

WESTSTAR INDUSTRIAL LIMITED
ACN 119 047 693
SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (Supplementary Prospectus) intended to be read with the prospectus dated 9 June 2017 (Prospectus), issued by Weststar Industrial Limited (ACN 119 047 693) (Company).

This Supplementary Prospectus is dated 12 June 2017 and was lodged with the Australian Securities and Investments Commission (ASIC) on that date. ASIC and its officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at <http://www.weststarindustrial.com.au>. The Company will send a copy of this Supplementary Prospectus to all Applicants who have subscribed for Shares pursuant to the Prospectus prior to the date of this Supplementary Prospectus.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

1. BACKGROUND

By this Supplementary Prospectus, the Company makes the amendments to the Prospectus as set out in Section 2 below for the purpose of supplying information to Shareholders in relation to an offer of up to 1,000 listed Options (exercisable at \$0.02 each on or before 6 December 2018) at an issue price of \$0.001 per Option to raise up to \$1.00 for the purpose of removing secondary trading restrictions on the sale of listed Options issued without disclosure following the receipt of approval from Shareholders at the General Meeting held on 5 June 2017 for the issue of the Options.

The amendments to the Prospectus outlined in Section 2 below should be read in conjunction with the Prospectus (as amended by Section 2).

2. AMENDMENTS TO THE PROSPECTUS

2.1 Details of the Offer – 1.1. Summary of the Offer

Section 1.1 of the Prospectus entitled "Summary of the Offer?" is amended by inserting a final paragraph as follows:

"This Prospectus also contains a cleansing offer of listed Options for the purpose of removing secondary trading restrictions on the sale of listed Options issued without disclosure following the receipt of approval from Shareholders at the General Meeting held on 5 June 2017 for the issue of the Options (**Option Cleansing Offer**).

Further details of the Option Cleansing Offer are set out in Section 2.1.”

2.2 Details of the Offer – 1.3. Rights and liabilities attaching to Shares

Section 1.3 of the Prospectus entitled “Summary of the Offer?” is amended by inserting a final paragraph as follows:

“The Options to be issued pursuant to this Offer are set out in Appendix A of this Summary Prospectus.”

2.3 Details of the Offer – 1.6. Overseas investors and 1.8 Privacy disclosure

All references to the term “Shares” in sections 1.6 (Overseas investors) and 1.8 (Privacy disclosure) of the Prospectus should be read to mean “Shares and Options”.

2.4 Purpose and effect of the Offer – 2.1. Purpose of the Offer

Section 2.1 of the Prospectus is amended by inserting the following paragraph :

“This Prospectus also contains an Option Cleansing Offer for the purpose of removing secondary trading restrictions on the sale of Options issued without disclosure following the receipt of approval from Shareholders at the General Meeting held on 5 June 2017 for the issue of the Options.”

2.5 Purpose and effect of the Offer – 2.3 The effect of the offer on the capital structure

Section 2.3 of the Prospectus is amended by adding the following paragraph below Note 3 appearing below the table in that section:

“1,000 listed Options (exercisable at \$0.02 each on or before 6 December 2018) will also be issued pursuant to the Option Cleansing Offer.”

2.6 Definitions

Section 6 of the Prospectus is amended by:

adding the following words to the definition of Offer:

“... and includes the Option Cleansing Offer.”; and

adding the following definition:

“Option Cleansing Offer means the offer of up to 1,000 listed Options (exercisable at \$0.02 each on or before 6 December 2018) at an issue price of \$0.001 per Option to raise up to \$1.00 for the purpose of removing secondary trading restrictions on the sale of listed Options issued without disclosure following the receipt of approval from Shareholders at the General Meeting held on 5 June 2017 for the issue of the Options.

The full terms and conditions of the listed Options offered under the Option Cleansing Offer are set out in Appendix A.”

3. ACTIONS REQUIRED BY INVESTORS

The Directors do not believe that the matters set out in this Supplementary Prospectus are materially adverse to investors because the additional Options pursuant to the Option Cleansing Offer issue is for the sole purpose of removing secondary trading restrictions on the sale of Options issued without disclosure.

As such, persons that have already applied for securities under the Prospectus do not need do to take any action.

4. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.



Mr Bert Mondello
Non-executive Director
For and on behalf of
Weststar Industrial Limited

Appendix A – Option Terms and Conditions

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 6 December 2018 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) Quoted

The Company will apply for quotation of the Options on ASX.

(n) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.