Entitlement Offer has been made in accordance with section 708AA(2)(f) of the Corporations Act.

In broad terms, section 708AA relates to Entitlement Offers by certain listed companies that do not require the provision of a prospectus or other disclosure document to investors under Part 6D.2 of the Corporations Act. Accordingly, the level of disclosure in this Offer Booklet is significantly less than that required in a prospectus. This document does not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in Imperial Pacific. It does not contain all the information which would be required to be disclosed in a prospectus. Eligible Shareholders should therefore rely upon their own knowledge of Imperial Pacific, refer to disclosures already made by it to ASX, and refer to their professional adviser before deciding to accept the Entitlement Offer.

Neither this Offer Booklet nor the Entitlement and Acceptance Form is required to be lodged or registered with ASIC.

This Offer Booklet does not contain financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Imperial Pacific is not licensed to provide financial product advice in respect of the New Shares. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

7.3 Continuous disclosure and documents available for inspection

Imperial Pacific is a disclosing entity within the meaning of the Corporations Act and is, and has for at least the past twelve months been, subject to regular reporting and disclosure obligations.

Imperial Pacific believes that it has fully complied with the general and specific requirements as set forth by the ASIC and ASX in relation to continuous disclosure, which includes the provisions of Chapter 2M of the Corporations Act as they apply to Imperial Pacific and section 674 of the Corporations Act. Copies of documents lodged with ASIC in relation to Imperial Pacific may be obtained from, or inspected at, an ASIC office.

7.4 Taxation

Set out below is a summary of the Australian tax implications of the Entitlement Offer for Eligible Shareholders who are residents of Australia for tax purposes and who hold their Shares as capital assets.

The summary below also does not take account of any individual circumstances of any particular Eligible Shareholder. **Eligible Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.**

The summary below does not necessarily apply to Eligible Shareholders who hold their Shares as assets used in carrying on a business or who may carry on the business of security trading, banking or investment. The summary below does not necessarily apply to Eligible Shareholders whose Shares are held as revenue assets or trading stock. The summary below is based on the law in effect as at the date of this Offer Booklet.

(a) *Issue of Entitlements*

Subject to the qualifications noted above, the issue of the Entitlements will not itself result in any amount being included in the assessable income of an Eligible Shareholder.

(b) *Exercise of Entitlements*

Eligible Shareholders who exercise their Entitlements and subscribe for New Shares will acquire those Shares with a cost base for capital gains tax (“CGT”) purposes equal to the Issue Price payable by them for those Shares plus any non-deductible incidental costs they incur in acquiring those Shares, but will not make any capital gain or loss, or assessable income, from exercising the Entitlements or subscribing for the New Shares.

(c) *New Shares*

Eligible Shareholders who exercise their Entitlements will acquire New Shares. Any future dividends made in respect of those New Shares will be subject to the same taxation treatment as dividends made on Existing Shares held in the same circumstances.

On any future disposal of New Shares, Eligible Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Shares. The cost base of those Shares is described above.

New Shares should be treated for the purposes of the CGT discount as having been acquired after the quotation of the New Shares on the ASX. Accordingly, in order to benefit from the CGT discount in respect of a disposal, the New Shares must have been held for at least 12 months from the date of quotation (not including the date of quotation or the date of disposal).

(d) *Other Australian taxes*

No GST or stamp duty is payable in respect of the grant or exercise of the Entitlements or the acquisition of New Shares.

7.5 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by Imperial Pacific or any of their related bodies corporate in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of Imperial Pacific or any

other person, warrants or guarantees the future performance of Imperial Pacific or any return on any investment made pursuant to this Offer Booklet.

7.6 Withdrawal of Entitlement Offer

Imperial Pacific reserves the right to withdraw all or part of the Entitlement Offer and this Offer Booklet at any time, subject to applicable laws, in which case Imperial Pacific will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. To the fullest extent permitted by law, you agree that any Application Monies paid by you to Imperial Pacific will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Imperial Pacific.

7.7 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded up to the nearest whole number of New Shares.

7.8 Governing law

This Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

8. Glossary

AEDT	Australian Eastern Daylight Time.
AFSL	an Australian Financial Services Licence.
Application	a valid application by way of an Entitlement and Acceptance Form made to subscribe for a specified number of New Shares under the Entitlement Offer.
Application Monies	the monies received from applicants for New Shares in accordance with this Offer Booklet.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691), and, as applicable, the securities exchange operated by ASX Limited.
ASX Listing Rules	the listing rules of ASX.
Board	the board of Directors of Imperial Pacific.
Business Day	a day on which ASX is open for trading.
Closing Date	5:00pm (AEDT) on 5 November 2020, unless extended by Imperial Pacific.
Corporations Act	the <i>Corporations Act</i> 2001 (Cth).
Director	a director of Imperial Pacific.
Eligible Shareholder	a person who is eligible to participate in the Entitlement Offer and satisfies the requirements set out in Section 3.4.

Entitlement	the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 3 New Shares for every 5 Existing Shares held at the Record Date.
Entitlement Offer	the pro rata non-renounceable entitlement offer of 3 New Shares for every 5 Existing Shares held at the Record Date at an Offer Price of \$1.00 per New Share.
Entitlement and Acceptance Form	the personalised form attached to or accompanying this Offer Booklet.
Existing Shares	Shares on issue immediately before the Record Date.
GST	goods and services tax.
Ineligible Shareholder	a Shareholder who is not an Eligible Shareholder.
Imperial Pacific	Imperial Pacific Limited (ACN 000 144 561).
Issue Price	the issue price of \$1.00 per New Share.
London City Equities	London City Equities Limited (ACN 003 200 664).
Mr P.E.J. Murray	Mr Peter E.J. Murray, a Shareholder and Director.
Murray Family Interests	Mr P. E.J. Murray and interests associated with him, including the Underwriter.
New Shares	the Shares offered under this Offer Booklet.
Offer Booklet	this document and any supplementary or replacement Offer Booklet in relation to this document.
Record Date	the date for determining Entitlements under the Entitlement Offer, being 7:00pm (AEDT) on 8 October 2020.
Shareholder	a registered holder of Shares.
Share Registry	Registry Direct Limited (ACN 160 181 840).
Share	a fully paid ordinary share in Imperial Pacific.
Underwriter	Capel Court Corporation Pty Limited (ACN 000 590 572), a family company owned and controlled by Mr P.E.J. Murray, and Trustee of the P.E.J. Murray Superannuation Fund.
Underwriting	The underwriting under the Underwriting Agreement dated 30 September 2020 in which the Underwriter guarantees, subject to certain conditions, that the Entitlement Offer will raise the full sum sought by Imperial Pacific.

Each applicant for New Shares submits to the non-exclusive jurisdiction of the Courts of New South Wales,

ROYAL EXCHANGE NSW
1225

Non-Renounceable Rights Issue — Entitlement and Acceptance Form

Your payment must be received by 5:00pm (Melbourne time) on Thursday, 5 November 2020.

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 financial or other professional adviser.

Step 1: Registration Name & Offer Details

Details of the investment and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.registrydirect.com.au if any of the details are incorrect.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement (please see Offer Booklet for more information regarding additional investment). Enter the total number of New Shares you wish to apply for and the total amount of payment for the Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Offer Booklet.

Pay by **BPAY**[®] using the biller code and reference number shown overleaf. If you pay by BPAY, you do not need to complete or return this form.

Payment will not be accepted by any other means.

Receipts will not be forwarded.

[®] Registered to BPAY Pty Limited ABN 69079137518

You do NOT need to complete or return this form if you pay by BPAY.
Entitlement and Acceptance Form

Your payment must be received by 5:00 pm (Melbourne time) on Thursday, 5 November 2020

STEP 1 Registration Name & Offer Details

Registration details:

ROYAL EXCHANGE NSW
1225

SRN/HIN

Offer Details:

Investment entitled to participate as at
8/10/2020:

Entitlement to Rights
on a 3 for 5 basis:

Amount payable on full acceptance
at \$1.00 per share:

STEP 2 Make Your Payment

Pay by BPAY:



Contact your bank or financial institution to make this payment from your cheque, savings, debit, credit card or transaction account.

More info: www.bpay.com.au

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, your payment must be received by no later than 5:00pm (Melbourne time) on 5 November 2020. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payments and should therefore take this into consideration when making payments. Registry Direct Limited do not accept any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

Privacy Notice

See <https://www.registrydirect.com.au/privacy-policy/>