



ABN 80 148 142 634

To be renamed "Ensurance Ltd" on completion of the Acquisition.



## PROSPECTUS

For the offer of 6,818,182 Shares at an issue price of 22 cents each to raise a Minimum Subscription amount of \$1,500,000 (before costs).

Oversubscriptions of up to a further 2,272,727 Shares at an issue price of 22 cents each to raise up to a further \$500,000 may be accepted. The maximum amount which may be raised under this Prospectus is therefore \$2,000,000 (before costs).

The Offer is conditional on (amongst other things) the events described in Section 1.5 of this Prospectus.

*This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy ASX requirements for re-listing following a change to the nature and scale of the Company's activities.*

### LEAD MANAGER:



Australian Financial Services Licence: 239052

### **Important Information**

*This Prospectus provides important information to assist prospective investors in deciding whether or not to invest in the Company. It should be read in its entirety. If you do not understand it, you should consult your professional advisers.*

**THE SHARES OFFERED UNDER THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

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## CORPORATE DIRECTORY

### CURRENT DIRECTORS (Immediately prior to the acquisition of Ensurance Capital Pty Ltd)

Brian Thomas	<i>Non-Executive Chairman</i>	(proposed Non-Executive Director)
Adam Davey	<i>Non-Executive Director</i>	(proposed Non-Executive Chairman)
Philippa Leggat	<i>Non-Executive Director</i>	

### INCOMING DIRECTORS (To be appointed post-Acquisition)

Stefan Hicks	<i>Proposed Managing Director</i>
Brett Graves	<i>Proposed Executive Director</i>
Neil Pinner	<i>Proposed Non-Executive Director</i>

### JOINT COMPANY SECRETARIES

Jay Stephenson  
Julia Beckett

### REGISTERED OFFICE

Street: Level 4, 66 Kings Park Road  
WEST PERTH WA 6005  
Postal: PO Box 52  
WEST PERTH WA 6872  
Telephone: +61 (0)8 6141 3500  
Facsimile: +61 (0)8 6141 3599  
Email: [info@parkerresources.com.au](mailto:info@parkerresources.com.au)  
Website: [www.parkerresources.com.au](http://www.parkerresources.com.au)

### SHARE REGISTRY ⓘ

Computershare Investor Services Pty Limited  
Level 2, 45 St Georges Terrace  
PERTH WA 6000  
Telephone: 1300 850 505 (investors within Australia)  
Telephone: +61 (0)3 9415 4000  
Website: [www.investorcentre.com](http://www.investorcentre.com)

### LEAD MANAGER

Patersons Securities Limited  
Level 23, Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

### SECURITIES EXCHANGE

Australian Securities Exchange  
ASX Code – PKR

*Proposed new ASX Code will be ENZ*

### INVESTIGATING ACCOUNTANT

Pendragon Capital Ltd  
283 Rokeby Road  
SUBIACO WA 6008

### SOLICITORS TO THE COMPANY

Steinepreis Paganin  
Level 4, The Read Buildings, 16 Milligan Street  
PERTH WA 6000

### CORPORATE ADVISER

Wolfstar Group Pty Ltd  
Level 4, 66 Kings Park Road  
WEST PERTH WA 6005

### AUDITORS ⓘ

Stantons International (Perth)  
1 Walker Avenue  
WEST PERTH WA 6005

ⓘ These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

## CHANGE IN NATURE AND SCALE STATEMENT

### RE-COMPLIANCE WITH CHAPTERS 1 AND 2 OF THE ASX LISTING RULES

Parker Resources Limited (**Parker** or the **Company**) has historically operated as a minerals exploration company with mineral exploration tenement interests in Australia. As announced to the Australian Securities Exchange (the **ASX**) on 24 July 2014 and 11 December 2014 the Company has entered into a conditional agreement to acquire 100% of the issued capital in **Ensurance Capital Pty Ltd** (ACN 156 971 718) (**Ensurance**) by way of a share sale agreement (**Agreement**). For further information on **Ensurance**, and Parker's acquisition thereof, refer to Sections 2.2 and 2.3 of this Prospectus.

The acquisition of **Ensurance** will result in a significant change to the nature and scale of the activities of the Company from a mining exploration company to a company with interests in the insurance industry, which requires approval of its Shareholders under Chapter 11 of the ASX Listing Rules. At the General Meeting held on 12 January 2015, the Company's Shareholders approved all resolutions contained in the Notice of Meeting, including, the issue of Shares to effect the acquisition of **Ensurance**, the change in nature and scale of the Company's activities and the change of the Company's name to **Ensurance Ltd**, satisfying this condition.

The Offer made under this Prospectus and the issue of Shares pursuant to this Prospectus are subject to and conditional on events described in Section 1.5. If those events do not occur, the Offer will not proceed, no Shares will be issued pursuant to this Prospectus and the Company will repay all money received from Applicants without interest and in accordance with the Corporations Act. In addition, there is a risk that the Company may not be able to meet other requirements imposed by ASX for the reinstatement of Shares to Official Quotation. If this occurs the Company will not proceed with either the Acquisition or the Offer and will repay all application monies received (without interest and in accordance with the Corporations Act).

The Company must comply with ASX requirements to re-list on the ASX, which includes re-complying with Chapters 1 and 2 of the ASX Listing Rules. This Prospectus is issued to assist the Company to re-comply with these requirements.

The effect of the Acquisition is set out in the capital structure table on page 17 of this Prospectus, and the Investigating Accountant's Report in Section 4 of this Prospectus which sets out the pro-forma balance sheet of the Company as at 30 June 2014 and elsewhere in this Prospectus.

### SUSPENSION AND RE-ADMISSION TO ASX

The Company's securities were suspended from trading on the ASX prior to all resolutions being passed at the General Meeting. It is anticipated that the Company's securities will remain suspended until the following activities have been completed:

- (a) the Offer;
- (b) the Acquisition; and
- (c) the resultant change of activities and re-admission to the Official List.

It is anticipated that the Company will be re-admitted to the Official List in March 2015, subject to satisfying all ASX admission requirements under Chapters 1 and 2 of the ASX Listing Rules.

Some of the key requirements of Chapters 1 and 2 of the ASX Listing Rules are:

- (a) the Company must satisfy the Shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders;
- (b) the Company must satisfy the "assets test" as set out in ASX Listing Rule 1.3; and
- (c) the issue price of Shares must be at least 20 cents and the exercise price of Options must be at least 20 cents unless ASX agrees otherwise.

### CHANGE OF NAME

It is proposed that the Company will change its name to "**Ensurance Ltd**" on completion of the Acquisition, which in the Company's opinion will be better suited to the Company's new strategic direction.



## IMPORTANT INFORMATION

This Prospectus is dated 6 February 2015 and was lodged with the Australian Securities and Investments Commission (ASIC) on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Directors of, and advisers to, the Company do not guarantee the success of the Company, the repayment of capital, the payment of dividends or the price at which Shares will trade on the ASX.

Application will be made to ASX within seven days of the date of this Prospectus for Quotation of the Shares the subject of this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares offered under this Prospectus should be considered speculative.

### ELECTRONIC PROSPECTUS

This Prospectus will be issued in paper form and as an electronic Prospectus which may be accessed on the internet at [www.parkerresources.com.au](http://www.parkerresources.com.au). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to a hard copy of this Prospectus, or it is accompanied by the complete and unaltered version of the Prospectus. During the Offer Period, any person may obtain a hard copy of this Prospectus by contacting the Company by email at [info@parkerresources.com.au](mailto:info@parkerresources.com.au).

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

### FOREIGN JURISDICTIONS

This Prospectus 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. No action has been taken to register or qualify the Shares or the Offer or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia.

**THE DISTRIBUTION OF THIS PROSPECTUS IN JURISDICTIONS OUTSIDE AUSTRALIA MAY BE RESTRICTED BY LAW, AND PERSONS WHO COME INTO POSSESSION OF THIS PROSPECTUS SHOULD SEEK ADVICE AND OBSERVE ANY SUCH RESTRICTIONS. ANY FAILURE TO COMPLY WITH SUCH RESTRICTIONS MAY CONSTITUTE A VIOLATION OF APPLICABLE SECURITIES LAWS. APPLICANTS WHO ARE RESIDENT IN COUNTRIES OTHER THAN AUSTRALIA SHOULD CONSULT THEIR PROFESSIONAL ADVISERS AS TO WHETHER ANY GOVERNMENTAL OR OTHER CONSENTS ARE REQUIRED OR WHETHER ANY OTHER FORMALITIES NEED TO BE CONSIDERED AND FOLLOWED.**

### RISK FACTORS

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in the Investment Overview and Section 3 on page 39 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

## FORWARD-LOOKING STATEMENTS

This Prospectus may contain forward-looking statements. Forward-looking statements can be identified by the use of words such as "may", "could", "will", "expect", "anticipate", "believe", "estimate", "intend", "scheduled" or "continue" or similar expressions. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place. Such forward-looking statements are subject to risks and uncertainties and a number of assumptions, which may cause the actual results or events to differ materially from the expectations described in such forward looking statements or information.

Whilst the Company considers the expectations reflected in any forward looking statements or information in this Prospectus are reasonable, we cannot and do not give any assurance that such expectations will prove to be correct or that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The risk factors outlined in Section 3 on page 39 of this Prospectus, as well as other matters not yet known to the Company or not currently considered material by the Company, may cause actual events to be materially different from those expressed, implied or projected in any forward looking statements or information. Any forward looking statement or information contained in this Prospectus is qualified by this cautionary statement.

## WEBSITE ADDRESS

The Prospectus can be downloaded from [www.parkerresources.com.au](http://www.parkerresources.com.au).

No document or information included on the Company's website is incorporated by reference into this Prospectus.

## PHOTOGRAPHS AND DIAGRAMS

Items and undertakings depicted in photographs and diagrams in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company, unless otherwise stated. Diagrams appearing in this Prospectus are illustrative only and may not be drawn to scale.

## DEFINITIONS

Throughout this Prospectus abbreviations and defined terms are used. Abbreviations and legal terms are contained in the Definitions in Section 9 of this Prospectus. Defined terms are generally identified by the uppercase first letter.

## CONDITIONAL OFFER

The Offer made under this Prospectus and the issue of Shares pursuant to this Prospectus are conditional on events described in the "Change in Nature and Scale Statement" Section of this Prospectus in the subsection entitled "Re-Compliance with Chapters 1 and 2 of the ASX Listing Rules" on page 2 and Section 1.5 of this Prospectus.

If those events do not occur, the Offer will not proceed, no Shares will be issued pursuant to this Prospectus and the Company will repay all money received from Applicants without interest.

## DISCLAIMER

No person is authorised to give information or to make any representation in connection with this Prospectus that is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company in connection with this Prospectus. You should rely only on information in this Prospectus.

## CHAIRMAN'S LETTER

Dear Investor

On behalf of the Directors of Parker Resources Limited, it is my pleasure to introduce this Prospectus to you.

Parker was incorporated on 10 January 2011 originally for the purpose of exploration, development and investment in resource projects and related opportunities. As announced to the ASX on 24 July 2014, the Company has now moved to change the nature and scale of its operations through the acquisition of all the issued shares in **Ensurance Capital Pty Ltd (Ensurance)**, which operates three distinct businesses in the insurance industry consisting of a Sydney-based insurance brokerage, insurance underwriting agency and an information technology company.

The insurance brokerage, **Savill Hicks Corp. Pty. Ltd. (SHC)**, has operated nationally for over 23 years with the complementary underwriting agency having been established in 2013. **Ensurance IT Pty Ltd (Ensurance IT)**, the IT company, has developed an online platform, which has enabled the business to execute real-time insurance sales online for the past 6 years. **Ensurance IT** is now in the process of developing and commercialising a new online platform, taking advantage of its knowledge, experience and the availability of improved technology to enable the **Ensurance Group** to not only conduct its own existing insurance brokerage business more efficiently but also to assist in marketing the platform to "white label" customers. Once the new platform is operational, the **Ensurance Group** intends to migrate all existing products and clients to the new platform, allowing the **Ensurance Group** to replace the existing platform with the new platform over time.

"White label" refers to a fully supported product or service that is made by one company and is sold by another company under varying brand names. It provides organisations with the ability to take advantage of market opportunities by leveraging the capabilities of other businesses without the need to develop these capabilities internally. This means they can avoid the need to design and build systems with the attendant costs and logistical difficulties associated with starting from scratch. In the insurance industry it allows institutions and large industry participants, such as the mortgage broking industry, to label insurance products as their own and cross-sell these to their existing client bases. This brings the benefits associated with economies of scale into play.

A separate feature of the new platform is that it will provide insurance industry participants the ability to integrate their systems with products offered through the platform which will allow their advisers and clients the ability to research and purchase insurance online 24/7. The additional benefit to industry participants is that they will be able to co-brand the product and services with the comfort they are backed by the **Ensurance Group**, as a full service insurance broker and underwriting agency.

The Directors were attracted to the Acquisition because the **Ensurance Group** are well-established businesses with a proven track record of offering consumer focussed on-line insurance solutions to its existing clients over the past six years. It is the integration of these custom-built software systems with the existing enterprises that the Directors believe will enable **Ensurance** to transform its total business for the future by expanding into innovative sales and distribution models not currently seen in Australia. The financial services sector, and in particular the insurance industry, is set to experience massive digital disruption. To date, the \$40bn Australian general insurance industry has been slow to capitalise on distribution innovation and remains under-invested in meeting the customers' demands on purchasing insurance products in a secure and streamlined online environment.

Subject to completion of the Offer and the Acquisition, the funds raised from the Offer will provide the **Ensurance Group** with the working capital required to fund the continued development of the new online platform to enable insurers and "white label" clients to connect to the platform. It is anticipated that the advantages of the new platform have the potential to enable the **Ensurance Group** to generate significant increases in revenues with relatively minimal increases in cost.

The Proposed Directors, Stefan Hicks, Brett Graves and Neil Pinner, each have considerable experience in and knowledge of the general insurance industry. The **Ensurance Group** has invested significant time and capital in the development of its online platforms, plus has a network of industry contacts which will prove invaluable in the establishment of this new business. The merits of this new and innovative sales and distribution model have also been recognised with a Commercialisation Australia government grant to assist with funding the development.

The acquisition of **Ensurance** will result in a significant change to the nature and scale of the Company's activities which requires approval of its Shareholders under Chapter 11 of the ASX Listing Rules. At the General Meeting held on 12 January 2014, the Company's Shareholders approved all resolutions contained in the Notice of Meeting, satisfying this condition.

This Prospectus has been issued by Parker to enable the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules through the offer of 6,818,182 Shares at an issue price of 22 cents each to raise a Minimum Subscription amount of \$1,500,000. Oversubscriptions of up to a further 2,272,727 Shares at an issue price of 22 cents each to raise up to a further \$500,000 may be accepted.

Subject to completion of the acquisition of **Ensurance** (which remains conditional on the satisfaction or waiver of the remaining conditions precedent to the Agreement), the Company intends to withdraw from its existing farm-in agreement and will no longer have a right to acquire an interest in Exploration Licence 20/717, located near Cue in the Murchison .

The Board believes the proposed acquisition of **Ensurance** and the change of business post transaction will be both positive and in the interests of Shareholders.

This Prospectus contains detailed information about **Ensurance** and the Agreement. Please read this Prospectus carefully before you make a decision to invest and, where necessary, consult with your professional advisers.

Yours sincerely



**BRIAN THOMAS**  
Chairman

## INVESTMENT OVERVIEW

The information in this section is a summary of the key points only and is not intended to provide comprehensive details of the Offer. You should read the full text of this Prospectus and, if in any doubt, you should consult with your professional advisers before deciding whether to apply for Shares. The Shares offered under this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares.

### THE COMPANY AND PROJECTS

The Company was incorporated on 10 January 2011 for the primary purpose of exploration, development and investment in resource projects and related opportunities, and listed on the official list of the Australian Securities Exchange on 19 September 2011. On 28 November 2013, the Company entered into a farm-in agreement to earn up to a 90% interest in the Tenement. Subject to completion of the acquisition of Ensurance (which remains conditional on the satisfaction or waiver of the remaining conditions precedent to the Agreement), the Company intends to withdraw from its existing farm-in agreement and will no longer have a right to acquire an interest in the Tenement.

Further details on the Company's existing exploration project in which the Company has an interest can be found in Section 2.1 of this Prospectus.

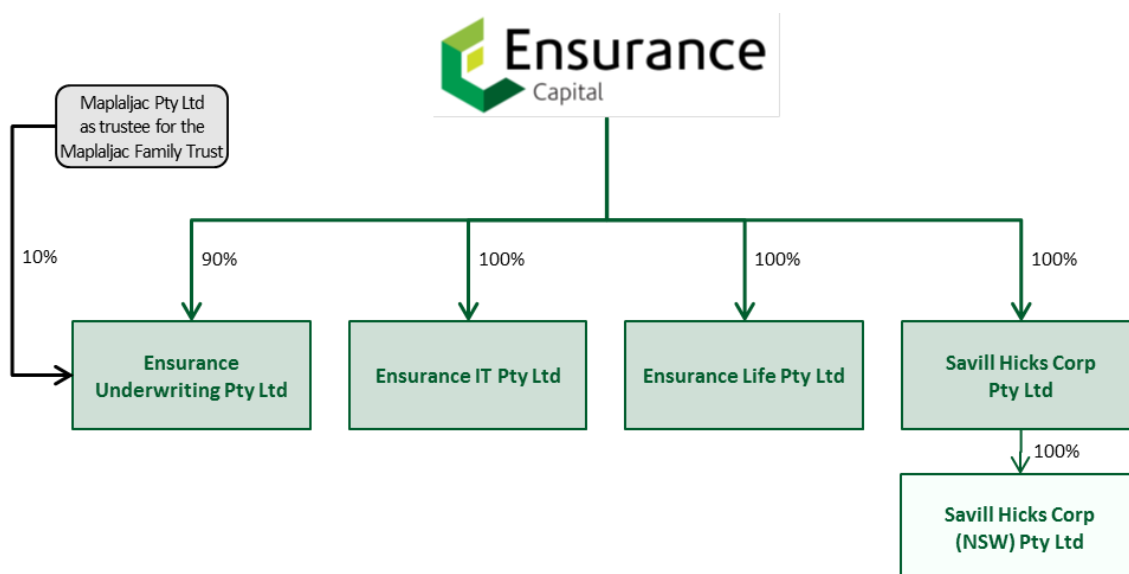
### THE ACQUISITION OF ENSURANCE CAPITAL PTY LTD

The Company has entered into the Agreement to acquire 100% of the issued capital in Ensurance. A summary of the Agreement is set out in Section 5.1.1 of this Prospectus.

### ABOUT ENSURANCE

Ensurance and its five subsidiaries (together the Ensurance Group) are involved in three distinct businesses in the insurance industry, consisting of an insurance brokerage, an underwriting agency and an IT business, each housed within separate subsidiary companies. The Ensurance Group have developed real-time, online digital distribution channels for general insurance products from multiple insurers, in addition to the provision of these services through more traditional channels. A new and improved online platform with increased functionality is currently being developed which is intended to replace the existing platform over time. This new platform is expected to allow the Ensurance Group to further increase its capabilities for example, by taking further advantage of "white labelling" opportunities.

At the date of this Prospectus, the corporate and ownership structure of the Ensurance Group is as follows:



*Ensurance Group corporate and ownership structure prior to completion of the Acquisition*

Further details of the **Ensurance Group** are set out below.

(a) **Ensurance Capital Pty Ltd (Ensurance)**

**Ensurance** is a Sydney-based proprietary Australian company, which is the head company of a number of operating subsidiary insurance industry companies.

(b) **Savill Hicks Corp. Pty. Ltd. (SHC) and Savill Hicks Corp (NSW) Pty Ltd (SHC (NSW))**

**SHC** is a full service insurance broker which has been operating for 23 years. **SHC** also offers commercial insurance products online to customers, specialising in the construction and allied trade industries through itself and its wholly owned subsidiary, **SHC (NSW)**.

Through the **Ensurance Group's** online platform, the insurance acquisition process from quote to placement has been automated, allowing transactions to be completed in approximately 3 to 5 minutes. This provides cost and time efficiencies to **SHC** clients.

(c) **Ensurance Underwriting Pty Ltd (Ensurance Underwriting)**

**Ensurance Underwriting** is an underwriting agency that allows it to partner with insurance brokers to distribute insurance products, a significant portion of which is done through the online platform.. **Ensurance Underwriting** deals solely with Australian insurance brokers. It provides them with multiple policies of the same insurance products.

(d) **Ensurance IT Pty Ltd (Ensurance IT)**

**Ensurance IT** has developed and operates an online platform through which the **Ensurance Group** conducts a significant proportion of its insurance and underwriting business. **Ensurance IT** is in the process of developing and commercialising a new online platform, taking advantage of its knowledge, experience and the availability of improved technology. The first products offered on the new platform will be "white label" products. The new platform will replace the existing platform over time.




(e) **Ensurance Life Pty Ltd (Ensurance Life)**

**Ensurance Life** was recently incorporated for the purpose of allowing the **Ensurance Group** to cross-sell life insurance products to all of its general insurance clients. In addition, it will allow the **Ensurance Group** to offer its "white labelled" clients the ability to cross-sell life insurance products. **Ensurance Life** is not an operating business at present and does not have an operating history. **Ensurance Life** will commence operations once it has commenced a detailed review of the opportunities available within the industry.



For additional information in relation to the **Ensurance Group**, refer to Sections 2.2 and 2.3 of this Prospectus.



#### WHAT IS THE ENSURANCE BUSINESS MODEL?

(a) **What are the current market opportunities?**

-  The consumer trend is to utilise digital media, including mobile devices, to research, compare and purchase insurance.
-  The insurance industry is lacking investment and progress in addressing the changing purchasing habits of consumers.
-  Current online insurance offerings typically require consumers to visit various websites to obtain multiple quotes, which can take considerable time.

(b) **How can Ensurance take advantage of these market opportunities?**

-  Development of the online platform allows the **Ensurance Group** to exploit the opportunities presented by digital distribution channels.
-  The **Ensurance Group** is positioned to expand its IT capabilities by offering additional insurance products to domestic and international markets.

- 
 Ensurance Underwriting will support the Ensurance Group through wholesale product distribution, feeding multiple policies, products and insurers into the online distribution channels.
- 
 The Ensurance Group may have the opportunity to participate in the Australian life insurance market, which is subject to the same digital disruption that the general insurance industry is experiencing.

(c) Business Model

 Online insurance platform

The Company's business model, following the Acquisition, is to address emerging trends and consumers' purchasing habits, by offering a single online platform where consumers can:

- ▶ obtain multiple quotes from multiple insurers;
- ▶ purchase insurance online in a quick process that delivers an enjoyable consumer experience; and
- ▶ receive professional advice from an experienced, full-service broker.

The online platform allows for the insurance brokerage and underwriting functions undertaken by the Ensurance Group to be digitally automated. By automating this process the business model becomes scalable through "white labelling". The online platform will ultimately provide lower cost of acquisition for the client making the products more competitive, providing major in-house efficiencies for the Ensurance Group.

 "White labelling"

A large aspect of the Ensurance Group's business strategy going forward is identifying and negotiating with third parties to distribute their products online, by "white labelling" the products. "White label" refers to a fully supported product or service that is made by one company and is sold by another company under varying brand names. The Ensurance Group will provide insurance products to institutions and large industry players, such as the mortgage broking industry, allowing those institutions and industry players to cross sell insurance products that are labelled as their own to their client bases. By integrating their system with the Ensurance Group's online platform, the advisers and clients of industry players will have the ability to research and purchase insurance products online 24/7, while benefiting from being able to co-brand the product and services with the comfort that they are backed by a full service insurance broker and underwriting agency.

 Brokerage and underwriting

The existing insurance brokerage services provided by the Ensurance Group will continue to trade and focus on their core products and client base whilst building the new infrastructure for the white label products and the new platform for existing customers to access the Ensurance Group's online products.

Ensurance Underwriting will continue to provide the Ensurance Group's underwriting business. As products are added to the platform the underwriting agency will distribute the products through this online platform.

## OBJECTIVES AND STRATEGY

Following completion of the Acquisition, the Company will focus on three main areas of business of the Ensurance Group, including:

- (a) the completion of the development of a new online platform where consumers can:
  - (i) obtain multiple quotes from multiple insurers;
  - (ii) purchase insurance online in a quick process that delivers an enjoyable consumer experience; and
  - (iii) receive professional advice from an experienced, full-service broker;
- (b) white labelling, where the Company locates and negotiates with third parties to distribute their online products; and
- (c) brokerage and underwriting.



**KEY RISKS**

The business, assets and operations of the Company and the **Ensurance Group** are subject to certain risk factors that have the potential to influence the financial position, prospectus and operating and financial performance of the Company and the **Ensurance Group** in the future. These risks can impact upon the value of an investment in the securities of the Company and the prices of those securities.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively manage them is limited.

Set out below are specific risks that the Company is exposed to, and that may have a direct influence on the Company and its activities or assets. Further risks associated with an investment in the Company are outlined in Section 3 of this Prospectus. Investors are advised to consider these risks carefully before deciding whether to apply for Shares pursuant to this Prospectus.

 **Company Specific Risks****(i) Ability to attract sufficient level of traffic to its website**

The attractiveness of the online platform provided by the **Ensurance Group** to its insurance product providers is influenced by white labellers' ability to draw consumers to their websites that ultimately purchase the products provided by the insurance product providers. A decline in the level of traffic to the white labellers' websites could have a material adverse effect on the **Ensurance Group's** ability to generate commissions and fees from the sale of insurance products as well as on its relationship with the insurance product providers.

There are a number of factors which can negatively impact the volume of traffic to the white labellers' websites, including, but not limited to:

- a. any changes to the algorithms or terms of service of search engines, which will cause the white labellers' websites either to be ranked lower or to be excluded from the search results presented on those search engines. This can lead to a significant decline in the traffic to the white labellers' websites. Search engines are a key driver of consumer traffic to the white labellers' websites and so the **Ensurance Group** depends on strong search rankings for the white labellers' websites. If the white labellers are unable to quickly recognise and adapt to any adverse changes in search results, this can have a material adverse effect on the level of traffic receive on the white labellers' websites and consequently, the number of insurance products purchased via those websites;
- b. if the white labellers' marketing and advertising activities are not effective in attracting consumers to their websites; and
- c. security breaches or negative publicity that affect consumer confidence in the white labellers and/or **Ensurance Group's** brand.

There can be no guarantee that the white labellers' will be able to attract sufficient traffic to their websites that will ultimately purchase the products provided by the insurance product providers.

**(ii) Licensing requirements for Australia Financial Services Licence (AFSL) holders**

Generally, underwriting agencies that have a business in Australia, including **Ensurance Underwriting**, are required to hold or operate under an AFSL, issued by ASIC. Under the Corporations Act, an individual or a company must hold an AFSL in order to conduct an insurance broking business or underwriting agency, unless exempt. Compliance with the obligations of an AFSL is the responsibility of the licensee.

The ability of the **Ensurance Group** to carry out its business objectives in accordance with this Prospectus and the Corporations Act is dependent on the maintenance of the **Ensurance Group's** ability to access an AFSL. If **Ensurance Underwriting** or **SHC**, as holders of an AFSL, are unable to retain their respective licences, they may not be able to continue to operate in their current form. This may impact their ability to offer insurance and related services to their customers, which would result in a loss of income to the **Ensurance Group**.



Furthermore, if Ensurance Underwriting or SHC do not meet regulatory requirements, they may suffer penalties, such as fines, obligations to pay compensation, enforceable undertakings, imposition of (or variations to) licence conditions or, ultimately, the cancellation or suspension of its AFSL.

The suspension or cancellation of the AFSL held by either Ensurance Underwriting or SHC may also pose a reputational risk for the Ensurance Group.

(iii) Use of trade mark

The Company and the Ensurance Group have recently become aware of a trade mark which has been registered over the word "Ensurance" by a third party. Ensurance is in the process of seeking to have the trade mark removed from the Register of Trade Marks for non-use by the third party. In the event that the trade mark is not removed from the Register of Trade Marks, Ensurance, Ensurance IT, Ensurance Underwriting, Ensurance Life and, on completion of the Acquisition and the Company's change of name, the Company, may be infringing the intellectual property rights of the third party which could lead to an intellectual property dispute. In this instance, Ensurance, Ensurance IT, Ensurance Underwriting, Ensurance Life and the Company would be required to change their respective names. Although the Company will implement all reasonable endeavours to protect its and the Ensurance Group's interests in intellectual property, held through its subsidiaries and otherwise, there can be no assurance that these measures have been, or will be sufficient.

(iv) Changes in insurance products provided

Following completion of the Acquisition, the Company intends to earn a significant proportion of its revenue from the sale of online insurance products. These insurance products are provided by several key product providers.

Key product providers may make fewer products available, may not make certain products available or may not make any products available to the Ensurance Group. This may be for a number of reasons, including, where the product providers are insurers, decisions to limit the number of new policies that they write. Key product providers may make fewer products available, may not make certain products available or may not make any products available to the Ensurance Group. This may be for a number of reasons, including, where the product providers are insurers, decisions to limit the number of new policies that they write in response to market conditions, their perceptions of where their best growth opportunities may lie, or as a result of a lack of sufficient capital or funds generally which are required to underpin new policy growth.

The loss or impairment of any of these key product provider relationships, or a reduction in the nature or number of insurance products that the product providers make available, could adversely affect the Company's and the Ensurance Group's business, financial condition and results from operations.

While new arrangements can be made to replace any loss of sales in the instance of the loss or impairment of a relationship with an insurance product provider (either through new or existing product providers), there can be no guarantee that the terms negotiated will be favourable.

(v) Dependence on third party products and services

The Ensurance Group relies on key software products and services supplied by third parties for its information management systems and delivery of services to brokers, clients and customers. If any software products upon which the Ensurance Group depends do not operate as expected then the services that the Ensurance Group operates may be adversely affected. There is an inherent risk that such third parties appointed do not perform their role to a satisfactory standard. There can be no assurance that the Company would be successful in attempting to enforce any of its contractual rights through legal action.

(vi) **New product development and technology risk**

Moving forward the Company will be reliant upon certain technologies and upon the successful commercialisation of these technologies. There is a risk that as marketable technologies continue to develop in the communications industry there may be certain product developments that supersede, and render obsolete, the products and services of the Company, this would adversely affect the profitability of the Company and likely the value of the Shares.

Furthermore, standard backup, restoration and recovery procedures are in place for the **Ensurance Group**. In accordance with AFSL requirements, both **SHC** and **Ensurance Underwriting** are also required to have in place their own disaster recovery plan. However, despite these protections, any significant interruptions to the **Ensurance Group's** information technology and communications systems could impair the ability of the **Ensurance Group** to continue to provide its services (such as access to the online platform), or the loss or corruption of data and may impact the **Ensurance Group's** brand image, bring about service level availability rebate costs, and potentially loss of customers. Any of these impacts, or other potential effects, could materially affect the **Ensurance Group's** overall revenue and earnings.

(vii) **Protection of intellectual property rights**

The **Ensurance Group's** intellectual property rights are valuable, and any inability to protect them could reduce the value of the **Ensurance Group's** products and brand.

Securing rights to technologies, and in particular intellectual property, through licensing, ownership or otherwise, is an integral part of securing potential product value in the online platform. Competition in obtaining and sustaining protection of technology and the complex nature of technologies can lead to intellectual property disputes. The Company's and the **Ensurance Group's** prospect of success depends, in part, on their ability to obtain interests in intellectual property, maintain trade secret protection and operate without infringing the proprietary rights of third parties. There can be no assurance that any intellectual property which the **Ensurance Group** or entities it deals with may have an interest in now or in the future will afford the **Ensurance Group** or the Company commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications.

The **Ensurance Group** may rely on a combination of confidentiality arrangements with third parties with whom it has relationships, as well as domain name, trade secret, copyright, trade mark and/or patent laws, to protect its brand and other intellectual property rights. For example, **Ensurance IT** has a patent application and other intellectual property rights that are important assets. The granting of a registered patent does not guarantee that the rights of others are not infringed or that competitors will not develop technology to avoid the patented technology. There can be no assurance that any patents which the **Ensurance IT** or any other member of the **Ensurance Group** may own or control will afford the **Ensurance Group** commercially significant protection of its technologies or its products or have commercial application.

 **Industry Specific Risks**

(i) **Increased competition and change or disruption in market structure**

The **Ensurance Group** competes in the distribution of general insurance policies with other insurance brokers, underwriting agencies and insurers. In order to be an effective market participant the **Ensurance Group** must respond promptly to a number of challenges facing the industry as a whole, and the **Ensurance Group** specifically. These challenges include the entry of new participants into the insurance broking and underwriting agency markets. With technology development and the advent of online purchasing of insurance products and comparison websites, the barriers of entry into the insurance industry have decreased in recent years.

Increased competition could arise from a number of sources including, but not limited to:

- a. increased competition from other existing broker consolidator groups or broker cluster groups;
- b. increased focus from large global insurance brokers on the small to medium enterprise segment;

- c. the expansion of non-insurance broking distribution channels that maintain relationships with small to medium enterprise customers (for example, accountants, financial planners and business bankers) into insurance broking;
- d. the expansion of online broking and comparator websites (servicing predominantly personal lines of insurance) into commercial lines; and/or
- e. general insurers expanding their direct distribution capabilities in the SME segment.

Any increase in competition or deterioration in the competitive positioning of the Ensurance Group may have an adverse impact on Ensurance Group, and could potentially result in:

- a. a reduction in insurance contracts placed through the Ensurance Group due to a loss of market share;
- b. a reduction in and commission rates; and/or
- c. a reduction in margins.

One or more of these factors may have a material adverse impact on the revenue and earnings of the Ensurance Group.

#### (ii) Data Security Risk

In the ordinary course of its business, the Ensurance Group collects a wide range of personal and financial information from consumers and clients using the SHC website, Ensurance Underwriting website and white labellers' websites, through the secure transmission of confidential information over public networks. This includes information like personal contact details and payment information, such as credit card details.

A malicious attack on the Ensurance Group's systems, processes or people from external or internal sources could put the integrity and privacy of customer's data and business systems used to run the Ensurance Group at risk. The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation, and brand damage resulting in reduced or falling revenues.

Whilst the Ensurance Group has established risk management systems to prevent cyber-attacks and any potential data security breaches, including firewalls, encryption of consumer data, a privacy policy and policies to restrict access to data to authorised employees, there are inherent limitations on such systems, including the possibility that certain risks have not been identified. There can be no guarantee that the measures taken by the Ensurance Group will be sufficient to detect or prevent data security breaches. Technology advancements may lead to a compromise or even a breach of the technology platform used by the Ensurance Group to protect confidential information. Third parties may attempt to gain unauthorised access to the Ensurance Group's systems (e.g. via "hacking" or malicious software coding) for purposes of misappropriating consumer information.

If successful, security breaches or failures by the Ensurance Group to protect confidential information could result in loss of information integrity, breaches of the Ensurance Group's obligations under applicable privacy or other laws, breach of customer and insurance product provider agreements and website and system outages, each of which may potentially have a material adverse impact on the Ensurance Group's reputation as well as its levels of sales revenue and profitability. In addition, substantial costs may be incurred in order to prevent the occurrence of future security breaches.

#### (iii) Compliance with Future of Financial Advice Legislation

Should the Company provide financial product advice to retail clients during the course of its business it will have to ensure it complies with the relevant legislative requirements which are currently under scrutiny from the Future of Financial Advice regime (FOFA). In particular, the Company will have to ensure that it complies with the conflicted remuneration provisions which limit the manner in which financial advisers may be remunerated.

 Economic and Financial Risks

## (i) Funding risk

The funds raised pursuant to this Offer will be used to accelerate the Company's business, marketing and growth plans (for more information, refer to "Use of Funds" on page 16 of this Prospectus). If the Company incurs unexpected costs or is unable to generate sufficient operating income, further funding may be required. The Company may require additional funding to carry out the full scope of its plans.

The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. The Company may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of the development of key software products or sales and marketing activities. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third party to a financial instrument fails to meet its contractual obligations; the risk that the Company will not be able to meet its financial obligations as they fall due; and the risk that market prices may vary which will affect the Company's income.

**THE OFFER**

The Company invites applications for up to 6,818,182 Shares at an issue price of 22 cents each to raise a Minimum Subscription amount of \$1,500,000. Oversubscriptions of up to 2,272,727 Shares at an issue price of 22 cents each to raise up to a further \$500,000 may be accepted. The key information relating to the Offer and references to further details are set out below.

**INDICATIVE TIMETABLE <sup>‡</sup>**

KEY MILESTONE	DATE
Lodgement of this Prospectus with ASIC and ASX	6 February 2015
Offer under Prospectus opens	6 February 2015
Offer under Prospectus closes	5 March 2015
Completion of Ensurance acquisition and issue of Shares under the Prospectus	Around 12 March 2015
Expected date for re-quotation of the Company's Shares on the ASX	Around 18 March 2015

<sup>‡</sup> The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offer early without notice.

**KEY INFORMATION**

KEY INFORMATION	FURTHER DETAIL
<p><b>Type of security being offered and its rights and liabilities</b></p> <p>Fully paid ordinary shares in the capital of the Company ranking equally with existing Shares on issue.</p>	Section 1.2
<p><b>Minimum Subscription of the Offer</b></p> <p>\$1,500,000</p>	Section 1.2
<p><b>How to apply for Shares</b></p> <p>Complete and return the Application Form together with payment in full for the quantity of Shares being applied for. Applications by investors without an existing shareholding in the Company must be for a minimum of 9,091 Shares (\$2,000), and thereafter in multiples of 2,273 Shares (\$500). Applicants with a shareholding in the Company may apply for that number of Shares that would result in their holding being a minimum of 9,091 Shares and thereafter in multiples of 2,273 Shares and payment for the Shares must be made in full at the issue price of 22 cents per Share.</p>	Section 1.5
<p><b>Will the securities be listed?</b></p> <p>Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within seven days after the date of this Prospectus.</p>	Section 1.10
<p><b>How will Shares be allocated?</b></p> <p>The Directors in consultation with Patersons as lead manager to the Offer and the Proposed Directors will determine the allottees in their sole discretion.</p>	Section 1.7
<p><b>Where will the Offer be made?</b></p> <p>No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consent are required or whether any other formalities need to be considered and followed in order to accept the Offer.</p>	Section 1.13
<p><b>Broker commissions</b></p> <p>The Company reserves the right to pay a commission of up to 6% (excluding GST) on amounts subscribed through any licensed securities dealers or Australian financial services licensee and accepted by the Company.</p>	Section 1.9
<p><b>CHESS &amp; Issuer Sponsorship</b></p> <p>The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.</p>	Section 1.11
<p><b>Who should I contact with queries?</b></p> <p>Any questions concerning the Offer should be directed to the Company by telephone on +61 (0)8 6141 3500.</p>	

**PURPOSE OF THE OFFER**

The purpose of the Offer is to facilitate an application by the Company for re-admission of the Company to the official list of the ASX and to raise a minimum of \$1,500,000.

The Company is seeking to satisfy Chapters 1 and 2 of the ASX Listing Rules and to satisfy ASX requirements for re-listing following a change to the nature and scale of the Company's activities.

The Company aims to achieve the objectives set out above, including the completion of the acquisition of Ensurance and the development of the merged Company's business as described in this Prospectus.

## USE OF FUNDS

The funds raised under the Prospectus are intended to be used for the following purposes, upon Ensurance's acquisition:

- 🔄 Complete the development of the Ensurance Group's online insurance platform.
- 🔄 Business development and general operations of the Company.

The Directors believe that, on completion of the Offer, the Company will have sufficient working capital to carry out the objectives stated in this Prospectus.

The Company intends to apply funds raised from the Offer together with existing cash reserves over the first two years following admission of the Company to the official list of the ASX as follows:

Source and Use of Funds	Notes	Minimum Subscription \$1,500,000 \$'000	Percentage of funds available %	Maximum Subscription \$2,000,000 \$'000	Percentage of funds raised %
Existing cash reserves	1	1,770	54.13	1,770	46.95
Total raised in the Offer	2	1,500	45.87	2,000	53.05
<b>TOTAL FUNDS AVAILABLE</b>		<b>3,270</b>	<b>100.00</b>	<b>3,770</b>	<b>100.00</b>
Cash consideration payable to Vendors	3	500	15.29	500	13.26
Repayment of debt	4	108	3.30	108	2.86
Development of Ensurance Group's software		1,238	37.86	1,438	38.14
Advertising and marketing of Ensurance Group's online platform		700	21.41	900	23.87
Expenses of the Offer (excl. Lead Manager fees)	5, 8	225	6.88	225	5.97
Lead Manager fees	6	90	2.75	120	3.18
General Operations and Working Capital	1	409	12.51	479	12.72
<b>TOTAL FUNDS APPLIED</b>		<b>3,270</b>	<b>100.00</b>	<b>3,770</b>	<b>100.00</b>

Notes:

1. Represents combined cash of the Company and Ensurance as at 31 December 2014. The existing cash reserves have been updated from the proposed budget set out in the Notice of Meeting. This has resulted in a reduction in the funds allocated to General Operations and Working Capital.
2. Minimum Subscription is 6,818,182 Shares at an issue price of 22 cents each to raise \$1,500,000. Maximum Subscription is 9,090,909 Shares at an issue price of 22 cents each to raise \$2,000,000.
3. Cash Consideration to Vendors is payable as per the Agreement detailed in Section 6 of this Prospectus.
4. SHC has entered into a convertible note agreement with each of Stefan Hicks and Setsun Pty Ltd as trustee for the Graves Family Superannuation Fund, an entity associated with the family of Brett Graves. Both Stefan Hicks and Brett Graves are Proposed Directors of the Company. The repayment of debt relates to the repayment of the convertible notes and associated interest. Details of the convertible note agreements are set out in sections 5.4.5 and 5.4.6 on page 61 of this Prospectus.
5. For details on Expenses of the Offer refer to the section entitled "Expenses of the Offer" on page 24 of this Prospectus.
6. The Company has agreed to pay a commission of 6% (exclusive of goods and services tax) of amounts raised under the Offer. Details of the Lead Manager's fees can be found in Section 1.8 on page 28 of this Prospectus.
7. If the Company raises more than the Minimum Subscription of \$1,500,000 but less than the Maximum Subscription amount of \$2,000,000, the funds, after Expenses of the Offer and Lead Manager fees, will be scaled back firstly from working capital, followed by development of software and then from advertising and marketing.
8. The Expenses of the Offer have been revised from the proposed budget detailed in the Company's Notice of Meeting. The proposed budget detailed in the Notice of Meeting contained a duplication of Lead Manager fees, whereby the fees were included in both the Expenses of the Offer ("estimated cost of the matters proposed in Resolutions") and the Lead Manager fees ("Broker commissions"). Accordingly, the Expenses of the Offer detailed in the table above have been reduced by \$90,000 (Minimum Subscription) and \$120,000 (Maximum Subscription) for the amounts disclosed in the Notice of Meeting.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events, including the outcome of the Company's proposed activities in the online insurance sector and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

### CAPITAL STRUCTURE

The capital structure of the Company following completion of the Offer (assuming full subscription) and the issue of the Consideration Shares to the Vendors is summarised below<sup>(1)</sup>:

	Minimum Subscription \$1,500,000		Maximum Subscription \$2,000,000	
	No.	%	No.	%
<b>Shares<sup>(2)</sup></b>				
Existing Shares on issue	18,050,003	32.90	18,050,003	31.60
Consideration Shares	30,000,000	54.68	30,000,000	52.50
Shares pursuant to the Offer	6,818,182	12.43	9,090,909	15.91
<b>TOTAL SHARES</b>	<b>54,868,185</b>	<b>100.01</b>	<b>57,140,912</b>	<b>100.01</b>
<b>Partly Paid Shares<sup>(3)</sup></b>				
Existing Partly Paid Shares on issue	8,000,000	100.00	8,000,000	100.00
Partly Paid Shares offered pursuant to the Offer	Nil	0.00	Nil	0.00
<b>TOTAL PARTLY PAID SHARES</b>	<b>8,000,000</b>	<b>100.00</b>	<b>8,000,000</b>	<b>100.00</b>
<b>Options<sup>(4)</sup></b>				
Existing Options on issue	1,000,000	100.00	1,000,000	100.00
Options offered pursuant to the Offer	Nil	0.00	Nil	0.00
<b>TOTAL OPTIONS</b>	<b>1,000,000</b>	<b>100.00</b>	<b>1,000,000</b>	<b>100.00</b>

Notes:

- For further information, refer to the Investigating Accountant's Report in Section 4 of this Prospectus.
- Rights attaching to the Shares are summarised in Section 7.3 of this Prospectus.
- Rights attaching to the Partly Paid Shares are summarised in Section 7.5 of this Prospectus.
- Options are exercisable at \$0.20 each on or before 19 September 2016. Terms and conditions of the Company's Options on issue can be found in Section 7.4 of this Prospectus.

### SUBSTANTIAL SHAREHOLDERS

#### **As at the date of this Prospectus**

There are no Shareholders holding 5% or more of the Shares on issue at the date of this Prospectus.

#### **On completion of the Acquisition and the Offer (assuming Minimum Subscription)**

Those Shareholders holding 5% or more of the Shares on issue as estimated on completion of the Acquisition and Offer (assuming Minimum Subscription under the Offer) are set out below.

Shareholder	Shares No.	Undiluted <sup>(2)</sup> %	Fully Diluted <sup>(3)</sup> %
Stefan Hicks and Associates	25,980,006 <sup>(1)</sup>	47.35	40.68

Notes:

- Comprises:
  - 105,000 existing Shares held by Stefan Hicks and his Associates; and
  - 25,875,006 Consideration Shares proposed to be issued to Stefan Hicks and his Associates on completion of the Acquisition. Shareholders approved the issue of these Consideration Shares to Stefan Hicks and his Associates at the General Meeting.



**2. Assumes:**

- a. the issued capital of the Company on is 54,868,185 and no further securities are issued prior to completion of the Acquisition; and
- b. the Offer is successful and 6,818,182 Shares at an issue price of 22 cents each are subscribed for and issued.

**3. Assumes:**

- a. for the purpose of calculating the diluted Shares, the Partly Paid Shares and Options have been taken into account as having a dilutive effect on the Shares on issue;
- b. the issued capital of the Company on a fully diluted basis is 63,868,185 and no further securities are issued prior to completion of the Acquisition; and
- c. the Offer is successful and 6,818,182 Shares at an issue price of 22 cents are subscribed for and issued.

The Company will announce to ASX details of its top 20 Shareholders (following completion of the Offer) prior to the recommencement of trading on the ASX.

**RESTRICTED SECURITIES**

The Company has no securities on issue as at the date of this Prospectus that have been classified by ASX as restricted securities and are held in escrow.

Subsequent to completion of the Offer and subject to the Company's Shares being reinstated to Official Quotation, it is anticipated that the Shares issued to the Vendors will be classified by ASX as restricted and will have escrow restrictions placed on them. Such securities may be required to be held in escrow for up to 24 months beginning on the date on which re-quotation of the Company's securities commences, and may not be transferred, assigned or otherwise disposed of during that period.

During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

None of the Shares issued pursuant to the Offer are expected to be restricted securities.

The Company will announce to the ASX full details of the quantity and duration for the Shares required to be held in escrow prior to recommencing trading on the ASX.

**FINANCIAL INFORMATION**

Following the change in nature and scale of its activities, the Company will be focused on providing insurance services. Therefore, the Company's past operations and financial historical performance will not be of significant relevance to future activities. As a result, the Company is not in a position to disclose any key financial ratios or financial information other than its statement of financial position which is included in Section 4 of this Prospectus.

For financial information related to the Company and the **Ensurance Group**, refer to the Investigating Accountant's Report in Section 4 of this Prospectus.

The initial funding for the Company's future activities will be generated from the Offer of Shares pursuant to this Prospectus and existing cash reserves. The Company may need to raise further capital in the future to continue to develop the business of the **Ensurance Group** as new opportunities arise, and such amounts may be raised by further equity raisings, or the Company may consider other forms of debt or quasi-debt funding if required.

**TAXATION**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.






## DIVIDEND POLICY

The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Company's proposed activities in the insurance sector. These activities are expected to dominate the two year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

## CURRENT DIRECTORS AND KEY PERSONNEL

As at the date of this Prospectus, the Board comprises:

-  Brian Thomas – Non-Executive Chairman;
-  Adam Davey – Non-Executive Director; and
-  Philippa Leggat – Non-Executive Director.

In accordance with the terms of the Agreement, and with effect from completion of the Acquisition, it is proposed that Stefan Hicks and Brett Graves will be casually appointed as Directors of the Company. In addition, the Company proposes to casually appoint Mr Neil Pinner as a Director of the Company on and from completion of the Acquisition.

None of the existing Directors will resign following completion of the Acquisition. However, Mr Brian Thomas will step down as Non-Executive Chairman and will continue as a Non-Executive Director and Mr Adam Davey will be appointed as the Non-Executive Chairman.

Summaries of the background and experience of each of the Directors and Proposed Directors is set out below.

### **BRIAN THOMAS** BSc, MBA, SAFin, MAusimm, MAICD Non-Executive Chairman (proposed Non-Executive Director)


Mr Thomas is the principal of a corporate advisory practice working with small to mid-market capitalisation companies on corporate finance, mergers and acquisitions, and investor relations. He is an experienced company director in both executive and non-executive roles in publicly listed and unlisted companies.

Mr Thomas has a comprehensive knowledge of equity and debt capital markets, project finance, corporate advisory, investor relations and broader communications strategies was gained in a 15 year career in the financial services industry. He held a director level business development role with an Australian institutional bank and an international investment banking group after career as a corporate stockbroker sourcing and managing IPO's, equity capital market and M&A transactions.

Mr Thomas is currently also a non-executive director of Orinoco Gold Ltd (formerly Strickland Resources Ltd).

Mr Thomas was until December 2013 a non-executive director of Noble Mineral Resources Limited (**Noble**), an ASX listed company which was placed into voluntary administration in September 2013. The Directors (other than Mr Thomas) have considered the circumstances surrounding Mr Thomas' involvement in Noble and are of the view that his involvement as a director of Noble prior to Noble being placed into voluntary administration, in no way impacts on his appointment and contribution as a Director of the Company.

Mr Thomas does not expect that his directorships with other companies or other business activities will interfere with his ability to act as a Non-Executive Director of the Company.

 **ADAM DAVEY** Professional Diploma in Stockbroking  
**Non-Executive Director** (proposed Non-Executive Chairman)

Mr Davey has had experience in the securities industry over the past 25 years. He has served as a non-executive director of a number of industrial and mining companies. He has significant experience in capital raisings, mergers and acquisitions.

Mr Davey is a non-executive director of MinQuest Limited (formerly Merah Resources Limited) also serves as Chairman of the non-for-profit organisation Teen Challenge Foundation. Mr Davey is currently Chairman of Ensurance Capital Pty Ltd.

Mr Davey does not expect that his directorships with other companies or other business activities will interfere with his ability to act as a Non-Executive Director to the Company.


 **PHILIPPA LEGGAT** BCom, BA, GAICD  
**Non-Executive Director**

Ms Leggat has over 14 years of experience assisting organisations operating in Africa, Asia, Australia and Europe. As an ASX-listed company director, executive and consultant she has track record of sourcing both assets and funding for global clients. Ms Leggat has designed and implemented solutions in-line with strategic objectives across a broad range of sectors. Her experience covers the information communication technology, mineral resources and real estate sectors. Her clients emanate from both public and private sectors and include AngloGold Ashanti, Xstrata, OMIGSA, commercial banks and national departments of government.

Ms Leggat is currently a director for Western Australia, of Perpetuity Capital and the managing director of Legate Consulting Pty Ltd. She is a former director of Legate ICT Consulting (Pty) Ltd, a former director of the Australia Africa Mining Industry Group and a former committee member of the WA Mining Club. Ms Leggat is a graduate member of the Australian Institute of Company Directors.


Ms Leggat does not expect that her directorships with other companies or other business activities will interfere with her ability to act as a Non-Executive Director of the Company.

## INCOMING DIRECTORS

 **STEFAN HICKS** MAICD, Diploma Financial Services  
**Managing Director** (To be appointed post-Acquisition)

Mr Hicks is currently the managing director of Ensurance, a founder and director of SHC, a director of Ensurance Life and the sole director of Ensurance Underwriting, Ensurance IT and Savill Hicks (NSW) Pty Ltd (a wholly owned subsidiary of SHC). Mr Hicks has previously held senior insurance positions in Alexander Stenhouse (Aon), Perth; Willis Faber Johnson and Higgins (Willis), Melbourne; and stockbroker position with Perth based boutique corporate advisory firm Montagu Stockbrokers. He is a member of the Australian Company Institute of Directors and holds a Diploma of Financial Services.

Mr Hicks does not expect that his directorships with other companies or other business activities will interfere with his ability to act as a Managing Director of the Company.

 **BRETT GRAVES**  
**Executive Director** (To be appointed post-Acquisition)

Mr Graves is a director, and the CEO of SHC and a director of Ensurance Life and Ensurance. Mr Graves' expertise includes implementation of growth strategies, oversight and management of national online solutions and partner program (white labelling), managing relationships with insurers, advising Government boards on the implementation and strategy of legislative insurance products, management of current binder arrangements, compliance management including risk management, human resources management, budgeting/business planning and corporate client management.

Mr Graves previously held various senior national positions in AAI Limited trading as Vero Insurance (Sydney and Melbourne), including National Underwriting Manager for Home Warranty and Construction and is a Fellow of Australian and New Zealand Institute of Insurance and Finance.

Mr Graves does not expect that his directorships with other companies or other business activities will interfere with his ability to act as an Executive Director of the Company.

#### NEIL PINNER

**Non-Executive Director** (To be appointed post-Acquisition)

Mr Pinner has spent the past 43 years in the banking and finance industry.

After 18 years with the Commonwealth Bank, Mr Pinner co-founded Mortgage Force Australia which later became Smartline Personal Mortgage Advisers and is now one of Australia's leading mortgage broking firms. Smartline has around 300 franchisees Australia wide and funds in excess of five billion per annum in home mortgage lending.

Mr Pinner is one of the original pioneers of the mortgage industry, and has helped shape the industry, not only in his role as a director of Mortgage Force and Smartline, but he has also played an active role in the Mortgage Finance Association of Australasia. He was on the first ever Mortgage Originator Committee of Western Australia and then in later years on the National Brokering Industry Board. Mr Pinner brings an extensive network of mortgage broking and banking industry contacts to Parker and its Board.

Mr Pinner was recently appointed to the board of Perth Racing which complements his many years following his passion for the thoroughbred industry as a breeder and owner.

Mr Pinner does not expect that his other business activities will interfere with his ability to act as a Non-Executive Director of the Company.

### CORPORATE GOVERNANCE

To the extent applicable, in light of the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (3<sup>rd</sup> Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Section 6.2 of this Prospectus and the Company's compliance and departures from the Recommendations are set out in Section 6.2.9 of this Prospectus.

The full Corporate Governance Plan is available on the Company's website ([www.parkerresources.com.au](http://www.parkerresources.com.au)).

### DISCLOSURE OF INTERESTS

#### REMUNERATION OF DIRECTORS

The Company's Constitution provides that Directors are entitled to be remunerated for their services as follows:

- ▶ The total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.
- ▶ The Directors' remuneration accrues from day to day.
- ▶ The total aggregate fixed sum per annum which may be paid to non-executive Directors is \$250,000. This amount cannot be increased without the approval of the Company's Shareholders.

The Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The annual remuneration paid to Directors for the financial years ended 30 June 2014 and 2013 is set out in the tables below.

<i>Directors</i>	Short-term benefits		Post-employment benefits Superannuation	Equity Share-based payments	Total
	Salary, fees and leave	Other <sup>(1)</sup>			
	\$	\$	\$	\$	\$
<b>Year Ended 30 June 2014</b>					
Brian Thomas <sup>(2)</sup>	60,000	2,167	5,550	-	67,717
Philippa Leggat <sup>(3)</sup>	30,000	2,167	2,775	-	34,942
Adam Davey <sup>(4)</sup>	30,000	2,166	-	-	32,166
<b>Total</b>	<b>120,000</b>	<b>6,500</b>	<b>8,325</b>	<b>-</b>	<b>134,825</b>
<b>Year Ended 30 June 2013</b>					
Brian Thomas <sup>(2)</sup>	60,000	1,896	5,400	-	67,269
Philippa Leggat <sup>(3)</sup>	30,000	1,896	2,700	-	34,596
Adam Davey <sup>(4)</sup>	27,500	1,625	-	-	29,125
<b>Total</b>	<b>92,750</b>	<b>5,417</b>	<b>8,100</b>	<b>-</b>	<b>130,990</b>

Notes:

- (1) Other short-term benefits relate to Directors and Officers Insurance contribution.
- (2) Mr Thomas was engaged by the Company to provide services to the Company in the capacity of Non-Executive Chairman from 10 January 2011. Mr Thomas is paid annual salary of \$60,000 per annum plus superannuation and may also be reimbursed for any reasonable expenses.
- (3) Ms Leggat was engaged by the Company to provide services to the Company in the capacity of Non-Executive Director from 20 October 2011. Ms Leggat is paid annual salary of \$30,000 per annum plus superannuation may also be reimbursed for any reasonable expenses. In addition, Legate Consulting Pty Ltd of which Ms Leggat is the sole director, received fees of \$1,000 in consideration for consulting services provided to the Company.
- (4) Mr Davey was engaged by the Company to provide services to the Company in the capacity of Non-Executive Director from 20 August 2012. Mr Davey is paid annual salary of \$30,000 per annum during the year ended 30 June 2014. Mr Davey will also be reimbursed for any reasonable expenses.

The proposed remuneration for each of the Directors and Proposed Directors for the financial year ended 30 June 2015 is set out in the table below.

<i>Proposed Remuneration</i>	Short-term benefits			Post-employment benefits Superannuation	Total
	Salary, fees and leave	Bonus payment	Other <sup>(1)</sup>		
<i>Directors/Proposed Directors</i>	\$	\$	\$	\$	\$
Brian Thomas <sup>(2)</sup>	50,000	-	2,167	4,750	56,917
Philippa Leggat <sup>(3)</sup>	73,750	-	2,167	7,006	82,923
Adam Davey <sup>(4)(5)</sup>	50,000	-	2,166	-	52,166
Stefan Hicks <sup>(6)(7)</sup>	108,739	-	1,083	6,261	116,083
Brett Graves <sup>(8)(9)</sup>	67,072	-	1,083	6,261	74,416
Neil Pinner	10,000	-	1,083	950	12,033
<b>Total</b>	<b>359,561</b>	<b>-</b>	<b>9,749</b>	<b>25,228</b>	<b>394,538</b>

Notes:

- (1) Other short-term benefits relate to an estimate Directors and Officers Insurance contribution.
- (2) Subject to completion of the Acquisition, Mr Thomas will step down as Non-Executive Chairman on the date of completion of the Acquisition and will continue as a Non-Executive Director. Mr Thomas' annual remuneration will consequently be reduced to \$30,000 per annum plus superannuation. For the purposes of this table, the package is assumed to be in effect for four months of the forecast year.

- (3) Ms Leggat was engaged by the Company to provide additional due diligence services to the Company for a seven month period. Over this period Ms Leggat was paid remuneration of \$6,250 per month, plus superannuation, in addition to her regular director fees of \$30,000 per annum.
- (4) Subject to completion of the Acquisition, Mr Davey will be appointed as the Non-Executive Chairman on and from completion of the Acquisition. Mr Davey's annual remuneration will consequently be increased to \$60,000 per annum plus superannuation. For the purposes of this table, the package is assumed to be in effect for four months of the forecast year.
- (5) Adam Davey is an employee of Patersons Securities Limited, the Lead Manager to the Offer. Patersons Securities Limited may be paid broker commissions of up to 6% (exclusive of goods and services tax) on the total amount raised in the Offer.
- (6) Subject to completion of the Acquisition and Mr Hicks' appointment to the Board, Mr Hicks will be paid an annual remuneration package of \$345,000. For the purposes of this table, the package is assumed to be in effect for four months of the forecast year. Refer to the "Executive services Contract with Proposed Director" Section on page 26 of this Prospectus for further details.
- (7) In addition, on completion of the Acquisition, the Company will pay \$284,505 to Stefan Hicks and \$165,495 to Stefan Hicks as trustee of the Hicks Family Trust (of which Mr Hicks is a beneficiary) as part consideration for the acquisition by the Company of the Ensurance shares currently held by Stefan Hicks and Stefan Hicks as trustee of the Hicks Family Trust. Refer to Section 5.1.1 of this Prospectus for further details of the consideration payable to the Vendors.
- (8) Subject to completion of the Acquisition and Mr Graves' appointment to the Board, Mr Graves will be paid an annual remuneration package of \$220,000. For the purposes of this table, the package is assumed to be in effect for four months of the forecast year. Refer to the "Executive services Contract with Proposed Director" Section on page 26 of this Prospectus for further details.
- (9) In addition, on completion of the Acquisition, the Company will pay \$50,000 to Brett Graves and Kerrie Graves as trustees of the B & K Graves Family Trust (of which Mr Graves is a beneficiary) as part consideration for the acquisition by the Company of the Ensurance shares currently held by Brett Graves and Kerrie Graves as trustees of the B & K Graves Family Trust. Refer to Section 5.1.1 of this Prospectus for further details of the consideration payable to the Vendors.

#### DIRECTOR SECURITIES INTERESTS

Directors are not required under the Company's Constitution to hold securities. The direct and indirect interests of the Directors and the Proposed Directors in the securities of the Company as at the date of this Prospectus are as follows:

Director	Shares	Options <sup>(1)</sup>	Partly Paid Shares <sup>(2)</sup>
Brian Thomas	30,000	Nil	Nil
Philippa Leggat	Nil	Nil	Nil
Adam Davey	520,000	250,000	4,000,000
Stefan Hicks	105,000	Nil	Nil
Brett Graves	20,000	Nil	Nil
Neil Pinner	355,000	Nil	Nil
<b>Total</b>	<b>675,000</b>	<b>250,000</b>	<b>4,000,000</b>

Notes:

- (1) **Options** - the terms and conditions of these Options are set out in Section 7.4 of this Prospectus.
- (2) **Partly Paid Shares** - the terms and conditions of these Partly Paid Shares are set out in Section 7.5 of this Prospectus.

The direct and indirect interests of the Directors and the Proposed Directors in the securities of the Company upon completion of the Acquisition are as follows:

Director	Shares	Options <sup>(1)</sup>	Partly Paid Shares <sup>(2)</sup>
Brian Thomas	30,000	Nil	Nil
Philippa Leggat	Nil	Nil	Nil
Adam Davey	520,000	250,000	4,000,000
Stefan Hicks <sup>(3)</sup>	25,980,006	Nil	Nil
Brett Graves <sup>(4)</sup>	2,894,994	Nil	Nil
Neil Pinner	355,000	Nil	Nil
<b>Total</b>	<b>29,425,000</b>	<b>250,000</b>	<b>4,000,000</b>

Notes:

- <sup>(1)</sup> **Options** - the terms and conditions of these Options are set out in Section 7.4 of this Prospectus.
- <sup>(2)</sup> **Partly Paid Shares** - the terms and conditions of these Partly Paid Shares are set out in Section 7.5 of this Prospectus.
- <sup>(3)</sup> On completion of the Acquisition, the Company will issue 16,359,004 Shares to Stefan Hicks and 9,515,962 Shares to Stefan Hicks as trustee of the Hicks Family Trust, (of which Mr Hicks is a beneficiary) as part consideration for the acquisition by the Company of the Ensurance shares currently held by Stefan Hicks and Stefan Hicks as trustee of the Hicks Family Trust. Shareholders approved the issue of these Consideration Shares at the General Meeting. Mr Hicks has an existing relevant interest in 105,000 Shares.
- <sup>(4)</sup> On completion of the Acquisition, the Company will issue 2,874,994 Shares to Brett Graves and Kerrie Graves as trustees for the B & K Graves Family Trust, (of which Mr Graves is a beneficiary) in as part consideration for the acquisition by the Company of the Ensurance shares currently held by Brett Graves and Kerrie Graves as trustees for the B & K Graves Family Trust. Shareholders approved the issue of these Consideration Shares at the General Meeting. Mr Graves currently holds a relevant interest 20,000 Shares.

## EXPENSES OF THE OFFER

The estimated total expenses of the Offer (exclusive of GST) are expected to be applied as set out below:

Expenses	Notes	Minimum Subscription \$1,500,000 \$'000	Maximum Subscription \$2,000,000 \$'000
ASIC fees		2	2
ASX fees		63.5	64
Corporate advisory fees	1	49	49
Investigating Accountant's fees	2	10	10
Legal expenses	3	91	91
Printing, marketing and distribution, and share registry		8	8
Miscellaneous		1.5	1
<b>TOTAL EXPENSES</b>		<b>225</b>	<b>225</b>

Notes:

- Details of the corporate advisory fees can be found in Section 7.8.3 on page 82 of this Prospectus.
- Details of Investigating Accountant's fees can be found in Section 7.8.1 on page 82 of this Prospectus.
- Details of legal fees can be found in Section 7.8.2 on page 82 of this Prospectus.

## AGREEMENTS WITH DIRECTORS OR RELATED PARTIES

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

Investors should note that Adam Davey, a Director of the Company, is also a director of Ensurance. Mr Davey has not been present at any Board meeting at which the Acquisition was considered and has abstained from voting on any matter in connection with the Acquisition.

### NON-EXECUTIVE APPOINTMENT LETTER WITH BRIAN THOMAS

The Company has entered into an appointment letter with Mr Brian Thomas, on standard terms for agreements of this nature, under which he is currently entitled to director fees of \$60,000 per annum plus superannuation. Subject to completion of the Acquisition, Mr Thomas will step down as Non-Executive Chairman on the date of completion of the Acquisition and will continue as a Non-Executive Director. Mr Thomas' annual remuneration will consequently be reduced to \$30,000 per annum plus superannuation.

### NON-EXECUTIVE APPOINTMENT LETTER WITH ADAM DAVEY

The Company has entered into an appointment letter with Mr Adam Davey, on standard terms for agreements of this nature, under which he is currently entitled to director fees of \$30,000 per annum plus superannuation. Subject to completion of the Acquisition, Mr Davey will be appointed as Non-Executive Chairman on and from completion of the Acquisition. Mr Davey's annual remuneration will consequently be increased to \$60,000 per annum plus superannuation.

### NON-EXECUTIVE APPOINTMENT LETTER WITH PHILIPPA LEGGAT

The Company has entered into an appointment letter with Ms Philippa Leggat, on standard terms for agreements of this nature, under which she is currently entitled to director fees of \$30,000 per annum plus superannuation.

### INDEMNITY, INSURANCE AND ACCESS DEEDS

The Company has entered an Indemnity, Insurance and Access Deed with each Director. The Proposed Directors will enter into said deed prior to their respective appointments as Directors following completion of the acquisition of Ensurance.

Pursuant to the deeds:

*The Director is indemnified by the Company against any liability incurred in that capacity as an officer of the Company to the maximum extent permitted by law subject to certain exclusions.*

The Company must keep a complete set of company documents until the later of:

- (a) the date which is seven years after the Director ceases to be an officer of the Company; and
- (b) the date after a final judgment or order has been made in relation to any hearing, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company (**Relevant Proceedings**).

The Director has the right to inspect and copy a Company document in connection with any relevant proceedings during the period referred to above.

Subject to the next sentence, the Company must maintain an insurance policy insuring the Director against liability as a director and officer of the Company while the Director is an officer of the Company and until the later of:

- (a) the date which is seven years after the Director ceases to be an officer of the Company; and
- (b) the date any Relevant Proceedings commenced before the date referred to above have been finally resolved.

The Company may cease to maintain the insurance policy if the Company reasonably determines that the type of coverage is no longer available.

#### EXECUTIVE SERVICES CONTRACT WITH PROPOSED DIRECTOR STEFAN HICKS

The Company has entered into an executive services contract with Mr Stefan Hickson the following terms:

- ▶ Mr Hicks will be employed by the Company as the Managing Director.
- ▶ The executive services contract will commence on the date of completion of the Acquisition.
- ▶ The gross annual remuneration package (including superannuation) will be \$345,000 per annum, payable in monthly instalments;
- ▶ If Mr Hicks holds any office or directorship with any other Group company, he will not be entitled to any additional remuneration in respect of those appointments.
- ▶ The remuneration will be reviewed by the Board annually in accordance with the Company's policies and procedures.
- ▶ The executive services contract may be terminated by either party by providing six months' notice.

#### EXECUTIVE SERVICES CONTRACT WITH PROPOSED DIRECTOR BRETT GRAVES

The Company has entered into an executive services contract with Mr Brett Graveson the following terms:

- ▶ Mr Graves will be employed by the Company as an Executive Director.
- ▶ The executive services contract will commence on the date of completion of the Acquisition.
- ▶ The gross annual remuneration package (including superannuation) will be \$220,000 per annum, payable in monthly instalments.
- ▶ If Mr Graves holds any office or directorship with any other Group company, he will not be entitled to any additional remuneration in respect of those appointments.
- ▶ The remuneration will be reviewed by the Board annually in accordance with the Company's policies and procedures.
- ▶ The executive services contract may be terminated by either party by providing six months' notice.

#### NON-EXECUTIVE APPOINTMENT LETTER WITH PROPOSED DIRECTOR NEIL PINNER

The Company has entered into an appointment letter with Mr Neil Pinner, on standard terms for agreements of this nature, under which he will be entitled to director fees of \$30,000 per annum plus superannuation.



## 1 DETAILS OF THE OFFER

### 1.1 INTRODUCTION

The information set out in this Section is not comprehensive and should be read together with the other information in this Prospectus.

### 1.2 THE OFFER AND MINIMUM SUBSCRIPTION

Pursuant to this Prospectus, the Company invites applications for up to 6,818,182 Shares at an issue price of 22 cents each to raise a minimum subscription amount of \$1,500,000 (**Minimum Subscription**).

All Shares issued pursuant to this Prospectus will be issued as fully paid ordinary shares and will rank equally in all respects with the Shares already on issue. The rights attaching to the Shares are summarised in Section 7.3 on page 76 of this Prospectus.

If the Minimum Subscription for the Offer is not achieved within four months of the date of this Prospectus, or such longer period as is permitted under the Corporations Act, the Company will not issue any Shares or Consideration Shares and will repay all application monies for the Shares under the Offer within the time prescribed under the Corporations Act, without interest.

### 1.3 OVERSUBSCRIPTIONS

The Company may accept oversubscriptions of up to a further \$500,000 through the issue of up to a further 2,272,727 Shares at an issue price of 22 cents each. The maximum amount which may be raised under this Prospectus is therefore \$2,000,000 (**Oversubscriptions**).

### 1.4 OFFER PERIOD

The Offer will open on the Opening Date and will remain open until 5:00pm AWST on the Closing Date. The Company reserves the right to close the Offer at an earlier time or date or to extend the time or date without prior notice. Applicants are encouraged to submit their Applications as early as possible.

### 1.5 CONDITIONAL OFFER

The Offer under this Prospectus is subject to a number of conditions, including:

- (a) the Company raising the Minimum Subscription under the Offer; and
- (b) the remaining conditions precedent to the Acquisition in the Agreement being satisfied, including the Company receiving conditional approval for re-instatement to trading of the Company's Shares on the ASX.

Further details of the outstanding conditions precedent to completion of the Acquisition are set out in Section 5.1.1 of this Prospectus.

In the event that the conditions are not met, the Company will not proceed with the Offer and no Shares will be issued pursuant to this Prospectus. If this occurs, the Company will repay all application monies received (without interest) in accordance with the Corporations Act.

### 1.6 HOW TO APPLY

Applications for Shares under the Offer must be made, and will only be accepted, in one of the following forms:

- 📄 on the Application Form accompanying this Prospectus; or
- 📄 on a paper copy of the electronic Application Form, which forms part the digital version of this Prospectus, that can be found at and downloaded from [www.parkerresources.com.au](http://www.parkerresources.com.au).

By completing an Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have received personally the Application Form together with a complete and unaltered copy of the Prospectus.

Application Forms must be accompanied by a personal cheque or a bank draft, payable in Australian dollars, for an amount equal to the number of Shares for which the Applicant wishes to apply multiplied by the issue price of 22 cents per Share. Cheques or bank drafts should be made payable to "Parker Resources Limited Share Account" and crossed "Not Negotiable". No brokerage or stamp duty is payable by Applicants. The amount payable on Application will not vary during the period of the Offer. Payments may also be made by Direct Debit as outlined on the Application Form.

Other than applicants with a shareholding in the Company, applications for Shares must be for a minimum of 9,091 Shares and thereafter in multiples of 2,273 Shares and payment for the Shares must be made in full at the issue price of 22 cents per Share.

Applicants with a shareholding in the Company may apply for that number of Shares that would result in their holding being a minimum of 9,091 Shares and thereafter in multiples of 2,273 Shares and payment for the Shares must be made in full at the issue price of 22 cents per Share.

Applicants should ensure that cleared funds are available at the time the Application is lodged, as dishonoured cheques will result in the Application being rejected. Application monies will be held in trust in a subscription account established and controlled by the Company until the allotment of Shares has taken place.

Completed Application Forms should be delivered or posted to:

Parker Resources Limited Share Issue  
C/- Computershare Investor Services Pty Limited  
GPO Box D182  
Perth WA 6840  
AUSTRALIA

Application Forms must be received at the above address by no later than 5:00pm AWST on the Closing Date.

Detailed instructions on how to complete paper Application Forms are set out on the reverse of those forms. Applicants are not required to sign the Application Form.

## 1.7 ALLOCATION POLICY AND ISSUE OF SHARES

Subject to each of the conditions to the Offer being satisfied (refer to Section 1.5 of this Prospectus), including the Minimum Subscription being raised and ASX granting conditional approval for the Company's Shares to be reinstated to Official Quotation, the issue of Shares offered by this Prospectus will occur as soon as practicable after the Offer closes. Holding statements will be dispatched as required by ASX. It is the responsibility of Applicants to determine their allocation prior to trading in Shares.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

The Directors, in consultation with Patersons as lead manager to the Offer and the Proposed Directors, will determine the allottees of all the Shares under the Offer in their sole discretion. The Directors reserve the right to reject any Application or to allocate any Applicant a lesser number of Shares than applied for in an Application Form. If the number of Shares allocated is less than that applied for, or no issue is made, the surplus application monies will be promptly refunded to the Applicant without interest after the Closing Date.

The Company's decision on the number of Shares to be allocated to an application will be final.

## 1.8 LEAD MANAGER

The Company has engaged Patersons Securities Limited (**Patersons**) (AFSL: 239052) to act as Lead Manager to the Offer (**Mandate Letter**).

Pursuant to the Mandate Letter, Patersons will provide issue management services to the Company including, but not limited to:

- 📌 generally manage the Offer, allocations and facilitate settlement;
- 📌 establish and facilitate demand, on a 'reasonable endeavours' basis for the Placement;
- 📌 liaise with the Company in an endeavour to ensure that all long term supporters of the Company are engaged;
- 📌 generally manage the Offer in conjunction with the Company;
- 📌 provide commercial advice in relation to announcements concerning the Offer to the market; and
- 📌 provide market feedback during the Mandate.

Under the terms of the Mandate Letter, the Company has agreed to pay to Patersons:

- 📌 a lead manager fee of 1% on the total amount raised in the Offer; and
- 📌 a selling fee of 5% on the total amount raised in the Offer. All selling fees to third parties will be paid by Patersons from this fee.

In addition, the Company has agreed to offer Patersons the lead role to any future capital raisings undertaken by the Company for a period twelve months from completion of the Offer, subject to competitive terms in respect of pricing, fees and timing relative to market practices at that time.

All other terms of the Patersons Mandate are considered standard for an agreement of this nature.

### 1.9 BROKERAGE AND HANDLING FEES

Brokerage and handling fees on Applications may be payable by the Company to member firms of the ASX or licensed investment advisers on Application Forms bearing their stamp and accepted by the Company.

### 1.10 ASX LISTING

Application will be made to the ASX within seven days after the date of this Prospectus for Quotation of the Shares issued pursuant to this Prospectus. However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List (see page 2 of this Prospectus). As such, the Shares may not be able to be traded for some time after the close of the Offer.

If the Shares are not admitted to Official Quotation by ASX within three months after the date of this Prospectus, or such period as varied by the ASIC, or if ASX rejects the Company's re-admission to the Official List, the Company will not issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest. In those circumstances, the Acquisition will not proceed.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

### 1.11 WITHDRAWAL OF OFFER

The Offer may be withdrawn at any time. In this event, the Company will return all Application Monies (without interest) as soon as practicable.

### 1.12 CLEARING HOUSE ELECTRONIC SUB-REGISTER SYSTEM (CHESS) AND ISSUER SPONSORSHIP

The Company is a participant in CHESS, operated by ASX Settlement Pty Limited (ASPL), a wholly owned subsidiary of ASX, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Under this system, the Company will not issue certificates to investors in relation to their Shares. Instead, Shareholders will receive a statement of their shareholdings in the Company.

If an investor is broker sponsored, ASPL will send said investor CHESSE statements. The CHESSE statements will set out the number of Shares allotted to each investor under this Prospectus, give details of the Shareholder's holder identification number (**HIN**) and give the participant identification number of the sponsor.

Alternatively, if an investor is registered on the issuer sponsored sub-register, the statements will be dispatched by the Share Registry and will contain the number of Shares issued under this Prospectus and the Shareholder's security holder reference number (**SRN**).

A CHESSE statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. A Shareholder may request a statement at any other time; however a charge may be made for additional statements.

### 1.13 OVERSEAS INVESTORS

This Prospectus does not, and is not intended to, constitute an offer or invitation in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or invitation or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares, or the Offer, or otherwise to permit a public offering of the Shares, in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed in order to accept the Offer.

The Offer pursuant to an electronic Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia.

If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a duly completed Application Form will be taken by the Company as constituting a representation and warranty by you that all relevant approvals have been obtained.

### 1.14 PRIVACY ACT

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information for the purposes of assessing and processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

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

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this Prospectus and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers (including mailing houses), ASX, ASIC and other regulatory authorities.

If an Applicant becomes a Shareholder of the Company, the Corporations Act requires the Company to include information about the Shareholder (name, address and details of the Shares held) in its public registers. This information must remain in the registers even if that person ceases to be a Shareholder of the Company. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements. Successful Applicants may request access to their personal information held by (or on behalf of) the Company by telephoning or writing to the Company Secretary.

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

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

#### 1.15 NOT UNDERWRITTEN

The Offer is not underwritten.

#### 1.16 FINANCIAL FORECASTS

Whilst the Ensurance Group generates revenue, the Directors and Proposed Directors consider that it is not possible to accurately predict the future revenues or profitability of the Company or the Ensurance Group's business or whether any revenues or profitability will eventuate. The business of the Company and the Ensurance Group are dependent upon a number of factors and many of these factors are outside the control of the Company. Consequently the Company, the Directors and the Proposed Directors do not make any forecast or representation in relation to the Company or the Ensurance Group's future financial position or performance.

The Directors and Proposed Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings. Given the potential range of external variables on the Company's expected financial performance, the likely range of financial outcomes may be so wide that any forecast of earnings for future financial years has the potential to be more misleading than informative to potential investors. Accordingly, the Directors consider that there is no reasonable basis on which to provide quantitative financial information regarding the Company, other than as set out in the Investigating Accountant's Report.

#### 1.17 INVESTOR ENQUIRIES

This Prospectus is important and should be read in its entirety. If you are in doubt as to the course of action to be followed then you should consult your stockbroker, solicitor, accountant or other professional adviser without delay.

Additional copies of this Prospectus can be obtained from either the Company or the Share Registry or further advice on how to complete the Application Form can be obtained from the Share Registry by telephone on 1300 850 505 (within Australia) or +61 (0)3 9415 4000.

Questions relating to the Offer can be directed to the Company by telephone on +61 (0)8 6141 3500.

## 2 OVERVIEW OF THE COMPANY AND THE ACQUISITION OF ENSURANCE

### 2.1 COMPANY BACKGROUND

The Company was incorporated on 10 January 2011 for the primary purpose of exploring for uranium and base metal in various jurisdictions with the aim of discovering commercially significant mineral deposits.

The Company was admitted to the Official List of the ASX on 19 September 2011.

In June 2011, the Company entered into a Joint Venture and Farm-in Agreement to acquire up to a 70% interest in the Allambi Project. The Company's initial focus was exploring for uranium on the Allambi Project, located south east of Alice Springs.

On 28 November 2013, Parker entered into a farm-in agreement to earn up to a 90% interest in exploration licence 20/717 (**Tenement**), located near Cue in the Murchison area of Western Australia. Following which, on 30 January 2014, the Company announced that it has notified its joint venture partner that it no longer wished to proceed with the farm-in and joint venture on the Allambi Project.

Exploration in the 12 months ending 31 December 2014 is summarised below.

#### Cue Joint Venture (E20/717) Western Australia

The Tenement is located west of, and adjacent to, the historically significant Big Bell line and approximately 10km north of the Big Bell Minesite, near Cue in the Murchison of Western Australia.

During the year, a contract field crew carried out geological rock chip sampling and an orientation survey on the tenement, plotting historic workings and scouting for outcrop. Parker management and the Company's geological consultants have reviewed the initial data generated and are currently waiting on confirmation of historical data locations including drill hole locations from previous holders.

The Company has the right to withdraw from the farm-in agreement by giving 30 days' notice.

Subject to completion of the acquisition of Ensurance (which remains conditional on the satisfaction or waiver of the remaining conditions precedent to the Agreement), the Company intends to withdraw from its existing farm-in agreement and will no longer have a right to acquire an interest in the Tenement.

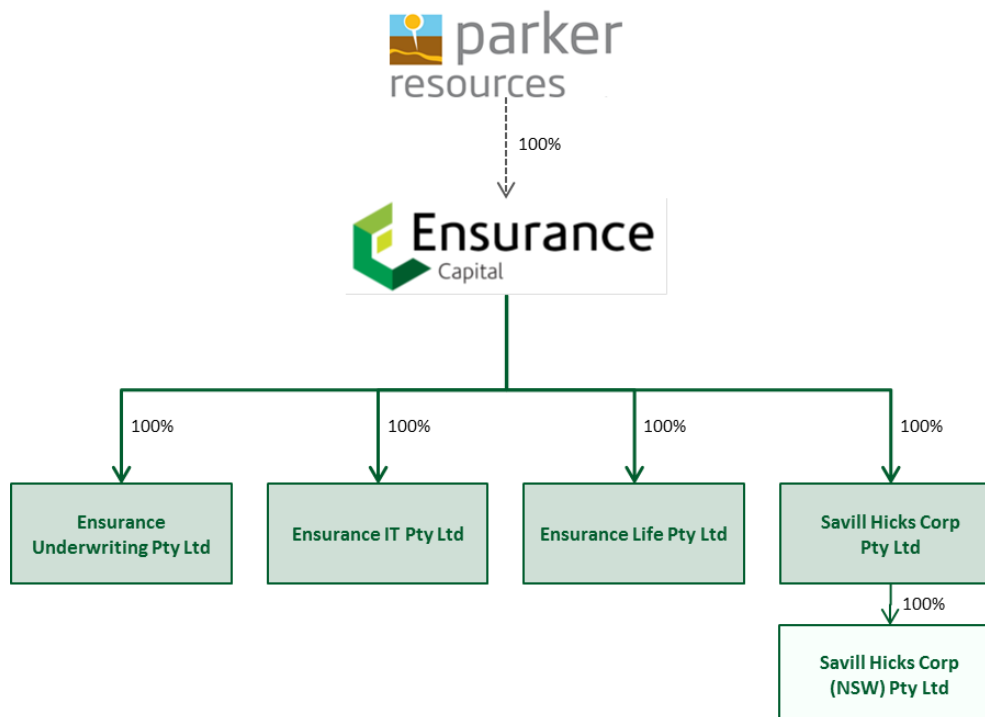
### 2.2 THE ACQUISITION OF ENSURANCE CAPITAL PTY LTD (ENSURANCE)

As announced on 24 July 2014 and as detailed in the Notice of Meeting, the Company has entered into a share sale agreement (**Agreement**) with the Vendors to acquire 100% of the issued share capital of Ensurance, including an indirect 100% interest in the issued share capital of Ensurance Underwriting via Ensurance acquiring the 10% interest in Ensurance Underwriting that it does not already own (**Acquisition**).

For details of the Agreement, refer to Section 5.1.1 on page 58 of this Prospectus. The combined group will comprise Parker (to be renamed Ensurance Ltd) and Ensurance and its five subsidiaries.

In accordance with the terms of the Agreement, and with effect from settlement, not less than two nominees of Ensurance will be casually appointed to the Board of the Company. The proposed nominees of Ensurance are Stefan Hicks and Brett Graves. Background on each of the Proposed Directors is provided in the section "Investment Overview" at the subsection entitled "Incoming Directors" on page 20.

Following completion of the Acquisition, the corporate and ownership structure of the Company will be as set out below.



## 2.3 ENSURANCE BACKGROUND

### 2.1.1 Ensurance Overview

Ensurance is a proprietary Australian company, incorporated on 14 June 2012. It is the head company of a successful group of insurance industry companies that have developed real-time, online digital distribution channels for general insurance with multiple insurers. Ensurance is a Sydney-based company involved in three distinct businesses in the insurance industry, consisting of an insurance brokerage, an underwriting agency and an IT business, each housed within separate subsidiary companies.






The directors of Ensurance are Stefan Hicks, Brett Graves and Adam Davey.

Ensurance and its five subsidiaries (together the **Ensurance Group**) provide complementary services, allowing the Ensurance Group to leverage its capabilities and increase market share within the insurance industry. Further details of the Ensurance Group are set out below.

- (a) **SHC** (Incorporation: 26 May 1989 (Western Australia); Sole director: Stefan Hicks) and **SHC (NSW)** (Incorporation: 7 July 2005 (New South Wales); Sole director: Stefan Hicks)

SHC is a full service insurance broker, specialising in providing insurance products to the construction and allied trade industries through itself and its wholly owned subsidiary, SHC (NSW). Over the past six years, SHC has diversified its business operations by investing in product distribution and additional industries, in particular in information technology whereby clients can transact online through the existing SHC online platform.

SHC has five distinct client groups to which it provides different offerings of insurance products, namely:

-  Corporate;
-  SME Business;
-  Construction;
-  Personal; and
-  Partner Program.

Within each of these different groups, SHC provides different types of insurance products which are suitable to those groups. For example, the Construction group can access insurance products such as “Contract Works and Liability Insurance” and “Trades Insurance” whereas, the Personal group can access “Home and Contents Insurance” and “Motor Vehicle Insurance”. All of the insurance products are available online.



SHC is building relationships with potential white label clients in order to generate exposure for the Ensurance Group's IT solutions and additional general insurance products.

SHC's main function, as the insurance brokerage, is to arrange for insurance on behalf of its client (being a retail consumer or business) through a network of insurers with which SHC has entered into agreements. SHC's role is to also offer professional advice in relation to the adequacy of the products for the client, taking into account the client's requirements. A standard insurance offering to a consumer or business from an insurance broker will include 3 to 4 different insurer products with a recommendation from SHC as to the suitability of the products based on coverage and/or price. Through the Ensurance Group's online platform, the insurance acquisition process from quote to placement has been automated, allowing transactions can be completed in approximately 3 to 5 minutes. By way of comparison, the standard process for completing a transaction requires approximately 40 minutes. The automated online system therefore provides considerable benefits, including costs and time saving which means that SHC can operate more efficiently.

(b) **Ensurance Underwriting** (Incorporation: 14 June 2012 (New South Wales); Sole director: Stefan Hicks)

Ensurance Underwriting is an underwriting agency that allows it to partner with insurance brokers to distribute insurance products online by providing its own insurance products to the insurance brokers. Ensurance Underwriting deals solely with Australian insurance brokers. It provides them with multiple policies of the same insurance products, for a fast tracked and easier online transaction.

Ensurance Underwriting's main function, as the underwriting agency, is to act as an agent for insurers in offering insurance products to the insurance broking industry. This enables Ensurance Underwriting to offer multiple insurance products to the insurance broking industry, which enables brokers to become more efficient in producing quotes and policies for their clients. The automation of this function, via the online platform lowers the cost of acquiring insurance products for Ensurance Underwriting.

(c) **Ensurance IT** (Incorporation: 11 November 1999 (Victoria); Sole director: Stefan Hicks)

Ensurance IT was formed essentially to house the new online platform. Ensurance IT has developed and operated an online platform for the Ensurance Group's insurance and underwriting business for the past 6 years. The platform is the mechanism through which the Ensurance Group conducts a significant proportion of its insurance and underwriting business. Ensurance IT is in the process of developing and commercialising a new platform, taking advantage of its knowledge, experience and the availability of improved technology. The first products offered on the new platform will be "white label" products. Once the new platform is operational, the Ensurance Group will begin the process of migrating all existing products and clients to the new platform. The Ensurance Group will continue to operate the existing platform until such time as it is possible to complete the migration, allowing the Ensurance Group to replace the existing platform with the new over time.

Ensurance IT has applied for a patent in relation to an insurance product compilation system and, in particular, for a system to compile co-insurance products.

The Ensurance Group, together with two of its directors, Stefan Hicks and Brett Graves, has invested significant time and capital to develop a new platform to leverage their knowledge and experience in the improved technology and operational efficiencies.

Ensurance IT aims to provide the industry with new distribution methods of delivering commercial insurance products for SHC and Ensurance Underwriting.

(d) **Ensurance Life** (Incorporation: 15 October 2014 (New South Wales); Directors: Stefan Hicks; Brett Graves)

Ensurance Life was recently incorporated for the purpose of allowing the Ensurance Group to cross sell life insurance products to all of its general insurance clients. In addition, it will allow the Ensurance Group to offer its white labelled clients the ability to cross sell life insurance products. It will principally operate through an online portal offering multiple insurers and multiple life products. Ensurance Life is not an operating business at present and does not have an operating history. Ensurance Life will commence operations once it has commenced a detailed review of the opportunities available within the industry.



### 2.3.2 Insurance Industry

#### (a) Industry overview

An insurance broker is a specialist in selling insurance policies, acting on behalf of their clients and providing advice to their clients. They also provide risk management consulting services, claim assessment services and adjustment services.

An insurance broker represents a panel of insurers, offering customers a variety of products and tailoring insurance policies to meet the needs of the insuree. They identify the individual or business risks of their client and find suitable ways to manage the risk. They are aware of the various terms and conditions offered, benefits and exclusions available and the costs of a wide range of competing policies offered by numerous insurers. They can specialise in a particular type of insurance such as life insurance and home and contents insurance or they can deal with a variety of different types of insurances.

Insurance brokers earn commission income, mostly as a percentage of the premium of insurance policies sold. Those providing risk management consulting services, claim assessment services and adjustment services receive fee income.

Set out below is a brief description of the major products and services offered in the insurance brokerage industry:

##### (i) Life insurance

Life insurance is a contract obligating the insurer to pay designated beneficiaries a pre-determined sum of money in the event of the insured individual's death, disablement or serious illness or injury.

##### (ii) Commercial general lines

Commercial general insurance policies are issued to organisations in order to protect them from liability claims arising out of premises, operations, products, and completed operations; and advertising and personal injury liability. The main products sold in this segment are fire and industry special risks, liability, indemnity and commercial automobile.

##### (iii) Private general lines

Private general insurance policies relate to products such as household and domestic motor vehicle insurance policies.

##### (iv) Health insurance

Health insurance covers the cost of an insured individual's medical and surgical expenses. Depending on the type of health insurance policy purchased, the insured person can opt to pay out-of-pocket expense and get reimbursed or have the insurer make direct payments to the provider.

##### (v) Other products and services

Other products and services relate to risk management consulting services, advisory services, claim assessment services and adjustment services.

#### (b) Industry Demand

##### (i) Economic conditions

The level of business activity in the economy determines the amount of risk faced by businesses, and as such the demand for insurance by commercial businesses.

For individuals and households, demand for general insurance is dependent on the level of household income and the value of assets. The higher the level of household income and value of assets, the higher the demand for insurance policies will be.

##### (ii) Prices

The price of various insurance policies offered is a key driver of demand for insurance policies. Individuals and businesses are inclined to evaluate the risk of loss against the cost of the insurance policy and the level of insurance coverage acquired.

(iii) **Distribution channels**

Insurance brokers and agents have encountered increased competition from direct sales made by insurance providers and bancassurance, where insurance providers promote the sale of their products through partnerships with banks.

(c) **Industry Competition**

Products offered by the various insurance providers tend to be relatively homogeneous, leading to the price of products offered playing a crucial role in the competitiveness of the industry. In order to remain competitive, insurance brokers must be able to sell insurance policies at competitive prices as well as offering clients a diverse range of products. This ensures brokers and agents are able to obtain the ideal insurance policy for their clients.

Insurance brokers and agents also face competition from external factors such as direct sales and bancassurance. Insurance providers are increasing their investment in direct sales through online and phone sales in order to capture a larger portion of industry revenue. Bancassurance also places pressure on insurance brokers and agents as banks have a tendency to offer discounts on insurance policies to loyal customers.

(d) **Online sales platforms**

The past five years has seen the emergence of online sales platforms offered by various insurance brokers, the two most prominent being Compare the Market and iSelect.

Online sales platforms implemented by brokers make purchasing easier and more convenient and flexible for customers. Customers are able to compare the latest deals according to their individual needs and have a range of instant premium quotes displayed from various insurance providers in one place. This enables customers to avoid visiting the websites of multiple insurance providers to compare products and also improves their ability to find a suitable product.

(e) **Current performance**

Despite the effects of the global financial crisis on the availability of credit and the levels of customer savings, the vulnerability of economic conditions had a positive effect on the demand for income protection, death, disability and critical illness policies. Subsequently, the increase in the level of premiums offered by insurers has significantly pushed profit margins upwards.

(f) **Outlook**

The increase in insurance sales and the increase in the level of premiums offered by insurers has led to increased commissions earned by insurance brokers.

The growth in revenue and profit margins will primarily be driven by the combination of the expected increase in the number of motor vehicles and real estate purchased due to the low cash rate and the increase in real household disposable income.

Even though analysts have forecast strong revenue growth for the industry, the industry faces downward pressure from intensifying competition from insurers undertaking direct sales by cutting out the middle man and capturing a larger portion of customer revenue for themselves. Competition has also increased from bancassurance.

Sales driven directly from insurance providers and/or banks tend to appear biased towards in-house products, which might result in customers being more cautious about being sold inferior products. Brokers on the other hand have been able maintain an unbiased image as they are advisers who guide their clients in selecting the most suitable insurance policy.

### 2.3.3 Current market opportunities

The consumer trend, both in Australia and globally, is to utilise digital media to research and purchase insurance. Industry surveys note that the insurance industry is lacking in investment and progress in addressing the changing purchasing habits of consumers. The insurance industry is anticipated to experience massive digital disruption in the short to medium term.

In the last few years, insurers have begun to offer online insurance products, such as motor, private health and pet insurance. This strategy has enabled them to win considerable market-share from traditional insurers that have not invested in the same distribution strategy.

The current methods of offering online insurance products utilised by many insurers requires the consumer to visit various websites to obtain multiple quotes, which can take considerable time. As insurers are unlikely to offer a competitor's products on their websites, a new model is required.

The Ensurance Group has developed innovative solutions to provide a broad selection of general insurance products through a single online platform. The Ensurance Group is positioned to expand its information technology capabilities by offering additional insurance products, both retail and commercial, to local and international markets.




The Ensurance Group intends to leverage the anticipated digital disruption within the insurance industry. Ensurance Underwriting will support SHC through wholesale product distribution, feeding multiple policies, products and insurers into the online distribution channels. In this way, the Ensurance Group will capitalise on providing innovative insurance products to the greater insurance market. Enabling this are the custom-made information technology systems, which together form the online platform, of the Ensurance Group.

The Australian life insurance market is subject to the same digital disruption that the general insurance industry will experience over the coming years. It represents a large opportunity for the Ensurance Group to participate in the life insurance market.

### 2.3.4 Business Model

#### (a) Online insurance platform

The Company's business model, following the Acquisition, is to address emerging trends and consumers purchasing habits, by offering a single online platform where consumers can:

-  obtain multiple quotes from multiple insurers;
-  purchase insurance online in a quick process that delivers an enjoyable consumer experience; and
-  receive professional advice from an experienced, full-service broker.

The existing online platform developed by Ensurance IT is the mechanism through which the Ensurance Group conducts a significant proportion of its insurance and underwriting business. Ensurance IT is in the process of developing and commercialising a new platform, taking advantage of its knowledge, experience and the availability of improved technology to enable the Ensurance Group to not only conduct its own existing insurance brokerage business more efficiently, but also to assist in marketing the platform to "white label" customers. Once the new platform is operational, the Ensurance Group will begin the process of migrating all existing products and clients to the new platform. The Ensurance Group will continue to operate the existing platform until such time as it is possible to complete the migration, allowing the Ensurance Group to replace the existing platform with the new over time.

The online platform allows for the insurance brokerage and underwriting functions undertaken by the Ensurance Group to be digitally automated. By automating this process the business model becomes scalable through white labelling. The online platform will ultimately provide lower cost of acquisition for the client making the products more competitive, providing major in-house efficiencies for the Ensurance Group by removing the need for administration functionality while simultaneously reducing the consumers' time to research, compare and purchase insurance products online.

(b) **White labelling**

“White label” refers to a fully supported product or service that is made by one company and is sold by another company under varying brand names.

A large aspect of the **Ensurance Group's** business strategy going forward is identifying and negotiating with third parties, to provide online distribution of the **Ensurance Group's** insurance products under their own branding. The **Ensurance Group** will provide insurance products to large industry players, such as mortgage brokers, which allows those institutions and industry players to cross sell insurance products that are labelled as their own to their client bases.

By integrating their systems with the **Ensurance Group's** online platform, the advisers and clients of industry players will have the ability to research and purchase insurance products online 24/7. This also allows them to benefit from being able to co-brand the product and services with the comfort that these are backed by a full service insurance broker and underwriting agency.

(c) **Brokerage and underwriting**

The existing insurance brokerage services provided by the **Ensurance Group** will continue to trade and focus on their core products and client base. The development of the new platform will continue simultaneously, to provide the infrastructure for the white label products and the platform for existing customers to access the **Ensurance Group's** online products in future.

**Ensurance Underwriting** will continue to provide the **Ensurance Group's** underwriting business. As products are added to the platform the underwriting agency will distribute the products through this online platform.

In order to conduct their activities, **Ensurance Underwriting** and **SHC** are required to hold an AFSL with the appropriate authorisations to enable them to conduct the proposed activities. **Ensurance Underwriting** is the holder of AFSL Number 429874 which authorises **Ensurance Underwriting** to carry on a financial services business to deal in and provide financial product advice for general insurance products to retail and wholesale clients. **SHC** is the holder of AFSL Number 240867 which authorises **SHC** to carry on a financial services business to deal in and provide financial product advice for general insurance products to retail and wholesale clients.

## 3 RISK FACTORS

### 3.1 INTRODUCTION

THE RISKS CONTAINED BOTH IN THE INVESTMENT OVERVIEW SECTION AND THIS SECTION 3 SHOULD BE CONSIDERED CAREFULLY BY POTENTIAL INVESTORS.

The Shares offered under this Prospectus should be considered speculative because of the nature of the commercial activities of the Company. Whilst the Directors commend the Offer, potential investors should be aware that an investment in the Company involves risks, which may be higher than the risks associated with an investment in other companies.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's activities and its existing involvement in the exploration industry, and attributable to the Ensurance Group's business. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risk factors are, however, beyond the control of the Company and its Directors because of the nature of the proposed activities of the Company.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Persons considering whether or not to invest in the Company should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate, before any decision is made to apply for Shares. Prospective investors should consider whether the Shares offered are a suitable investment for them having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. If in any doubt, they should consult with their professional advisers before deciding whether to apply for Shares.

Shareholders should be aware that if the Acquisition is completed, the Company will be changing the nature and scale of its activities and will be subject to additional or increased risks arising from the Ensurance Group, parties contracted or associated with members of the Ensurance Group and the Agreement and other agreements, including, but not limited to, those summarised in this Prospectus. The following, which is not exhaustive, identifies some of the major risks associated with an investment in the Company, of which potential investors need to be aware before making a decision on whether or not to invest in the Shares. The following risk factors, and others not specifically referred to below, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

### 3.2 KEY RISKS

The Key Risks identified in the Investment Overview section entitled "Key Risks" on page 10 of this Prospectus are as follows:

-  Ability to attract sufficient level of traffic to its website
-  Licensing requirements for AFSL holders
-  Changes in insurance products provided
-  Dependence on third party products and services
-  New product development and technology risk
-  Protection of intellectual property rights
-  Increased competition and change or disruption in market structure
-  Data Security Risk
-  Compliance with Future of Financial Advice Legislation
-  Shortage of funding

INVESTORS SHOULD NOTE THAT DETAIL RELATING TO THESE RISK FACTORS HAS NOT BEEN REPEATED IN THIS SECTION.

### 3.3 COMPANY SPECIFIC RISKS

Refer to the Investment Overview section entitled "Key Risks" on page 10 for the following key Company Specific risks:

- 🕒 Ability to attract sufficient level of traffic to its website
- 🕒 Licensing requirements for AFSL holders
- 🕒 Changes in insurance products provided
- 🕒 Dependence on third party products and services
- 🕒 New product development and technology risk
- 🕒 Protection of intellectual property rights

#### 3.3.1 Reinstatement of Shares to trading on ASX

It is anticipated that the Company's Shares will be suspended or placed in a trading halt prior to market open on the date of the General Meeting. In the event all resolutions are approved at the General Meeting, it is anticipated that the Company's securities will remain suspended until completion of the Agreement and the Offer, re-compliance by the Company with Chapters 1 and 2 of the ASX Listing Rules and compliance with any further conditions ASX imposes on such reinstatement.

There is a risk that the Company will not be able to satisfy one or more of those requirements and that its listed Shares may consequently remain suspended from quotation.

#### 3.3.2 Dilution Risk

The Company currently has 18,050,003 Shares, 1,000,000 Options and 8,000,000 Partly Paid Shares on issue. On completion of the Acquisition, the Company proposes to issue 30,000,000 Consideration Shares and a minimum of 6,818,182 Shares pursuant to the Offer (assuming the Minimum Subscription amount of \$1,500,000 is raised under the Offer). Assuming that no Options are exercised and no Partly Paid Shares are paid up, the existing Shareholders will retain approximately 32.67% of the issued capital of the Company, with the Vendors holding 54.90% and investors under the Capital Raising holding 12.43% of the issued capital of the Company respectively.

On issue of the Consideration Shares and the issue of oversubscriptions of up to a further 2,272,727 Shares under the Offer (assuming that no Options are exercised and no Partly Paid Shares are paid up), the existing Shareholders will retain approximately 31.37% of the issued capital of the Company, with the Vendors holding 52.72%, the investors under the Capital Raising holding 15.91%.

#### 3.3.3 Conditions of the Offer and issue of Consideration Shares

The Offer and the issue of Consideration Shares to the Vendors are subject to the conditions referred to in Section 1.5 of this Prospectus, which must be satisfied prior to issue of Shares pursuant to the Offer and completion of the Agreement by issue of the Consideration Shares. If the applicable conditions are not satisfied, the Offer and completion of the Agreement and Acquisition may not proceed.

#### 3.3.4 Contractual risk

To provide consistent service delivery, the Ensurance Group has worked to build longstanding relationships with third party suppliers and employees working in the sector. The business of the Ensurance Group has a significant dependence on its counterparties and their ability to meet their contractual obligations pursuant to the agreements entered into with a member of the Ensurance Group. In particular, the Ensurance Group relies on the continuation of broker agreements between Ensurance Underwriting and insurers.

The ability of the Company and the Ensurance Group to achieve their stated objectives will depend upon the performance of counterparties to each of the agreements, of their respective obligations under those agreements, if any counterparty defaults in the performance of their obligations, it may be necessary for the Company or the relevant member of the Ensurance Group (as the case may be) to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms.

The Company has no current reason to believe that any of the parties which it or any of the members of the Ensurance Group has contracted with will not meet and satisfy their obligations under their respective agreements.

### 3.3.5 Key Personnel

The Company's ability to successfully execute against its business plan and exploit the market opportunity identified will be subject to the ability to attract and retain highly qualified and experienced executives and employees across all aspects of the business. The Company may not be able to attract or retain key staff or be able to find effective replacements in a timely manner. Further, from time to time the Australian IT job market suffers shortages of available staff, causing long delays in hiring for new roles, which can impact service levels enjoyed by customers, and causing wage expectations to rise, impacting profitability. The Company will ensure that it remains competitive in terms of employment conditions and salaries and to implement suitable incentive schemes to align the interests of employees and Shareholders.




### 3.3.6 Competition Risk

The Ensurance Group will be participating in a highly competitive market. Some of the Ensurance Group's competitors may have greater financial and other resources than the Ensurance Group and, as a result, may be in a better position to compete for future business opportunities.

However there are few, if any, specific competitors who have a dominant market share and dictate the structure or practices in the market. The fact that there are few if any dominant competitors makes market entry and penetration easier, but not without the need to ensure that the Ensurance Group can position and differentiate itself to gain market share. There is no certainty that the Ensurance Group will be successful in this market.

## 3.4 INDUSTRY SPECIFIC RISKS

Refer to the Investment Overview section entitled "Key Risks" on page 10 for the following key Industry Specific risks:

-  Increased competition and change or disruption in market structure
-  Data Security Risk
-  Compliance with Future of Financial Advice Legislation






## 3.5 ECONOMIC AND FINANCIAL RISKS

Refer to the Investment Overview section entitled "Key Risks" on page 10 for the following key Economic and Financial risks:

-  Funding risk

### 3.5.1 Market Conditions Risk

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

-  general economic outlook;
-  interest rates and inflation rates;
-  fluctuation of the price at which Shares trade due to market conditions; and
-  currency fluctuations;
-  changes in investor sentiment toward particular market sectors;



- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

### 3.5.2 General Economic Conditions

The performance of the Company is likely to be affected by changes in economic conditions. Profitability of the business may be affected by some of the following matters:

- future demand for insurance services;
- the level of spending on insurance services by business in Australia;
- general financial issues which may affect policies, exchange rates, inflation and interest rates;
- deterioration in economic conditions, possibly leading to reductions in business spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance;
- the strength of the equity and share markets in Australia and throughout the world;
- financial failure or default by any entity with which a member of the **Ensurance Group** may become involved in a contractual relationship;
- industrial disputes in Australia and overseas;

## 3.6 GENERAL RISKS

### 3.6.1 Potential acquisitions risk

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

### 3.6.2 Government Policies and Legislation

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

The Federal Government has appointed a committee, independent of the Government, which is charged with examining how the financial system could be positioned to best meet Australia's evolving needs and support Australia's economic growth, known as the Financial System Inquiry. In July 2014, the inquiry released an interim report outlining its main areas of interest. In the insurance sector, the inquiry's focus is largely in four areas: the use of aggregators, how technology is affecting insurance access, the operation of statutory insurance schemes and how advice and regulation will work in the coming years.

Australian and international government legislation is subject to review and change from time to time, in particular any Future of Financial Advice (**FOFA**) reforms. Any such change is likely to be beyond the control of the Company and could affect both industry and the Company's profitability. Revenues and operating costs of the Company may be affected by change in international, federal, state, or local government laws, regulations or policies, or in taxation legislation.

Changes or reforms to the regulation of the financial sector, and in particular the insurance industry, which result from the Financial Systems Inquiry may adversely affect the financial performance of the Company and could restrict or complicate the Company's activities and significantly increase its compliance costs.

### 3.6.3 Insurance

Insurance against all risks associated with the Company's activities is not always available or affordable. The Company will maintain insurance where it is considered appropriate for its needs. However, it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

### 3.6.4 Litigation

Litigation brought by third parties including but not limited to customers, partners, suppliers, business partners or employees could negatively impact the business, particularly in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance.

**4 INVESTIGATING ACCOUNTANT'S REPORT**

5 February 2015



ABN 17 008 963 755

Australian Financial Services  
Licence Number 237 549

The Directors  
Parker Resources Limited  
Level 4, 66 Kings Park Road  
WEST PERTH WA 6005

Dear Sirs

**Investigating Accountant's Report – Parker Resources Limited****1. Introduction**

This Investigating Accountant's Report ("Report") has been prepared at the request of the directors of Parker Resources Limited ACN 148 142 634 ("Parker Resources" or "the Company"). The Report has been prepared based on the historical financial information of the Company and of Ensurance Capital Pty Ltd ("Ensurance"), together with its four subsidiaries (collectively known as the "Ensurance Group") for inclusion in a Prospectus dated on or around 5 February 2015 inviting participation in the issue of a minimum of 6,818,182 ordinary shares at an issue price of 22 cents per share to raise \$1,500,000 ("Minimum Subscription"). Further subscriptions of up to 2,272,727 Shares at an issue price of 22 cents each to raise up to a further \$500,000 may be accepted. The capital raising is conditional upon the approval of Resolutions 1 – 5, as set out in the Notice of General Meeting issued by the Company on 6 December 2014, which were approved at a General Meeting of Shareholders on 12 January 2015.

All amounts are expressed in Australian Dollars unless otherwise stated. Unless otherwise stated, terms have the same meaning as in the Prospectus.

**2. Background**

The Company was incorporated on 10 January 2011 for the purpose of exploration, development and investment in resource projects and related opportunities, and listed on the Australian Securities Exchange on 19 September 2011.

The Company currently has the following exploration project:

- Cue Project (Exploration Licence 20/717) Location (Parker 90%, Messrs Lester John Martin and Graham Richard Martin 10%).

In July 2014, Parker Resources announced that it had entered into a conditional agreement to acquire 100% of the issued capital in Ensurance.

Ensurance was incorporated on 14 June 2012. Ensurance is a Sydney-based company involved in three distinct businesses in the insurance industry, consisting of Insurance Brokerage, an Underwriting Agency and an IT company. For detailed information in respect to Ensurance, refer to Section 2 of this Prospectus.

The Ensurance Group consists of:

- Savill Hicks Corp Pty Ltd – an insurance brokerage;
- Ensurance Underwriting Pty Ltd – an underwriting agency; Ensurance IT Pty Ltd – an IT company; and
- Ensurance Life Pty Ltd.

Specific information on the Parker Resources' activities can be found in the Prospectus.

Pendragon Capital Ltd

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Parker Resources shall pay \$500,000 as cash consideration and issue the following shares as consideration shares for the acquisition of 100% of the issued shares in Ensurance Group:

Share category	Number of Shares
Ordinary shares	30,000,000

### 3. Capital Structure

The expected capital structure of the Company following the completion of the share issue is as follows:

	Minimum Subscription of \$1,500,000	Maximum subscription of \$2,000,000
<b>Shares</b>		
Existing shares in Parker Resources prior to lodgement of the Prospectus	18,050,003	18,050,003
Issued as consideration for acquisition of 100% of Ensurance's issued capital	30,000,000	30,000,000
Shares pursuant to this Offer – issued at \$0.22	6,818,182	9,090,909
<b>Total shares</b>	<b>54,868,185</b>	<b>57,140,912</b>
<b>Partly paid shares</b>		
Partly paid shares	8,000,000	8,000,000
<b>Total partly paid shares</b>	<b>8,000,000</b>	<b>8,000,000</b>
<b>Options</b>		
Existing Parker Options prior to Prospectus lodgement	1,000,000	1,000,000
<b>Total Options</b>	<b>1,000,000</b>	<b>1,000,000</b>

### 4. Basis of Preparation

This Report has been included in this Prospectus to provide investors and their financial advisors with information on the pro forma financial statements of Parker Resources as set out in Appendix 1. The pro forma financial information is presented in a summarised form and does not reflect all the disclosure requirements of financial statements prepared using Australian Accounting Standards in accordance with the Corporations Act 2001. This report does not address the rights attaching to the shares to be issued in accordance with the Prospectus, nor the risks associated with the investment. Pendragon Capital Limited ("Pendragon") has not been engaged to report on the prospects of Parker Resources, the pricing of shares or the benefits and risks of becoming a shareholder in the Company. Risk factors are set out in Section 3 of the Prospectus. Pendragon bears no responsibility for those matters or for any matter or omission in the Prospectus, other than responsibility for this report.

## 5. Scope

Pendragon has been requested to prepare a report covering the following financial information:

### *Pro forma Financial Information*

- Pro forma Unaudited Statement of Financial Position assuming Minimum Subscription and maximum subscription;
- Pro forma Unaudited Statement of Changes in Equity assuming Minimum Subscription and Maximum Subscription; and
- Notes to and forming part of the pro forma financial statements.

The pro forma unaudited financial information has been derived from historical financial information after adjusting for the following transactions as if they had occurred at the date of acquisition:

- the consolidation of Parker Resources and Ensurance Group historical financial information;
- the issue of 30,000,000 fully paid ordinary shares (consideration shares) to shareholders of Ensurance;
- the issue of 6,818,182 or 9,090,909 fully paid ordinary shares at an issue price of \$0.22 each to raise \$1,500,000 (Minimum Subscription) or \$2,000,000 (Maximum Subscription);
- payment of \$500,000 to Ensurance as cash consideration; and
- payment of estimated costs of the Offer of \$339,185 (Minimum Subscription) or \$370,469 (Maximum Subscription).

The financial information for Parker Resources is set out in Appendix 1 to this report. Financial information for the Ensurance Group for the years ended 30 June 2014 and 30 June 2013 are set out in Appendix 2.

## 6. Review

Pendragon has conducted an independent review of the financial information listed above and set out in Appendix 1 to this report. The review has been conducted in accordance with auditing and assurance standard ASRE 2405 "Review of historical financial information other than a financial report".

Our review was limited primarily to the following procedures performed as our professional judgement considered reasonable in the circumstances:

- review of the audited financial report for Parker Resources for the year ended 30 June 2014;
- review of the unaudited consolidated financial report for the Ensurance Group for the years ended 30 June 2014 and 30 June 2013;
- review of the notice of general meeting and explanatory memorandum dated 3 December 2014;
- comparison of consistency in application of accounting standards and policies adopted by the Company; and
- enquiry of Company officeholders and other relevant employees or consultants.

These procedures do not provide all the evidence that would be required in an audit and, therefore, the level of assurance provided is less than that given in an audit. As we have not performed any audit activity, we do not express an audit opinion.

The Directors of Parker Resources are responsible for the preparation and presentation of financial information that has formed the basis of our review.

Pendragon disclaims any responsibility for any reliance on this report or the financial information on which it is based for any purpose other than for which it was prepared.

#### **7. Review Statement**

Based on our review, which was not an audit, nothing has come to our attention which causes us to believe that the historical and pro forma financial information set out in Appendix 1 is not presented fairly, in accordance with the measurement and recognition requirements (but not the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the accounting policies adopted by Parker Resources as disclosed in Note 1 of Appendix 1.

#### **8. Subsequent Events**

To the best of our knowledge and belief, there have been no other material items, transactions or events outside the Company's ordinary business subsequent to 30 June 2014 that require comment or adjustment to our report or that would cause such information to be misleading or deceptive.

#### **9. Declarations and Disclosures**

- i) Pendragon is the holder of an Australian Financial Services Licence (number 237 549).
- ii) Pendragon will be paid a fee based upon normal charge out rates for professional time incurred in the preparation and compilation of this report.
- iii) Pendragon has not been involved in any other aspect of the preparation of the Prospectus. Pendragon has issued its consent to include this report in the Prospectus.
- iv) This report has been prepared to provide general advice to investors only and does not take into account the specific financial needs, objectives and situation of individual investors. The giving of consent to include this report in the Prospectus should not be taken as an endorsement by Pendragon of Parker Resources or the offer.
- v) The Financial Services Guide from Pendragon is available to investors upon request.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rick Hopkins'.

**Rick Hopkins**  
Director



**APPENDIX 1 PARKER RESOURCES LIMITED  
STATEMENT OF FINANCIAL POSITION**

		<b>Parker Resources</b>	<b>Ensurance Group *</b>	<b>Pro Forma Minimum Subscription Unaudited (Note 1j)</b>	<b>Pro Forma Maximum Subscription Unaudited (Note 1j)</b>
		<b>Audited 30-Jun-14</b>	<b>Unaudited 30-Jun-14</b>	<b>Unaudited (Note 1j)</b>	<b>Unaudited (Note 1j)</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>					
Cash and cash equivalents	2	2,264,744	1,451,202	4,876,761	5,345,477
Trade and other receivables		-	745,245	752,866	752,866
Other assets and receivables		7,621	11,770	11,770	11,770
Current tax assets		-	238,290	238,290	238,290
Available for sale assets: listed securities		19,500	-	-	-
Financial assets: convertible notes		250,000	-	-	-
<b>Total Current Assets</b>		<b>2,541,865</b>	<b>2,446,507</b>	<b>5,879,687</b>	<b>6,348,403</b>
<b>Non-Current Assets</b>					
Property, plant and equipment		-	42,447	42,447	42,447
Intangible assets	3	-	2,565,304	4,198,657	4,198,657
Investments		-	134,133	153,633	153,633
Other non-current assets		-	36,379	36,379	36,379
<b>Total Non-Current Assets</b>		<b>-</b>	<b>2,778,263</b>	<b>4,431,116</b>	<b>4,431,116</b>
<b>Total Assets</b>		<b>2,541,865</b>	<b>5,224,770</b>	<b>10,310,802</b>	<b>10,779,519</b>
<b>Current Liabilities</b>					
Trade and other payables		23,717	2,140,402	2,164,119	2,164,119
Borrowings		-	21,258	21,258	21,258
Provisions		-	65,312	65,312	65,312
Other		-	246,504	246,504	246,504
<b>Total Current Liabilities</b>		<b>23,717</b>	<b>2,473,476</b>	<b>2,497,193</b>	<b>2,497,193</b>
<b>Non-current liabilities</b>					
Borrowings		-	452,328	202,328	202,328
Provisions		-	21,455	21,455	21,455
<b>Total Non-current liabilities</b>		<b>-</b>	<b>473,783</b>	<b>223,783</b>	<b>223,783</b>
<b>Total Liabilities</b>		<b>23,717</b>	<b>2,947,259</b>	<b>2,720,976</b>	<b>2,720,976</b>
<b>Net Assets</b>		<b>2,518,148</b>	<b>2,277,511</b>	<b>7,589,826</b>	<b>8,058,543</b>
<b>Equity</b>					
Issued capital	4(a)	3,164,619	2,006,254	7,318,569	7,787,286
Reserves		105,300	-	-	-
Asset revaluation reserve		17,000	271	271	271
Retained Profits	5	(768,771)	270,986	270,986	270,986
<b>Total Equity</b>		<b>2,518,148</b>	<b>2,277,511</b>	<b>7,589,826</b>	<b>8,058,543</b>

\* Refer to Appendix 3 for individual entity financial information pre-consolidation.

The Statement of Financial Position is to be read in conjunction with the notes set out in this section.



**APPENDIX 1 PARKER RESOURCES LIMITED**

**Statement of Changes in Equity – Minimum Subscription**

	<b>Parker Resources</b>	<b>Ensurance Group</b>	<b>Pro-forma adjustments (Note 1j)</b>	<b>Pro forma after issue (Note 1j)</b>
	<b>Audited 30 June 2014</b>	<b>Unaudited 30 June 2014</b>		
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2013</b>	<b>2,589,275</b>	<b>2,252,618</b>	-	<b>4,841,893</b>
Profit/(loss) attributable to members of the Company	(88,127)	(21,297)	-	(109,424)
Other Comprehensive Income	17,000	-	-	17,000
<b>Total comprehensive income/(loss) for the period</b>	<b>(71,127)</b>	<b>(21,297)</b>	-	<b>(92,424)</b>
Movement in reserves	-	46,190	-	46,190
Transactions with equity holders in their capacity as equity holders (note 4(b))	-	-	2,794,167	2,794,167
<b>Balance</b>	<b>2,518,148<sup>1</sup></b>	<b>2,277,511<sup>1</sup></b>	<b>2,794,167</b>	<b>7,589,826</b>

<sup>1</sup> At 30 June 2014.

The Statement of Changes in Equity assuming Minimum Subscription is to be read in conjunction with the notes set out in this section.

**APPENDIX 1 PARKER RESOURCES LIMITED**
**Statement of Changes in Equity – Maximum subscription**

	Parker Resources	Ensurance Group	Pro-forma adjustments (Note 1j)	Pro forma after issue (Note 1j)
	Audited 30 June 2014 \$	Unaudited 30 June 2014 \$	\$	\$
<b>Balance at 1 July 2013</b>	<b>2,589,275</b>	<b>2,252,618</b>	-	<b>4,841,893</b>
Profit/(loss) attributable to members of the Company	(88,127)	(21,297)	-	(109,424)
Other Comprehensive Income	17,000	-	-	17,000
<b>Total comprehensive income/(loss) for the period</b>	<b>(71,127)</b>	<b>(21,297)</b>	-	<b>(92,424)</b>
Movement in reserves	-	46,190	-	46,190
Transactions with equity holders in their capacity as equity holders (note 4(b))	-	-	3,262,884	3,262,884
<b>Balance</b>	<b>2,518,148<sup>1</sup></b>	<b>2,277,511<sup>1</sup></b>	<b>3,262,884</b>	<b>8,058,543</b>

<sup>1</sup>At 30 June 2014.

The Statement of Changes in Equity assuming maximum subscription is to be read in conjunction with the notes set out in this section.

**APPENDIX 1 PARKER RESOURCES LIMITED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant policies which have been adopted in the preparation of the historical and pro forma historical financial information (collectively referred to as the "financial statements") are:

**a) Basis of preparation**

The financial statements are a special purpose financial report which has been prepared in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Standards Board and the Corporations Act 2001.

They have been prepared on the basis of historical costs and do not take into account changing money values, or except when stated, current valuations of non-current assets.

The accounting policies have been consistently applied by the Company unless otherwise stated.

**b) Income Tax**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**c) Exploration evaluation and development expenditure**

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest.

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and costs are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

**APPENDIX 1 PARKER RESOURCES LIMITED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)****NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Development costs relating to an area of interest are carried forward to the extent that they are expected to be recouped either through sale or successful exploitation of the area of interest.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period that the decision is made.

**d) Payables**

Trade payables and other accounts payables are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

**e) Receivables**

Receivables are carried at amounts due. The collectability of debts is assessed throughout the year and a specific provision is made for any doubtful accounts.

**f) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of a cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, that are recoverable from, or payable to, the ATO, are classified as operating cash flows.

**g) Recoverable amount of non-current assets**

The carrying amounts of all non-current assets other than exploration expenditure are reviewed at least annually to determine whether they are in excess of their recoverable amount. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower value. In assessing recoverable amounts the relevant cash flows have not been discounted to their present value.

**h) Acquisition of assets**

All assets acquired other than goodwill are initially recorded at their costs of acquisition at the date of acquisition, being the fair value of the consideration provided plus the incidental costs directly attributed to the acquisition. When equity instruments comprising share and options are issued as consideration, their market price at the date of acquisition is used to determine a fair value except when the notional price at which they could be placed in the market is a better indication of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity subject to the extent of proceeds received unless otherwise expensed.

**i) Determination of Fair Values**

A number of the Company's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values for the business combination have been determined for measurement and/or disclosure purposes based on Note 1j. Valuation techniques are applied to determine the fair value for all unlisted securities, including arm's length transactions, reference to similar instruments and option pricing models.

**APPENDIX 1 PARKER RESOURCES LIMITED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)**
**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**
**j) Business Combination**

On 24 July 2014, Parker Resources Limited entered into a conditional agreement to acquire 100% of the issued share capital in Ensurance Capital Pty Ltd. Under the principles of AASB 3 Business Combinations, Ensurance Capital Pty Ltd is the accounting acquirer in the business combination. Therefore, the transaction has been accounted for as a reverse acquisition. Accordingly, the consolidated financial statements of Parker Resources Limited have been prepared as a continuation of the financial statements of Ensurance Capital Pty Ltd. Ensurance Capital Pty Ltd, as the acquirer, has accounted for the acquisition of Parker Resources Limited from 30 June 2014.

The consideration in a reverse acquisition is deemed to have been incurred by the legal subsidiary (Ensurance Capital Pty Ltd) in the form of equity instruments issued to the shareholders of the legal parent entity (Parker Resources Limited). The acquisition date fair value of the consideration transferred has been determined by reference to the fair value of the issued shares of Parker Resources Limited immediately prior to the business combination.

*Purchase consideration*

The share price used to determine the consideration for the purchase of Ensurance Capital Pty Ltd (\$0.23) is the market price of Parker Resources Limited shares on the ASX immediately prior to the announcement of the acquisition of Ensurance Capital Pty Ltd.

	Shares	Price	Consideration
Fully paid ordinary shares	18,050,003		
Total	18,050,003	\$ 0.23	\$ 4,151,501

<b>NOTE 2 – CASH AND CASH EQUIVALENTS</b>	<b>Parker Resources</b>	<b>Ensurance Group *</b>	<b>Unaudited Pro Forma Minimum Subscription</b>	<b>Unaudited Pro Forma Maximum Subscription</b>
	<b>Audited 30 June 2014</b>	<b>Unaudited 30 June 2014</b>		
	<b>\$</b>	<b>\$</b>		
Cash at bank and on hand	2,264,744	1,451,202	4,876,761	5,345,477
Adjustments to the pro forma cash balance are summarised as follows:				
Balance as at 30 June 2014			3,715,946	3,715,946
Payment of estimated capital raising costs			(339,185)	(370,469)
Proceeds from the issue of 6,818,182 – 9,090,909 shares at \$0.22			1,500,000	2,000,000
Unaudited pro forma cash balance			4,876,761	5,345,477

\* Refer to Appendix 3 for individual entity financial information pre-consolidation.



**APPENDIX 1 PARKER RESOURCES LIMITED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)**

	Parker Resources	Ensurance Group *	Unaudited Pro Forma Minimum Subscription	Unaudited Pro Forma Maximum Subscription
	Audited 30 June 2014	Unaudited 30 June 2014		
	\$	\$	\$	\$
<b>NOTE 3 – INTANGIBLE ASSETS</b>				
Balance pre-acquisition	-	2,565,304	2,565,304	2,565,304
Value of Goodwill acquired on acquisition	-	-	1,633,353	1,633,353
Balance at end of period	-	2,565,304	4,198,657	4,198,657

**NOTE 4 – ISSUED CAPITAL (net of issue costs)**
**(a) Reconciliation of contributed equity**
**Historical financial information:**

Balance pre-acquisition	3,164,619	2,006,254	5,170,873	5,170,873
Fair value adjustments on acquisition	-	-	986,881	986,881
Issued Capital	-	-	1,500,000	2,000,000
Capital Raising Costs	-	-	(339,185)	(370,469)
Balance at end of period	3,164,619	2,006,254	7,318,569	7,787,286

**(b) Transactions with equity holders in their capacity as equity holders (Minimum Subscription)**

Retained earnings adjustment on acquisition	-	-	646,471	-
Fair value adjustments on acquisition	-	-	986,881 <sup>1</sup>	-
Shares issued during the period	-	-	1,500,000 <sup>2</sup>	-
Capital raising costs	-	-	(339,185)	-
Total	-	-	2,794,167	-

**(c) Transactions with equity holders in their capacity as equity holders (Maximum Subscription)**

Retained earnings adjustment on acquisition	-	-	-	646,471
Fair value adjustments on acquisition	-	-	-	986,881 <sup>1</sup>
Shares issued during the period	-	-	-	2,000,000 <sup>3</sup>
Capital raising costs	-	-	-	(370,469)
Total	-	-	-	3,262,884

<sup>1</sup> The share price used as consideration for the purchase of Ensurance (\$0.23) is the market price of Parker Resources shares on the ASX immediately prior to the announcement on 24 July 2014 of the acquisition of Ensurance.

<sup>2</sup> Minimum subscription (\$1,500,000)

<sup>3</sup> Maximum subscription (\$2,000,000)

\* Refer to Appendix 3 for individual entity financial information pre-consolidation.

**APPENDIX 1 PARKER RESOURCES LIMITED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)**

	Parker Resources	Ensurance Group *	Unaudited Pro Forma Minimum Subscription	Unaudited Pro Forma Maximum Subscription
	Audited 30 June 2014	Unaudited 30 June 2014		
<b>NOTE 4 – ISSUED CAPITAL</b> (net of issue costs) (cont'd)				
<b>(d) Number of fully paid shares:</b>				
Original number of fully paid shares in Parker Resources	18,050,003	-	18,050,003	18,050,003
Fully paid ordinary shares issued to Ensurance	-	-	30,000,000	30,000,000
Issued pursuant to the Prospectus (\$0.22)	-	-	6,818,182	9,090,909
Total (assuming fully diluted)	18,050,003	-	54,868,185	57,140,192
<b>NOTE 5 – RETAINED PROFITS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at beginning of period	(680,644)	292,283	(515,785)	(515,785)
Profit (Loss) attributable to members	(88,127)	(21,297)	-	-
Fair value adjustments recognised on acquisition	-	-	786,771	786,771
Balance at end of period	(768,771)	270,986	270,986	270,986

\* Refer to Appendix 3 for individual entity financial information pre-consolidation.

**NOTE 6 – SUBSEQUENT EVENTS**

Subsequent to 30 June 2014, there has not arisen any item or transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years other than those disclosed in and considered by these financial statements.

**NOTE 7 - RELATED PARTIES**
**Directors**

The directors in the office as at listing are:

Brian Thomas	Non-Executive Chairman
Philippa Leggat	Non-Executive Director
Adam Davey	Non-Executive Director
Stefan Hicks	Managing Director
Brett Graves	Executive Director

**Directors' interests in shares and options**

The aggregate number of shares and options in the Company held by directors and their director related entities as at date of the Prospectus are:

Director	Shares	Options <sup>1</sup>	Partly Paid Shares
Brian Thomas	30,000	-	-
Philippa Leggat	-	-	-
Adam Davey	520,000	250,000	4,000,000
Stefan Hicks	105,000	-	-
Brett Graves	20,000	-	-
Total	675,000	250,000	4,000,000

<sup>1</sup> Refer to Section 6.5 in the Prospectus for further information on the Options.



**APPENDIX 2 ENSURANCE CAPITAL PTY LTD – HISTORICAL FINANCIAL STATEMENTS**

<b>Statement of Financial Position</b>	<b>Consolidated</b>	
	<b>Unaudited * 2014</b>	<b>Unaudited 2013</b>
	<b>\$</b>	<b>\$</b>
<b>Current assets</b>		
Cash and cash equivalents	1,451,202	1,091,985
Trade and other receivables	745,245	810,222
Other assets and receivables	11,770	41,417
Current tax assets	238,290	223,965
<b>Total current assets</b>	<b>2,446,507</b>	<b>2,167,589</b>
<b>Non-current assets</b>		
Property, plant and equipment	42,447	673,770
Intangible assets	2,565,304	1,897,054
Investments	134,133	87,946
Other non-current assets	36,379	17,306
<b>Total non-current assets</b>	<b>2,778,263</b>	<b>2,676,076</b>
<b>Total assets</b>	<b>5,224,770</b>	<b>4,828,665</b>
<b>Current liabilities</b>		
Trade and other payables	2,140,402	2,287,960
Borrowings	21,258	43,779
Provisions	65,312	65,483
Other	246,504	72,827
<b>Total current liabilities</b>	<b>2,473,476</b>	<b>2,470,049</b>
<b>Non-current liabilities</b>		
Borrowings	452,328	100,541
Provisions	21,455	20,457
<b>Total non-current liabilities</b>	<b>473,783</b>	<b>120,998</b>
<b>Total liabilities</b>	<b>2,947,259</b>	<b>2,591,047</b>
<b>Net Assets</b>	<b>2,277,511</b>	<b>2,252,618</b>
<b>Equity</b>		
Issued capital	2,006,254	2,006,254
Capital contribution reserve	-	-
Asset revaluation reserve	271	(45,919)
Retained profits	270,986	292,283
<b>Total equity</b>	<b>2,277,511</b>	<b>2,252,618</b>

\* Refer to Appendix 3 for individual entity financial information pre-consolidation.

**APPENDIX 3 ENSURANCE CAPITAL PTY LTD – INDIVIDUAL ENTITY FINANCIAL INFORMATION PRE-CONSOLIDATION**

	Ensurance Capital Pty Ltd <sup>1</sup>	Savill Hicks Corp Pty Ltd	Ensurance IT Pty Ltd <sup>1</sup>	Ensurance Underwriting Pty Limited
Statement of Financial Position	Unaudited 30 June 2014	Audited 30 June 2014	Unaudited 30 June 2014	Audited 30 June 2014
	\$			\$
<b>Current assets</b>				
Cash and cash equivalents	151,420	873,210	187,325	239,247
Trade and other receivables	43,001	591,964	64,565	155,766
Other assets and receivables	-	7,084	1,000	3,686
Current tax assets	-	-	238,290	-
Loans	-	-	-	1,309
<b>Total current assets</b>	<b>194,421</b>	<b>1,472,258</b>	<b>491,180</b>	<b>400,008</b>
<b>Non-current assets</b>				
Property, plant and equipment	-	39,705	1,949	793
Intangible assets	781	-	665,879	15,276
Investments	2,005,354	134,133	-	-
Loans to group companies	134,050	859,888	-	100
Other non-current assets	-	36,379	-	-
<b>Total non-current assets</b>	<b>2,140,185</b>	<b>1,070,105</b>	<b>667,828</b>	<b>16,169</b>
<b>Total assets</b>	<b>2,334,606</b>	<b>2,542,363</b>	<b>1,159,008</b>	<b>416,177</b>
<b>Current liabilities</b>				
Trade and other payables	8,740	1,643,189	114,197	389,237
Borrowings	-	18,000	-	3,258
Borrowings from group companies	-	176,205	78,548	40,000
Provisions	-	38,086	3,724	23,502
Other	-	143,422	50,000	53,082
<b>Total current liabilities</b>	<b>8,740</b>	<b>2,018,902</b>	<b>246,469</b>	<b>509,079</b>
<b>Non-current liabilities</b>				
Borrowings from group companies	17,926	-	436,079	341,679
Borrowings	350,785	101,543	-	-
Provisions	-	20,935	-	520
<b>Total non-current liabilities</b>	<b>368,711</b>	<b>122,478</b>	<b>436,079</b>	<b>342,199</b>
<b>Total liabilities</b>	<b>377,451</b>	<b>2,141,380</b>	<b>682,548</b>	<b>851,278</b>
<b>Net Assets</b>	<b>1,957,155</b>	<b>400,983</b>	<b>476,460</b>	<b>(435,101)</b>
<b>Equity</b>				
Issued capital	2,006,254	120,200	10	100
Asset revaluation reserve	-	271	-	-
Retained profits	(49,099)	280,512	476,450	(435,201)
<b>Total equity</b>	<b>1,957,155</b>	<b>400,983</b>	<b>476,460</b>	<b>(435,101)</b>

<sup>1</sup> The financial information for Ensurance Capital Pty Ltd and Ensurance IT Pty Ltd has not been audited. We have not performed any additional audit procedures for any of the subsidiaries listed in Appendix 3 and have relied on the work performed by the Independent Expert, as detailed in Section 6.2 of the Independent Expert's Report attached to the Notice of Extraordinary General Meeting. The financial information contained in Appendix 3 has been provided as background information only and does not form part of this report.

## 5 MATERIAL CONTRACTS

Set out below are summaries of the more important provisions of contracts to which the Company is a party and which are or may be material in terms of the Offer or the operations of the Company or otherwise are or may be relevant to an investor who is contemplating the Offer.

To fully understand all rights and obligations in the material contracts it is necessary to read them in full. A copy of each of these contracts may be inspected during normal business hours at the registered office of the Company.

### 5.1 AGREEMENTS

#### 5.1.1 Share Sale Agreement

The Company has entered into a share sale agreement (**Agreement**) with the shareholders of Ensurance and Maplaljac Pty Ltd as trustee for Maplaljac Family Trust (entities controlled by Mr Michael Huntly), the holder of a 10% interest in Ensurance Underwriting (together the **Vendors**) to acquire 100% of the issued capital in Ensurance, including an indirect 100% interest in the issued share capital of Ensurance Underwriting via Ensurance acquiring the 10% interest in Ensurance Underwriting which it does not already own (**Acquisition**).

Set out below is a summary of the key terms of the Agreement.

#### (a) Consideration

On completion of the Acquisition, the Company will:

- (i) pay \$500,000 (**Cash Consideration**); and
  - (ii) issue 30,000,000 Shares (**Consideration Shares**),
- to the Vendors.

#### (b) Voluntary Restriction

Unless an ASX escrow period applies to the Consideration Shares such that the Consideration Shares are restricted for at least 12 months from the date of their issue:

- (i) the Vendors must not, in relation to the Consideration Shares, do any of the following for the period of 12 months from the date of the issue of the Consideration Shares:
  - (A) dispose of, or agree or offer to dispose of, the Consideration Shares;
  - (B) create, or agree or offer to create, any security interest in the Consideration Shares; or
  - (C) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Consideration Shares,without the prior written consent of the Company; and
- (ii) the Company, at its sole discretion, may request its share registry to place a holding lock over the Consideration Shares for the 12 month period, to prevent the Vendors taking any of the actions in paragraph (i) above.

#### (c) Conditions Precedent

Completion of the Acquisition remains conditional upon the satisfaction (or waiver) of the following outstanding conditions precedent (**Conditions**):

- (i) the Company changing its name to Ensurance Ltd. Shareholders approved the change of name at the General Meeting;
- (ii) the Company raising a minimum of \$1,500,000 (or such other amount as required to meet assets test admission criteria of the ASX), through the issue of Shares at a price to be determined by the Company This Condition will be satisfied upon completion of the Offer; and
- (iii) the Company receiving a letter from ASX confirming that ASX will re-admit the Company to the Official List of ASX, subject to the satisfaction of certain conditions set out in the letter, on terms acceptable to the Company.

#### (d) Termination before Completion

Any party may, by not less than two business days' notice to the others, terminate the Agreement at any time before completion if:

- (i) any of the Conditions are not satisfied, or waived, by the earlier of the date set out in that Condition or 5:00pm (WST) on 12 April 2015 (or such other date as mutually agreed between the parties); or
- (ii) any of the Conditions become incapable of satisfaction or the parties agree that any of the Conditions cannot be satisfied.

#### 5.1.2 Convertible Note Agreement

The Company and Ensurance have entered into a convertible note agreement (**Convertible Note Agreement**) pursuant to which the Company has subscribed for a convertible note in Ensurance (**Convertible Note**).

A summary of the key terms of the Convertible Note is set out below:

- (a) The face value of the Convertible Note is \$400,000 (Subscription Amount).
- (b) Unless previously redeemed, converted or purchased and cancelled in accordance with the terms of the Convertible Note Agreement, the Convertible Note will be redeemed on that date which is twelve months after the subscription date, being 16 May 2015 (Maturity Date) and Ensurance must repay the whole of the Subscription Amount, plus any interest due and payable, to the Company within seven business days from the Maturity Date.
- (c) The Subscription Amount may, at the election of Ensurance, be fully and finally repaid in one sum prior to the Maturity Date. If early repayment is made, Ensurance must also pay, at the same time, the total amount of interest that would otherwise have been payable at Maturity Date.
- (d) The Convertible Note is unsecured.
- (e) Interest shall accrue on a daily basis at the rate of 8% per annum on the outstanding Subscription Amount, be capitalised at monthly intervals and be payable at the time of repayment of the Subscription Amount.
- (f) The Convertible Note shall convert into that number of Shares which when multiplied by the issue price of \$3 per share equals the outstanding Subscription Amount plus any interest due and payable. The Convertible Note is only convertible into shares following settlement under the Agreement, or otherwise if the Company and Ensurance mutually agree.

## 5.2 AGREEMENTS WITH RELATED PARTIES

### 5.2.1 Agreements with Proposed Directors

The material terms of the proposed agreements between the Company and each of the Proposed Directors are summarised in the "Investment Overview" section of this Prospectus in the subsection entitled "Agreements with Directors or Related Parties" on page 25.

### 5.2.2 Indemnity, insurance and access deeds

A summary of the material terms of the indemnity, insurance and access deeds between the Company and its Directors is set out in the "Investment Overview" section of this Prospectus in subsection entitled "Agreements with Directors or Related Parties" on page 25. The Proposed Directors will enter into an indemnity, insurance and access deed prior to their respective appointments as Directors on completion of the acquisition of Ensurance.

## 5.3 OTHER MATERIAL CONTRACTS

### 5.3.1 Lead Manager Mandate

A summary of the material terms of the Lead Manager Mandate between the Company and Patersons Securities Limited set out in section 1.8 of this Prospectus on page 28.

## 5.4 ENSURANCE GROUP CONTRACTS

### 5.4.1 Software Services Agreement

Ensurance IT has entered into a software services agreement with Design Post (Australia) Pty Limited (**Design Post**) pursuant to which Design Post has agreed to provide development, marketing, hosting, support, website development and training services to Ensurance IT in connection with the new online platform developed by Design Post on behalf of Ensurance IT (**Software Services Agreement**).

Ensurance IT will pay Design Post stipulated fees for the various services.

Either party may terminate the Software Services Agreement by giving 30 days' written notice to the other party. Either party may terminate the Software Services Agreement with immediate effect by giving notice to the other party if:

- (a) the other party is in breach of the Software Services Agreement and the breach is not capable of being remedied;
- (b) the other party is in breach of the Software Services Agreement and, in the case of a breach which is capable of being remedied, the other party fails to remedy the breach within 14 days of receipt of written notice of the breach; or
- (c) the other party is subject to an application for winding up or liquidation, the appointment of a liquidator, receiver or manager, or is subject to any other form of insolvency event.

The Software Services Agreement contains other terms that are considered standard for an agreement of this nature.

### 5.4.2 Intellectual Property Deed

Ensurance IT has entered into an intellectual property deed with Design Post pursuant to which Design Post has agreed to assign ownership of certain intellectual property in connection with the new online platform to Ensurance IT (**Intellectual Property Deed**).

Under the Intellectual Property Deed, Design Post has acknowledged and agreed that Ensurance IT is entitled to own all intellectual property already in existence, or which will come into existence in the future, pursuant to or incidental to the development of the new online platform or the provision of development, marketing, hosting, support, website development and training services to Ensurance IT in connection with the new online platform.

To the extent that any intellectual property is not already owned by Ensurance IT, Design Post has agreed to assign its entire right, title and interest in the Ensurance IP to Ensurance IT.

The Intellectual Property Deed contains other terms that are considered standard for an agreement of this nature.

### 5.4.3 Agreement with various insurers

Members of the Ensurance Group have entered into various standard contracts for an insurance business, including, but not limited to:

- underwriting agency agreements;
- binder agreements (acting as agent for Insurer on certain products);
- profit share agreements; and
- memoranda of understanding agreements on future binder agreements and other business opportunities.

The terms and conditions of these contracts have not been disclosed with exception to those contracts that would have a material impact upon the business should they be varied or terminated.

### 5.4.4 Operating Contracts – General

As an operating commercial business, Ensurance and its subsidiaries are parties to numerous standard business contracts, including, but not limited to:

- employee and contractor agreements;
- finance arrangement and guarantees;

- 📄 agency agreements;
- 📄 supply or purchase agreements;
- 📄 agreements with government; and
- 📄 lease agreements.

The terms and conditions of these contracts have not been disclosed with exception to those contracts that would have a material impact upon the business should they be varied or terminated.

#### 5.4.5 SHC Convertible Note Agreement with Stefan Hicks

SHC has entered into a convertible note agreement with Stefan Hicks pursuant to which Mr Hicks has subscribed for 43,000 convertible notes in SHC (**Hicks SHC Convertible Notes**).

A summary of the key terms of the Hicks SHC Convertible Notes is set out below:

- (a) The face value of each Hicks SHC Convertible Note is \$1.00.
- (b) If the Hicks SHC Convertible Notes are not converted or redeemed before 20 February 2015 (**Expiry Date**), SHC shall redeem the Hicks SHC Convertible Notes and repay the application monies within 28 days after the Expiry Date. Subject to the rights of conversion, SHC may redeem the Hicks SHC Convertible Notes and repay the application monies prior to the Expiry Date.
- (c) Mr Hicks may, within 30 days after the Expiry Date give a conversion notice to SHC for some or all of the Hicks SHC Convertible Notes to be converted into shares in SHC. Mr Hicks has given an undertaking to SHC and the Company that he will not convert the Hicks SHC Convertible Notes prior to the Company's Shares being reinstated to Official Quotation.
- (d) SHC may at any time redeem some or all of the Hicks SHC Convertible Notes for cash at the rate of \$1.00 for each Hicks SHC Convertible Notes plus 10% interest per annum, in lieu of converting the Hicks SHC Convertible Notes to shares in SHC.
- (e) Interest shall accrue on a daily basis at the rate of 10% per annum.

#### 5.4.6 SHC Convertible Note Agreement with Setsun Pty Ltd as trustee for the Graves Family Superannuation Fund

SHC has entered into a convertible note agreement with Setsun Pty Ltd as trustee for the Graves Family Superannuation Fund (**Setsun**) pursuant to which Setsun has subscribed for 50,000 convertible notes in SHC (**Setsun SHC Convertible Notes**).

A summary of the key terms of the Setsun SHC Convertible Notes is set out below:

- (a) The face value of each Setsun SHC Convertible Note is \$1.00.
- (b) If the Setsun SHC Convertible Notes are not converted or redeemed before 20 February 2015 (**Expiry Date**), SHC shall redeem the Setsun SHC Convertible Notes and repay the application monies within 28 days after the Expiry Date. Subject to the rights of conversion, SHC may redeem the Setsun SHC Convertible Notes and repay the application monies prior to the Expiry Date.
- (c) Setsun may, within 30 days after the Expiry Date give a conversion notice to SHC for some or all of the Setsun SHC Convertible Notes to be converted into shares in SHC. Setsun has given an undertaking to SHC and the Company that it will not convert the Setsun SHC Convertible Notes prior to the Company's Shares being reinstated to Official Quotation.
- (d) SHC may at any time redeem some or all of the Setsun SHC Convertible Notes for cash at the rate of \$1.00 for each Setsun SHC Convertible Notes plus 10% interest per annum, in lieu of converting the Setsun SHC Convertible Notes to shares in SHC.
- (e) Interest shall accrue at the rate of 10% per annum and is payable quarterly in arrears.



## 6 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

### 6.1 DIRECTORS AND KEY PERSONNEL

In accordance with the terms of the Agreement, and with effect from completion of the Acquisition, Stefan Hicks and Brett Graves will be casually appointed as Directors of the Company. In addition, the Company has agreed to casually appoint Neil Pinner as a Director of the Company on and from completion of the Acquisition.

None of the existing Directors will resign following completion of the Acquisition. However, Brian Thomas will step down as Non-Executive Chairman and will continue as a Non-Executive Director and Adam Davey will be appointed as the Non-Executive Chairman.

Biographies for the Directors are set out in the "Investment Overview" section of this Prospectus in subsection entitled "Current Directors and Key Personnel" on page 19.

Biographies of the Proposed Directors are set out in the "Investment Overview" section of this Prospectus in subsection entitled "Incoming Directors" on page 20.

### 6.2 CORPORATE GOVERNANCE

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

The Board of Directors of the Company will be responsible for the corporate governance of the Company including its strategic development. The format of this Section is guided by the Recommendations. The Company's corporate governance principles and policies are therefore structured as follows:

Principle 1	<i>Lay solid foundations for management and oversight</i>
Principle 2	<i>Structure the Board to add value</i>
Principle 3	<i>Act ethically and responsibly</i>
Principle 4	<i>Safeguard integrity in corporate reporting</i>
Principle 5	<i>Make timely and balanced disclosure</i>
Principle 6	<i>Respect the rights of security holders</i>
Principle 7	<i>Recognise and manage risk</i>
Principle 8	<i>Remunerate fairly and responsibly</i>

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website ([www.parkerresources.com.au](http://www.parkerresources.com.au)).

#### 6.2.1 Board Responsibilities

The Board will be accountable to the Shareholders for the performance of the Company and will have overall responsibility for its operations. Day to day management of the Company's affairs is delegated to the Chief Executive Officer, and the implementation of the corporate strategy and policy initiatives, is currently formally managed by the Directors of the Company. Subsequent to the acquisition of Ensurance, these responsibilities will remain unchanged.



In carrying out the responsibilities and powers set out in its Charter, the Board:

- (a) Recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the law in serving the interests of its Shareholders; and
- (b) Recognises its duties and responsibilities to its employees, customers and the community.

In addition to matters it is expressly required by law to approve, the Board has the following specific responsibilities:

- (a) Appointment of the Chief Executive Officer and other senior executives and the determination of their terms and conditions including remuneration and termination;
- (b) Driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- (c) Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- (d) Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- (e) Approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- (f) Approving the annual, half yearly and quarterly accounts;
- (g) Approving significant changes to the organisational structure;
- (h) Approving the issue of any shares, options, equity instruments or other securities in the Company;
- (i) Ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- (j) Recommending to Shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and
- (k) Meeting with the external auditor, at their request, without management being present.

For the purposes of the proper performance of their duties, the Directors are entitled to seek independent professional advice at the Company's expense, unless the Board determines otherwise. The Board schedules meetings on a regular basis and other meetings as and when required.

Subsequent to the acquisition of **Ensurance**, the Company does not expect any material changes to the above disclosed Board responsibilities.

### 6.2.2 Size and Composition of the Board

The Directors consider the size and composition of the Board is appropriate given the size and status of the Company. However, the composition of the Board is subject to review in a number of ways, as follows:

- 🌱 The number of Directors must not be less than three nor more than nine (9) Subject to the Corporations Act, the Company may, by ordinary resolution, increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office. Subject to any resolution of the Company determining the maximum and minimum numbers of Directors, the Directors may from time to time determine the respective number of Executive and Non-Executive Directors.
- 🌱 The Constitution provides that at every annual general meeting (AGM), one third of the Directors (excluding the Managing Director) must retire from office but may stand for re-election. Additionally, with the exception of the Managing Director, no Director may retain office for more than three years, or until the third annual general meeting following his or her appointment, whichever is the longer without submitting himself or herself for re-election even though the submission results in more than one third of the directors retiring from office.

- The composition of the Board is to be reviewed regularly to ensure the appropriate mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to Shareholders. In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.
- Currently, the majority of the Board is comprised of non-executive Directors. Where practical, at least 50% of the Board will be independent.
- Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Nomination Committee to ensure that they continue to contribute effectively to the Board.
- The Board should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.
- Once it has been agreed that a new director is to be appointed, a search will be undertaken, sometimes using the services of external consultants. Nominations would then be received and reviewed by the Board.

Subsequent to the acquisition of **Ensurance**, the Company will have two executive directors, three non-executive directors (one being the chairman). Expected changes to the above can be found in Section 6.2.9 on page 71 of this Prospectus.

### 6.2.3 Ethics and Independence

The Board recognises the need for Directors and employees to observe the highest standards of behaviour and business ethics when engaging in corporate activity. The Company intends to maintain a reputation for integrity. The Company's officers and employees are required to act in accordance with the law and with the highest ethical standards.

The Board is conscious of the need for independence and ensures that where a conflict of interest may arise, the relevant Director(s) leave the meeting to ensure a full and frank discussion of the matter(s) under consideration by the rest of the Board. Those Directors who have interests in specific transactions or potential transactions do not receive Board papers related to those transactions or potential transactions, do not participate in any part of a Directors' meeting which considers those transactions or potential transactions, are not involved in the decision making process in respect of those transactions or potential transactions, and are asked not to discuss those transactions or potential transactions with other Directors.


Recommendation 2.4 requires a majority of the Board to be independent directors. In addition, Recommendation 2.5 requires the chairperson of the Company to be independent. The Recommendations define an independent director as a director who is free of any interest, position, association or relationship that might influence or, reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity and its security holders generally.

The Board will assess the independence of the Directors regularly in light of the interests disclosed by them. Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest. Directors must declare immediately to the Board, and the Board will determine whether to declare to the market, any loss of independence.

### 6.2.4 Board Committees

It is the role of the Board to oversee the management of the Company and it may establish appropriate committees to assist in this role. The composition of the committees shall be as follows:

- members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution;
- the charter of the Committees is approved by the Board and reviewed following any applicable regulatory changes; and

-  each committee will maintain minutes of each meeting of the committee, to be provided to the Board at the next occasion the Board meets following approval of the minutes of such Committee meetings.









At the present time, with the exception of the Audit Committee which is chaired by Mr Jay Stephenson, the Board has taken on the role of the committees due of the size of the Company and the involvement of the Board in the operations of the Company. The current Board takes ultimate responsibility for the operations of the Company including remuneration of Directors and executives and nominations to the Board.

Subsequent to the acquisition of Ensurance, expected changes to the above and the following can be found in Section 6.2.9 on page 71 of this Prospectus.







(a) **Audit and Risk Committee**

The role of the Audit and Risk Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance. The Charter defines the Audit and Risk Committee's function, composition, mode of operation, authority and responsibilities.

The composition of the Committee shall be as follows:

-  The committee must comprise at least three members.
-  All members of the committee must be non-executive Directors.
-  A majority of the members of the committee must be independent non-executive Directors.
-  The Board will appoint members of the committee. The Board may remove and replace members of the committee by resolution.
-  All members of the committee must be able to read and understand financial statements.
-  The chairman of the committee may not be the chairman of the Board of Directors and must be independent.
-  The chairman of the committee shall have leadership experience and a strong finance, accounting or business background.
-  The external auditors, the other Directors, the Managing Director, Chief Financial Officer, Company Secretary and senior executives, may be invited to committee meetings at the discretion of the committee.

The primary purpose of the committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:

-  the quality and integrity of the Company's financial statements, accounting policies and financial reporting and disclosure practices;
-  compliance with all applicable laws, regulations and company policy;
-  the effectiveness and adequacy of internal control processes;
-  the performance of the Company's external auditors and their appointment and removal;
-  the independence of the external auditor and the rotation of the lead engagement partner; and
-  the identification and management of business risks.

The Chief Financial Officer (**CFO**), Jay Stephenson, will provide accounting and financial support to the Company. The CFO will be required to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards. Included in this statement will be confirmation that the Company's risk management and internal controls are operating efficiently and effectively.

**(b) Remuneration Committee**

The primary purpose of the committee is to support and advise the Board in fulfilling its responsibilities to Shareholders by:

- 🌱 reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders;
- 🌱 ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
- 🌱 recommending to the Board the remuneration of executive Directors;
- 🌱 fairly and responsibly rewarding executives having regard to the performance of the Group, the performance of the executive and the prevailing remuneration expectations in the market;
- 🌱 reviewing the Company's recruitment, retention and termination policies and procedures for senior management;
- 🌱 reviewing and approving the remuneration of Directors, reporting to the Managing Director, and as appropriate other senior executives; and
- 🌱 reviewing and approving any equity based plans and other incentive schemes.

The committee shall have the right to seek any information it considers necessary to fulfil its duties, which includes the right to obtain appropriate external advice at the Company's expense.

The composition of the committee shall be as follows:

- 🌱 the committee shall comprise at least two Directors;
- 🌱 the committee will be chaired by an independent Director who will be appointed by the Board;
- 🌱 the Board may appoint such additional non-executive Directors to the committee or remove and replace members of the committee by resolution; and
- 🌱 a quorum will comprise any two independent non-executive Director committee members. In the absence of the committee chairman or appointed delegate, the members shall elect one of their number as chairman for that meeting.

**(c) Nomination Committee**

The primary purpose of the committee is to support and advise the Board in:

- 🌱 maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body; and
- 🌱 ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.

The composition of the committee shall be as follows:

- 🌱 the committee shall comprise at least two non-executive Directors, the majority of whom must be independent, one of whom will be appointed the committee chairman; and
- 🌱 the Board may appoint additional non-executive Directors to the committee or remove and replace members of the committee by resolution.

**6.2.5 Shareholder Communication**

The Board strives to ensure that Shareholders are provided with sufficient information to assess the performance of the Company and its Directors and to make well-informed investment decisions. Information is communicated to Shareholders through:

- 🌱 the annual report delivered by post and which is also placed on the Company's website, as well as the half-yearly report and, where applicable, quarterly reports, which are placed on the Company's website;

- 🌱 disclosures and announcements made to the ASX, copies of which are placed on the Company's website;
- 🌱 notices and explanatory memoranda of AGMs and general meetings (**GM**) copies of which are placed on the Company's website;
- 🌱 the Chairman's address and the Managing Director's address made at the AGMs and the GMs, copies of which are placed on the Company's website;
- 🌱 the Company's website, [www.parkerresources.com.au](http://www.parkerresources.com.au), on which the Company posts all announcements which it makes to the ASX; and
- 🌱 the auditor's lead engagement partner being present at the AGM to answer questions from Shareholders about the conduct of the audit and the preparation and content of the auditor's report.

Subsequent to the acquisition of **Ensurance**, the Company does not expect any material changes to the above disclosure of information to Shareholders.

### 6.2.6 Identification and Management of Business Risk

The Board determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal controls. The Board has delegated to the Audit and Risk Committee responsibility for implementing the risk management system.

The Audit and Risk Committee will submit particular matters to the Board for its approval or review including:

- 🌱 oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements;
- 🌱 assist management to determine the key risks to the businesses and prioritise work to manage those risks; and
- 🌱 review reports by management on the efficiency and effectiveness of risk management.

The Company's process of risk management and internal compliance and control includes:

- 🌱 identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- 🌱 formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls; and
- 🌱 monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back quarterly to the Audit and Risk Committee.

The Board will review assessments of the effectiveness of risk management and internal compliance and control on an annual basis.

Subsequent to the acquisition of **Ensurance**, the Company does not expect any material changes to the above disclosed Board responsibilities.

### 6.2.7 Remuneration

The Directors (including the Managing Director) are entitled to be remunerated for their services as follows:

- 🌱 The amount of the remuneration of the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.
- 🌱 The Directors' remuneration accrues from day to day.

- The maximum aggregate annual remuneration which may be paid to non-executive Directors is \$250,000. This amount cannot be increased without the approval of the Company's Shareholders.

The Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Company is required to disclose in its annual report details of remuneration to Directors. A detailed explanation of the basis and quantum of Directors' remuneration is set out in the Investment Overview section of this Prospectus entitled "Disclosure of Interests" on page 21.

Subsequent to the acquisition of **Ensurance**, the Company does not expect any material changes to the above disclosed remuneration policies.

#### 6.2.8 Securities Trading Disclosure

The Company has a formal policy on the sale and purchase of securities in Parker by its key management personnel (being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity).

Directors and key management personnel are encouraged to be long-term holders of the Company's securities; however Directors or key management personnel must not, except in exceptional circumstances deal in securities of the Company in the seven days prior to, and two days after release of the Company's:

- annual financial report;
- consolidated interim financial report; and
- quarterly reports, (together the **Block-Out Period**).

Directors or key management personnel should never engage in short-term trading of the Company's securities except for the exercise of options where the Shares will be sold shortly thereafter.

Any Director wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman or the Board before doing so. If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities, the Chairman must obtain the prior approval of the Board before doing so.

Any key management personnel wishing to buy, sell, or exercise rights in relation to the Company's securities must obtain the prior written approval of the Managing Director before doing so.

In accordance with the provisions of the Corporations Act, the Listing Rules and the Company's Corporate Governance Plan, the Company will notify the ASX within five business days after any dealing in securities of the Company (either personally or through an associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

Subsequent to the acquisition of **Ensurance**, the Company does not expect any material changes to the above disclosed policy.

#### 6.2.9 Departures from Recommendations

Upon re-admission to the Official List of the ASX, the Company will be required to report any departures from the Recommendations in its annual financial report. The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out below.

## PRINCIPLES AND RECOMMENDATIONS

### 1. Lay solid foundations for management and oversight

<p><b>1.1</b> A listed entity should disclose:</p> <p>(a) <i>the respective roles and responsibilities of its board and management; and</i></p> <p>(b) <i>those matters expressly reserved to the board and those delegated to management.</i></p>	<p>The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board.</p> <p>The Board will be accountable to the Shareholders for the performance of the Company and will have overall responsibility for its operations.</p> <p>The roles and responsibilities carried out by the Board are to:</p> <ul style="list-style-type: none"> <li>🔍 Oversee control and accountability of the Company;</li> <li>🔍 Set the broad targets, objectives, and strategies;</li> <li>🔍 Monitor financial performance;</li> <li>🔍 Assess and review risk exposure and management;</li> <li>🔍 Oversee compliance, corporate governance, and legal obligations;</li> <li>🔍 Approve all major purchases, disposals, acquisitions, and issue of new shares;</li> <li>🔍 Approve the annual and half-year financial statements;</li> <li>🔍 Appoint and remove the Company's Auditor;</li> <li>🔍 Appoint and assess the performance of the Managing Director and members of the senior management team; and</li> <li>🔍 Report to Shareholders.</li> </ul> <p>To assist the Board in fulfilling its duties, the Board has established an Audit and Risk Committee. The Remuneration and Nomination Committees are fulfilled by the Board.</p> <p>The Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p><b>1.2</b> A listed entity should:</p> <p>(a) <i>undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</i></p> <p>(b) <i>provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</i></p>	<p>The Board undertakes appropriate checks and provides a biography of the appointed director when announcing the appointment on the Australian Securities Exchange.</p>
<p><b>1.3</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>The Board ensures that each director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p>
<p><b>1.4</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The Company's Corporate Governance Plan includes a Board Charter, which discloses the following specific role and responsibilities of the Company Secretary:</p> <ul style="list-style-type: none"> <li>(a) When requested by the Board the Company Secretary will facilitate the flow of information of the Board, between the Board and its Committee and between senior executives and non-executive Directors.</li> <li>(b) The Company Secretary is to facilitate the induction of new Directors and the implementation of Board policies and procedures.</li> <li>(c) The Company Secretary is to provide advice to the Board, on corporate governance matters and law.</li> <li>(d) All Directors have access to the advice and services provided by the Company Secretary.</li> <li>(e) The Board has the responsibility for the appointment and removal of the Company Secretary.</li> </ul> <p><i>Subsequent to the acquisition of Ensurance Mr Stephenson will retain the role of company secretary of the Company. The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>



**PRINCIPLES AND RECOMMENDATIONS**

<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>A Diversity Policy adopted by the Company as an Addendum to the existing Corporate Governance Plan.</p> <p>The Diversity Policy provides a framework for the Company to achieve:</p> <p>(a) a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;</p> <p>(b) a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;</p> <p>(c) improved employment and career development opportunities for women;</p> <p>(d) a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and</p> <p>(e) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity, (collectively, the <b>Objectives</b>).</p> <p>The Diversity Policy does not impose on the Company, its directors, officers, agents or employee any obligation to engage in, or justification for engaging in, any conduct which is illegal or contrary to any anti-discrimination or equal employment opportunity legislation or laws in any State or Territory of Australia or of any foreign jurisdiction.</p> <p>The Chairman of the Board will monitor the scope and currency of this policy.</p> <p>The Board is responsible for developing measurable objections and strategies to meet the Objectives (<b>Measurable Objectives</b>) and monitoring the progress of the Measurable Objectives through the monitoring, evaluation and reporting mechanisms set out in the Diversity Policy.</p> <p>Measurable Objectives as set by the Board will be included in the annual key performance indicators for the Chief Executive Officer/Managing Director and senior executives.</p> <p>In addition, the Board will review progress against the Objectives as a key performance indicator in its annual performance assessment.</p> <p>The Board will report the Measurable Objectives (if any) set by the Board, the progress against the Objectives and the proportion of women employees in the whole organisation, at senior management level and at Board level in its annual report.</p> <p><i>The Company expects to further develop this policy subsequent to the acquisition of Ensurance.</i></p> <p>The Board has established and disclosed its policy concerning diversity. However, the Board considers due to the size of the Company that setting Measurable Objectives is not appropriate. The Company currently has no employees and utilises external consultants and contractors as and when required.</p> <p>The Board will review this position on an annual basis and will implement Measurable Objectives as and when they deem the Company to require them.</p> <p>Notwithstanding the above, the Board currently has one woman member, Ms Philippa Leggat who been a member of the Board since her appointment in 20 October 2011. However, there are no women employees in the whole organisation or in senior executive positions. Given the present size of the Company, there are no plans to establish Measurable Objectives for achieving gender diversity at this time. The need for establishing and assessing Measurable Objectives for achieving gender diversity will be re-assessed as the size of the Company increases.</p> <p>The Company is dedicated to promoting a corporate culture that embraces diversity. The Company believes that diversity begins with the recruitment and selection practices of its Board and its staff. Hiring of new employees and promotion of current employees are made on the bases of performance, ability and attitude.</p> <p><i>Subject to the acquisition of Ensurance, the Group will include an additional two women in management positions in total.</i></p> <p>The Corporate Governance Plan is posted on the Company's website.</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The Nomination Committee is responsible for conducting an annual review of the role of the Board, assess the performance of the Board over the previous 12 months, and examine ways of assisting the Board in performing its duties more effectively, including:</p> <p>(a) comparing performance of the Board with the Charter requirements;</p> <p>(b) examination of the Board's interaction with management;</p> <p>(c) the nature of information provided to the Board by management; and</p> <p>(d) management's performance assisting the Board in meeting its objectives.</p> <p>A similar review will be conducted for each committee by the Board with the aim of assessing the performance of each committee and identifying areas where improvements can be made.</p> <p>The Remuneration Committee will oversee the executive team's performance evaluation. This evaluation is based on specific criteria, including Company business performance, whether strategic objectives are being achieved, and the development of management and personnel.</p> <p>Although no formal Nomination Committee or Remuneration Committee has been established, the Board currently serves as the Nomination Committee and the Remuneration Committee.</p> <p>The Company will disclose whether or not performance evaluations were conducted during the relevant reporting period and details of the performance evaluations conducted in the Company's annual reports.</p>

**PRINCIPLES AND RECOMMENDATIONS**

<p>1.7 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</li> <li>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	<p>The Company's Corporate Governance Plan includes a section on performance evaluation practices adopted by the Company.</p> <p>The Board regularly reviews the performance of senior executives.</p> <p>The Nomination Committee shall conduct an annual performance review of the Board in accordance with Recommendation 1.6 above.</p> <p>The Remuneration Committee shall:</p> <ul style="list-style-type: none"> <li>(a) review and approve recruitment, retention, and termination policies and procedures for senior management and the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs; and</li> <li>(b) oversee an annual performance evaluation of the executive team. This evaluation is based on specific criteria, including the Company business performance, whether strategic objectives are being achieved and the development of management and personnel.</li> </ul> <p>The Company will disclose whether or not performance evaluations were conducted during the relevant reporting period and details of the performance evaluations conducted in the Company's annual reports.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p><b>2. Structure the board to add value</b></p>	
<p>2.1 The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have a nomination committee which:           <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:               <ul style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> </ul> </li> <li>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its</li> </ul>	<p>The Company's Corporate Governance Plan includes a Nomination Committee Charter, which discloses the specific responsibilities of the committee and provides that the committee:</p> <ul style="list-style-type: none"> <li>(a) shall comprise of at least two (2) non-executive directors, the majority of whom are independent; and</li> <li>(b) the committee chairman is to be an independent Director.</li> </ul> <p>Although no formal Nomination Committee has been established, the Board as a whole deals with areas that would normally fall under the charter of the Nomination Committee. These include matters relating to the renewal of Board members and Board performance.</p> <p>The committee may consult independent experts where the committee considers this necessary to carry out its duties and responsibilities.</p> <p>The Corporate Governance Plan is posted on the Company's website.</p> <p>Details of the members of each committee are provided in the Company's annual report.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p> <p>The Nomination Committee will arrange a performance evaluation of the Board, committees, and individual Directors on an annual basis. To assist in this, an independent adviser may be used.</p> <p>The Nomination Committee will conduct an annual review of the role of the Board, assess the performance of the Board over the previous 12 months, and examine ways of assisting the Board in performing its duties more effectively, including:</p> <ul style="list-style-type: none"> <li>(a) comparing performance of the Board with the Charter requirements;</li> <li>(b) examination of the Board's interaction with management;</li> <li>(c) the nature of information provided to the Board by management; and</li> <li>(d) management's performance assisting the Board in meeting its objectives.</li> </ul> <p>A similar review will be conducted for each Committee by the Board with the aim of assessing the performance of each Committee and identifying areas where improvements can be made.</p> <p>The Remuneration Committee will oversee the executive team's performance evaluation. This evaluation is based on specific criteria, including Company business performance, whether strategic objectives are being achieved, and the development of management and personnel.</p> <p><i>Subsequent to the acquisition of Ensurance the Company will have a Board, which consists five of directors of which three are non- executive directors (one being the chairman). The Company will continue to consider a formal structure to more rigorously apply recommendations under this principle.</i></p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>The Board is currently preparing a board skills matrix setting out the mix of skills and diversity on the current Board. This is expected to be completed by 30 June 2015.</p>
<p>2.3 A listed entity should disclose:</p> <ul style="list-style-type: none"> <li>(a) the names of the directors considered by the board to be independent directors;</li> <li>(b) if a director has an interest, position, association or relationship of the type described in the Box 2.3 of the Recommendations but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</li> <li>(c) the length of service of each director.</li> </ul>	<p>The Company reports such matters in its annual directors' reports and in shareholder communications, including notices of meetings.</p> <p>The Board determines the independence of a director in accordance with definitions as set out in the Recommendations.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>

**PRINCIPLES AND RECOMMENDATIONS**

<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>The Corporate Governance Plan requires the majority of the Board is comprised of non-executive Directors, and where practical, at least 50% of the Board will be independent. Currently, a majority of Directors are independent.</p> <p>Details of each Director's independence are provided in the Company's annual reports.</p> <p><i>Subsequent to the acquisition of Ensurance the Company will have two executive directors and three non-executive directors, including the chairman. Whilst this does not constitute an independent board, the Company is still not of the size to feasibly have a board of a majority of independent directors. The Board will continue to review this requirement, and consider whether to appoint additional directors as the need arises.</i></p>
<p>2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>The Corporate Governance Plan indicates that the Chairman should be a non-executive Director. If a Chairman ceases to be an independent Director then the Board will consider appointing a lead independent Director.</p> <p>As at the date of this Prospectus, the Chairman is a non-executive and independent Director.</p> <p>The Company's Corporate Governance Plan states the Chief Executive Officer should not be the Chairman of the Company during his term as Chief Executive Officer or in the future.</p> <p>As at the date of this Prospectus, the Company has no Chief Executive Officer or Managing Director.</p> <p><i>Subsequent to the acquisition of Ensurance, Mr Davey will take on the role of chairman, with Mr Thomas remaining as Non-Executive Director. Mr Hicks will be appointed as the Managing Director and Mr Graves will be appointed as an Executive Director. The Company does not intend to appoint a CEO at this time. The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p>2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>Refer to 1.4 above.</p>
<p><b>3. Promote ethical and responsible decision-making</b></p>	
<p>3.1 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have a code of conduct for its directors, senior executives and employees; and</li> <li>(b) disclose that code or a summary of it.</li> </ul>	<p>The Company's Corporate Governance Plan includes a Corporate Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in employment. The Corporate Code of Conduct applies to the Company's directors, senior executives and employees.</p> <p>The Corporate Governance Plan is posted on the Company's website. <i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p><b>4. Safeguard integrity in corporate reporting</b></p>	
<p>4.1 The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have an audit committee which:           <ul style="list-style-type: none"> <li>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, who is not the chair of the board,</li> </ul>           and disclose:           <ul style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the relevant qualifications and experience of the members of the committee; and</li> <li>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> <li>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</li> </ul>	<p>The Company's Audit and Risk Committee comprises the Mr Jay Stephenson and two non-executive Directors. The committee's charter states:</p> <ul style="list-style-type: none"> <li>the committee must comprise at least three members and all members of the Committee must be non-executive Directors;</li> <li>a majority of the members of the committee must be independent non-executive Directors;</li> <li>the Board will appoint members of the committee. The Board may remove and replace members of the committee by resolution; and</li> <li>The chairman of the committee may not be the Chairman of the Board of Directors and must be independent.</li> </ul> <p>At present, the Chairperson of the Audit and Risk Committee is Mr Jay Stephenson. The Company determined that Mr Stephenson is the most suitable officer of the Company to chair the Audit and Risk Committee due to his competency in corporate governance, accounting and finance and the limited Board size.</p> <p>The Company's Corporate Governance Plan includes an Audit and Risk Committee Charter, which discloses its specific responsibilities.</p> <p>The committee's roles include:</p> <ul style="list-style-type: none"> <li>review the Company's accounting policies, content of financial statements; and the scope of the external audit, its effectiveness, and independence;</li> <li>ensure accounting records are maintained in accordance with statutory and accounting standard requirements;</li> <li>monitor systems used to ensure financial and other information provided is reliable, accurate, and timely;</li> <li>review the audit process with external auditors to ensure full and frank discussion of audit issues;</li> <li>present half and full year financial statements to the Board.</li> </ul> <p>The Corporate Governance Plan is posted on the Company's website.</p> <p>The Company will disclose the number of times that Audit and Risk Committee met throughout the period, and the individual attendances of the members at those committee meetings in the Company's annual reports.</p> <p><i>The Company will continue to maintain an Audit Committee subsequent to the acquisition of Ensurance with changes expected as described below.</i></p> <p><i>Subsequent to the acquisition of Ensurance the Company will have a Board, which consists five of directors of which three are non- executive directors (one being the chairman). The Company will continue to consider a formal structure to more rigorously apply recommendations under this principle. Mr Stephenson will continue as chair of the Audit Committee.</i></p> <p><i>The Company does not expect any further changes to the above subsequent to the acquisition of Ensurance.</i></p>

## PRINCIPLES AND RECOMMENDATIONS

<p>4.2 <i>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</i></p>	<p>The executives acting in the capacities of Chief Executive Officer and Chief Financial Officer declare in writing to the Board that:</p> <ul style="list-style-type: none"> <li>🔍 in their opinion the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company;</li> <li>🔍 the opinion has been formed on the basis of a sound system of risk management and internal compliance and control, which implements the policies adopted by the Board; and</li> <li>🔍 the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.</li> </ul> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance, other than Mr Hicks taking on the role of Managing Director. As the Company does not intend to appoint a CEO at this time, Mr Hicks will undertake the role of a CEO.</i></p>
<p>4.3 <i>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</i></p>	<p>The auditor's representative is present at the AGM to answer questions from Shareholders about the conduct of the audit and preparation and content of the auditor's report.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p><b>5. Make timely and balanced disclosure</b></p>	
<p>5.1 <i>A listed entity should:</i></p> <ul style="list-style-type: none"> <li>(a) <i>have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</i></li> <li>(b) <i>disclose that policy or a summary of it.</i></li> </ul>	<p>The Company's Corporate Governance Plan includes a Continuous Disclosure Policy and details the Company's disclosure requirements as required by the Listing Rules and other relevant legislation.</p> <p>The Company must comply with continuous disclosure requirements arising from legislation and the Listing Rules, to maintain an informed market with respect to its securities.</p> <p>Once the Company becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities, the Company must immediately disclose that information to the ASX.</p> <p>The Company has in place a written policy on information disclosure and relevant procedures. The focus of these procedures is on continuous disclosure compliance and improving access to information for investors.</p> <p>The Company Secretary has been appointed as the person responsible for communication with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements of the ASX Listing Rules, and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media, and the public. All shareholders receive a copy of the Company's annual report.</p> <p>The Company Secretary is responsible for:</p> <ul style="list-style-type: none"> <li>🔍 overseeing and co-ordinating disclosure of information to relevant stock exchanges and Shareholders; and</li> <li>🔍 providing guidance to Directors and employees on disclosure requirements and procedures.</li> </ul> <p>Price sensitive information is publicly released through the ASX. Distribution of other information to Shareholders and market participants is also managed through disclosure to the ASX.</p> <p>Information will be posted on the Company's website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.</p> <p>The Corporate Governance Plan is posted on the Company's website. <i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p><b>6. Respect the rights of security holders</b></p>	
<p>6.1 <i>A listed entity should provide information about itself and its governance to investors via its website.</i></p>	<p>Information about the Company and its governance is available in the Corporate Governance Plan, which includes a continuous disclosure program, is posted on the Company's website at:</p> <p><a href="http://www.parkerresources.com.au/ourcompany-corporategovernance.html">www.parkerresources.com.au/ourcompany-corporategovernance.html</a>.</p>
<p>6.2 <i>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</i></p>	<p>The Board of the Company aims to ensure that the Shareholders are informed of all major developments affecting the Company's state of affairs. The Company's Corporate Governance Plan includes a Shareholder Communication Strategy, which aims to ensure that the Shareholders are informed of all major developments affecting the Company's state of affairs.</p> <p>The Company is committed to keeping Shareholders fully informed of significant developments at the Company. In addition to public announcements of its financial statements and significant matters, the Company provides the opportunity for Shareholders to question the Board and management about its activities at the Company's AGM.</p> <p>The auditor's representative is present at the AGM to answer questions from Shareholders about the conduct of the audit and preparation and content of the auditor's report.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p>6.3 <i>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</i></p>	<p>Refer to 6.2 above.</p> <p>The Corporate Governance Plan is posted on the Company's website.</p>

**PRINCIPLES AND RECOMMENDATIONS**

<p>6.4 <i>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</i></p>	<p>The Company's share registry gives security holders the option to receive communications from and send communications to the entity electronically.</p> <p>Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX.</p> <p>Shareholders queries should be referred to the Company Secretary at first instance.</p>
<p><b>7. Recognise and manage risk</b></p>	
<p>7.1 <i>The board of a listed entity should:</i></p> <p>(a) <i>have a committee or committees to oversee risk, each of which:</i></p> <p>(1) <i>has at least three members, a majority of whom are independent directors; and</i></p> <p>(2) <i>is chaired by an independent director, and disclose:</i></p> <p>(3) <i>the charter of the committee;</i></p> <p>(4) <i>the members of the committee; and</i></p> <p>(5) <i>as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</i></p> <p>(b) <i>if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</i></p>	<p>The Company's Corporate Governance Plan includes a Risk Management Policy.</p> <p>The Board determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p> <p>The Board has delegated to the Audit and Risk Committee responsibility for implementing the risk management system. Refer to 4.1 above for details of the Audit and Risk Committee Charter.</p> <p>The financial position of the Company and matters of risk are considered by the Board. The Board is responsible for ensuring that controls and procedures to identify, analyse, assess, prioritise, monitor and manage risk are in place, being maintained and adhered to.</p> <p>The Board will review assessments of the effectiveness of risk management and internal compliance and control on an annual basis.</p> <p>The Corporate Governance Plan is posted on the Company's website.</p> <p>The Company will disclose the number of times that Audit and Risk Committee met throughout the period, and the individual attendances of the members at those committee meetings in the Company's annual reports.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p>7.2 <i>The board or a committee of the board should:</i></p> <p>(a) <i>review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</i></p> <p>(b) <i>disclose, in relation to each reporting period, whether such a review has taken place.</i></p>	<p>Refer to 7.1 above.</p>
<p>7.3 <i>A listed entity should disclose:</i></p> <p>(a) <i>if it has an internal audit function, how the function is structured and what role it performs; or</i></p> <p>(b) <i>if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</i></p>	<p>The Company currently has no internal audit function. Refer to 7.1 above.</p>
<p>7.4 <i>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</i></p>	<p>The Company discloses all material risks in its annual financial statements.</p>



**PRINCIPLES AND RECOMMENDATIONS**

**8. Remunerate fairly and responsibly**

<p><b>8.1</b> <i>The board of a listed entity should:</i></p> <p>(a) <i>have a remuneration committee which:</i></p> <p>(1) <i>has at least three members, a majority of whom are independent directors; and</i></p> <p>(2) <i>is chaired by an independent director, and disclose:</i></p> <p>(3) <i>the charter of the committee;</i></p> <p>(4) <i>the members of the committee; and</i></p> <p>(5) <i>as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</i></p> <p>(b) <i>if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</i></p>	<p>The Company's Corporate Governance Plan includes a Remuneration Committee Charter which discloses the specific responsibilities of the committee.</p> <p>Although no formal Remuneration Committee has been established, the Board currently serves as the Remuneration Committee.</p> <p>It is considered that the size of the Board along with the level of activity of the Company renders this impractical and the Board, acting without the affected director participating in the decision making process, currently serves as a remuneration committee.</p> <p>The Company's Corporate Governance Plan states that:</p> <ul style="list-style-type: none"> <li>• the committee shall comprise at least two Directors and be chaired by an independent Director who will be appointed by the Board;</li> <li>• the Board may appoint such additional non-executive Directors to the committee or remove and replace members of the committee by resolution; and</li> <li>• a quorum will comprise any two independent non-executive Director committee members.</li> </ul> <p>The Board does not currently consider that the Company is of sufficient size to justify the appointment of additional directors for the sole purpose of satisfying this recommendation as it would be cost prohibitive and counter-productive.</p> <p>As the operations of the Company develop and the composition of the Board changes the Board will reassess the formation of the remuneration committee.</p> <p>The Corporate Governance Plan is posted on the Company's website.</p> <p>The Company will disclose the number of times that Remuneration Committee met throughout the period, and the individual attendances of the members at those committee meetings in the Company's annual reports.</p> <p><i>Subsequent to the acquisition of Ensurance, the Company will have a Board, which consists five of directors of which three are non- executive directors (one being the chairman). The Company will continue to consider a formal structure to more rigorously apply recommendations under this principle.</i></p>
<p><b>8.2</b> <i>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</i></p>	<p>The Company's constitution provides that the remuneration of non-executive Directors will not be more than the aggregate fixed sum set by the constitution and subsequently varied by resolution at a general meeting of Shareholders.</p> <p>Subject to the Corporations Act and to the provisions of any contract between the Company and a Managing Director or executive officer, the remuneration of the Managing Director or executive officer is fixed by the Directors and may be by way of fixed salary or participation in profits of the Company or of any other company in which the Company is interested or by any or all of those modes but may not be by way of commission on or percentage of operating revenue of the Company.</p> <p><i>The Company does not expect any changes to the above policies subsequent to the acquisition of Ensurance.</i></p>
<p><b>8.3</b> <i>A listed entity which has an equity-based remuneration scheme should:</i></p> <p>(a) <i>have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</i></p> <p>(b) <i>disclose that policy or a summary of it.</i></p>	<p>The Company's Board, acting in the capacity of the Remuneration Committee is charged with reviewing, managing and disclosing the policy (if any) on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. The Remuneration Committee Charter states that the Remuneration Committee must review and approve any equity based plans and other incentive schemes.</p> <p>A copy of the Remuneration Committee Charter is available on the Company's website.</p> <p><i>Subsequent to the acquisition of Ensurance, the Company will have a Board, which consists five of directors of which three are non- executive directors (one being the chairman). The Company will continue to consider a formal structure to more rigorously apply recommendations under this principle.</i></p>

## 7 ADDITIONAL INFORMATION

### 7.1 TAX STATUS AND FINANCIAL YEAR

The Company is taxed in Australia as a public company. The financial year of the Company ends on 30 June.

### 7.2 LITIGATION

As at the date of this Prospectus, the Directors are not aware of any legal proceedings which have been threatened or actually commenced against the Company or any member of the **Ensurance Group**.

### 7.3 RIGHTS ATTACHING TO SECURITIES

The Shares offered under this Prospectus will be fully paid ordinary shares in the issued capital of the Company and will, upon issue, rank equally with all other Shares then on issue.

The rights attaching to Shares are set out in the Company's Constitution and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules and general law.

#### 7.3.1 Shares

The following is a summary of the more significant rights and liabilities of the holders of Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities attaching to Shares. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### General Meeting

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's Constitution, the Corporations Act or the Listing Rules.

#### Voting

Subject to any rights or restrictions for the time being attached to any class or classes of Shares whether by the terms of their issue, the Constitution, the Corporations Act or the Listing Rules, at a general meeting of the Company every holder of Shares present in person or by a representative has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per Share on a poll. A person who holds an ordinary share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid. Where there are two or more joint holders of the Shares the vote of the senior who tenders a vote, whether in person or by proxy, attorney or Representative, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Shareholders.

#### Issues of Further Shares

The Directors may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.

#### Variation of Rights

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares. At present, the Company has on issue two classes of shares only, namely ordinary shares and partly paid shares.



The rights attached to the shares in any class may be altered only by a special resolution of the Company and a special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.

#### Transfer of Shares

Subject to the Company's Constitution, the Corporations Act, the ASX Settlement Business Rules and the Listing Rules, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Business Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act. The Company may decline to register a transfer of Shares in the circumstances described in the Company's Constitution and where permitted to do so under the Listing Rules. If the Company declines to register a transfer, the Company must, within five business days after the transfer is lodged with the Company, give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of Shares when required by law, by the Listing Rules or by the ASX Settlement Business Rules.

#### Partly Paid Shares

The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the Listing Rules, issue partly paid shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.

#### Dividends

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time decide to pay a dividend to the Shareholders entitled to the dividend, payable on all Shares according to the portion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares. The Directors may rescind a decision to pay a dividend if they decide, before the payment date, that the Company's financial position no longer justifies the payment.

No dividend shall carry interest as against the Company.

#### Winding Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company (exclusive of uncalled capital to the extent permitted by law), and may for that purpose set such value as he considers fair upon any property to be so divided. Such division, to the extent permitted by law, is to be made regardless of whether the Shares of each Shareholder are fully or only partially paid up and otherwise, the liquidator may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

#### Dividend Reinvestment Plan (DRP)

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, establish and maintain a DRP under which (among other things) a Shareholder may elect that dividends declared by the Company from time to time be reinvested by way of subscription for Shares in the Company.

Any resolution passed by the Directors establishing a DRP may, at any time, be amended or revoked by the Company by ordinary resolution in general meeting.

## Directors

The Directors of the Company are not required to hold any shares.

## Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of votes validly cast for Shares at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 7.4 TERMS AND CONDITIONS OF OPTIONS

### 7.4.1 Existing Options

As at the date of this Prospectus, the Company has a total of 1,000,000 Options on issue on the following terms and conditions.




The Options held by the Optionholder are exercisable in whole or in part on or before 19 September 2016 (**Exercise Period**). Options not exercised before the expiry of the Exercise Period will lapse.

Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price of \$0.20 per Option in cleared funds.

The Company will not apply for official quotation on ASX of the Options. An application may be lodged at a later date to list the Options in the sole discretion of the Board of the Company should the Board consider that there is sufficient spread of Optionholders to result in a market for the Options on ASX.

The Company will make application for official quotation on ASX of new shares allotted on exercise of the Options. Those Shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the Options will qualify for dividends declared after the date of their allotment.

Options are not transferable, except that if at any time before expiry of the Exercise Period the Optionholder dies, the legal personal representative of the deceased Optionholder may:

-  elect to be registered as the new holder of the Options;
-  whether or not he becomes so registered, exercise those Options in accordance with the terms and conditions on which they were granted; and
-  if the deceased has already exercised the Options, pay the exercise price in respect of those Options.

An Option-holder may only participate in new issues of securities to holders of ordinary shares in the Company if the Option has been exercised and Shares allotted in respect of the Option before the record date for determining entitlements to the issue.

If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

If the Company makes a rights issue (other than a bonus issue), the exercise price of Options on issue will not change.

If, during the currency of the Options the issued capital of the Company is reorganised, those Options will be reorganised to the extent necessary to comply with ASX Listing Rules and the Corporations Act at the time of reorganisation.

## 7.5 TERMS AND CONDITIONS OF PARTLY PAID SHARES

The following is a summary of the more significant rights of the holders of Partly Paid Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities attaching to Partly Paid Shares:

- (a) Each Partly Paid Share is issued at a price of 20 cents of which 0.01 cent is paid on issue with the balance of the issue price payable at the election of the holder at any time within five years of issue of the existing Partly Paid Shares (which issue occurred on 24 June 2011), subject to points (b) and (c) below.
- (b) The holder shall have the right to pay calls in advance on the Partly Paid Shares issued. Any notice of payment of calls in advance by the holder (**Payment Notice**) shall be in writing and delivered to the registered office of the Company. The Payment Notice shall specify the number of Partly Paid Shares in respect of which such payment is being made, the amount per Partly Paid Share which is being paid up, and shall be accompanied by the appropriate payment for the number of Partly Paid Shares specified in the Payment Notice. The Directors of the Company must, within three days after receipt of the Payment Notice, accept payment, credit the amount paid up and issue the appropriate holding statement for fully paid shares in respect of any Partly Paid Shares which have been fully paid up.
- (c) The Partly Paid Shares will not be subject to calls by the Company and any of the Partly Paid Shares which are not fully paid up at the expiration of 60 months of issue of the existing Partly Paid Shares (which issue occurred on 24 June 2011) shall be forfeited (in accordance with the Constitution) and the holder shall have no right to pay up and shall retain no rights in relation thereto.
- (d) A statement of holding will be issued for the Partly Paid Shares and will be forwarded to the holder, together with the terms and conditions of the Partly Paid Shares.
- (e) Dividends may be declared in respect of any of the Partly Paid Shares notwithstanding that the issue price of such Partly Paid Shares has not been paid in full.
- (f) The holder will be entitled to exercise any vote attaching to a Partly Paid Share at general meetings of members in accordance with the Constitution. Under the Constitution, on a poll, Partly Paid Shares have a vote pro-rata to the proportion of the total issue price paid up. Amounts paid in advance of a call will be ignored when calculating the proportion.
- (g) Partly Paid Shares allotted to the holder will participate in all issues of securities (including issues of shares, options and convertible notes) made to Shareholders pro-rata to the proportion of the total issue price paid up. In respect of an issue of bonus securities, amounts paid in advance of a call will be ignored when calculating the proportion.
- (h) The Company will ensure that, at least nine business days before the record date to determine entitlement to any such new issue, the Company will notify the holder of the proposed new issue. This will afford the holder an opportunity to pay up all or some of the Partly Paid Shares prior to the record date of any such new issue.
- (i) In the event of a reconstruction (including consolidation, sub division, reduction or return) of the issued capital of the Company, the number of Partly Paid Shares shall be reconstructed in accordance with the Listing Rules.
- (j) Subject to the Partly Paid Shares becoming fully paid, the Company will apply for listing of the fully paid shares on the ASX.
- (k) In the event of death of the holder, the right of the holder to pay up the Partly Paid Shares which are not at the time of the death of the holder fully paid up, will vest in the holder's executor and/or administrator as the case may be and such executor and/or administrator shall have the same rights to pay up the Partly Paid Shares as such deceased holder would have had but for the holder's death.
- (l) Upon becoming fully paid, each Partly Paid Share will rank equally in all respects with the other issued fully paid ordinary shares in the Company.
- (m) Subject to the Listing Rules, the Partly Paid Shares, whilst partly paid, shall not be capable of transfer or assignment either in whole or in part without the approval of the Directors.

## 7.6 EMPLOYEE SHARE OPTION SCHEME

The Company has established an employee share Option scheme (**Scheme**). The Scheme is designed to provide eligible participants with an ownership interest in the Company and to provide additional incentives for eligible participants to increase profitability and returns to Shareholders.

A summary of the Scheme is set out below for the information of potential investors in the Company. The detailed terms and conditions of the Scheme may be obtained free of charge by contacting the Company.

**(a) General**

The Board may from time to time, in its absolute discretion, offer to grant Options to eligible participants under the Scheme.

Each Option will be issued for no consideration and will carry the right in favour of the Optionholder to subscribe for one Share in the capital of the Company.

The Board may determine the exercise price of the Options in its absolute discretion provided the exercise price shall not be less than the weighted average of the last sale price of the Company's Shares on the ASX at the close of business on each of the five business days immediately preceding the date on which the Directors resolve to grant the Options.

**(b) Eligible Participants**

Full time employees, part time employees and consultants of the Company or an associated body corporate are eligible to participate in the Scheme.

**(c) Lapse of Options**

Unless the Board in its absolute discretion determines otherwise, Options shall lapse upon the earlier of:

- (i) the expiry of the exercise period;
- (ii) the Optionholder ceasing to be within the category of eligible participant by reason of dismissal, resignation or termination of employment, office or services for any reason, except the Directors may resolve within 30 days of such dismissal, resignation or termination, that the Options shall lapse on other terms they consider appropriate;
- (iii) the expiry of one year after the Optionholder ceases to be within the category of eligible participant by reason of retirement; and
- (iv) a determination by the Directors that the Optionholder has acted fraudulently, dishonestly or in breach of his or her obligations to the Company or an associated body corporate.

**(d) Participation in Future Issues**

There are no participating 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. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least seven business days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

Subject to the Listing Rules, if during the exercise period in respect of an Option, the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares, the exercise price of the Options shall be reduced in accordance with following formula:

$A = O - \frac{E [ P - ( S + D ) ]}{( N + 1 )}$	<b>Where:</b> <b>A</b> = the new exercise price of the Option; <b>O</b> = the old exercise price of the Option; <b>E</b> = the number of underlying Shares into which one Option is exercisable; <b>P</b> = the average closing sale price per Share (weighted by reference to volume) during the five business days ending on the day before the ex-rights date or ex entitlements date; <b>S</b> = the subscription price for a security under the pro rata issue; <b>D</b> = the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro rata issue); and <b>N</b> = the number of securities with rights or entitlements that must be held to receive a right to one new security.
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In the event of a bonus issue of Shares being made pro-rata to Shareholders (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue. No adjustment will be made to the exercise price per Share of the Option.

(e) **Quotation**

Options will not be quoted on ASX. However, application will be made to ASX for official quotation of the Shares issued pursuant to the exercise of Options if the Company's Shares are listed on ASX at that time.

(f) **Reorganisation**

The terms upon which Options will be granted will not prevent them being reorganised as required by the Listing Rules on the reorganisation of the capital of the Company.

(g) **Trigger Events**

Upon the occurrence of a Trigger Event (as defined below) the Directors may determine:

- ☞ that the Options may be exercised at any time from the date of such determination, and in any number until the date determined by the Directors acting bona fide so as to permit the holder to participate in any change of control arising from a Trigger Event, provided that the Directors will forthwith advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or
- ☞ to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Trigger Event in which case the Directors shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within ten days, shall lapse.

A Trigger Event means:

- ☞ the despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
- ☞ the announcement of a takeover bid or receipt by the Company of a bidder's statement in respect of the Company; or
- ☞ the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Option, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

## 7.7 INTERESTS OF DIRECTORS AND PROPOSED DIRECTORS

Except as disclosed in this Prospectus, no Director or Proposed Director (whether individually or in consequence of a Director's or Proposed Director's association with any company or firm or in any material contract entered into by the Company) holds, or has held, in the two year period ending on the date of this Prospectus, any interest in:

- ☞ the formation or promotion of the Company;
- ☞ any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- ☞ the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, shares, options or otherwise) have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director or Proposed Director or to any company or firm with which a Director or Proposed Director is associated:

- ☞ to induce him or her to become, or to qualify as, a Director; or

- ↳ for services rendered by him or her or any company or firm with which the Director or Proposed Director is associated in connection with:
  - ▶ the formation or promotion of the Company; or
  - ▶ the Offer.

## 7.8 INTERESTS OF EXPERTS AND ADVISORS

Except as disclosed in this Prospectus, no:

- ↳ promoter of the Company;
- ↳ underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue; or
- ↳ person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus,

nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- ↳ the formation or promotion of the Company;
- ↳ any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- ↳ the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, shares, options or otherwise) have been paid or agreed to be paid or and no benefits have been given or agreed to be given to any of these persons for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

### 7.8.1 Pendragon Capital Ltd (**Pendragon**)

Pendragon has acted as the Investigating Accountant. As investigating accountant, Pendragon have been involved in undertaking due diligence in relation to financial and taxation matters and preparing pro-forma financial accounts, and has prepared the Investigating Accountant's Report which has been included in Section 4 on page 44 of the Prospectus. In respect of this work the Company estimates it will pay Pendragon a total of \$10,000 (exclusive of GST) for these services.

Other than the above, during the two year period preceding the lodgement of this Prospectus with ASIC, Pendragon has not received fees from the Company for any other services.

### 7.8.2 Steinepreis Paganin

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer and has assisted the Company with the preparation of this Prospectus and other matters associated with the Acquisition. The Company estimates that it will pay Steinepreis Paganin \$100,000 (excluding GST and disbursements) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

During the two year period preceding the lodgement of this Prospectus with ASIC, Steinepreis Paganin has received \$32,687 (exclusive of GST) from the Company for other services.

### 7.8.3 Wolfstar Group Pty Ltd (**Wolfstar**)

Wolfstar has acted as Corporate Adviser to the Company in relation to this Prospectus. In respect of this work, the Company has agreed to pay Wolfstar an hourly rate based on a time incurred for these services up to the date of this Prospectus. The Company expects to pay approximately \$49,000 for the services (excluding GST). To date the Company has paid \$38,186 in fees in respect to this Offer.

In addition, Wolfstar has provided CFO and Company Secretarial services to the Company. In respect of this work, the Company has incurred fees \$135,556, over the previous two years prior to the date of this Prospectus.

Other than the above, during the two year period preceding the lodgement of this Prospectus with ASIC, Wolfstar has not received fees from the Company for any other services.

#### 7.8.4 Patersons Securities Limited (Patersons)

Patersons has acted as Lead Manager to the Offer. Details of the agreement with Lead Manager are set out in Section 1.8 on page 28 of this Prospectus. The Company estimates that it will pay Patersons Securities Limited 6% of funds raised under the Offer (between \$90,000 and \$120,000) (excluding GST) for these services.

During the two year period preceding the lodgement of this Prospectus, Patersons Securities Limited has received fees of \$2,132 (excluding GST) from the Company for other services.

Other than the above, during the two year period preceding the lodgement of this Prospectus with ASIC, Patersons has not received any fees from the Company.

### 7.9 CONSENTS

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based, other than as specified in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

#### 7.9.1 Pendragon Capital Ltd

Pendragon has given its written consent to the inclusion in Section 4 of this Prospectus of its Investigating Accountant's Report in the form and context in which the report is included, and to being named as Investigating Accountant, and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

#### 7.9.2 Steinepreis Paganin

Steinepreis Paganin has given and, as at the date of this Prospectus, has not withdrawn its written consent to be named as solicitors to the Company in this Prospectus and has not authorised or caused the issue of any part of this Prospectus.

#### 7.9.3 Wolfstar Group Pty Ltd

Wolfstar has given and, as at the date of this Prospectus, has not withdrawn its written consent to be named as the Corporate Adviser to the Company in this Prospectus and has not authorised or caused the issue of any part of this Prospectus.

#### 7.9.4 Patersons Securities Limited

Patersons has given and, as at the date of this Prospectus, has not withdrawn its written consent to being named as the Lead Manager of the Offer in the Prospectus and has not authorised or caused the issue of the Prospectus.

#### 7.9.5 Other Persons

There are a number of other persons referred to in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in this Prospectus and did not authorise or cause this issue of the Prospectus.



### 7.10 ELECTRONIC PROSPECTUS

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by an Application Form. If you have not, please email the Company at [info@parkerresources.com.au](mailto:info@parkerresources.com.au) and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at [www.parkerresources.com.au](http://www.parkerresources.com.au).

The Corporations Act prohibits any person from passing on to another person the Application Form unless it is attached to or accompanies a hard copy of the Prospectus or a complete and unaltered electronic copy of this Prospectus. The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with this Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

### 7.11 CONTINUOUS DISCLOSURE OBLIGATIONS

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

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to the ASX. In addition, the Company posts this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## 8 DIRECTORS' CONSENTS

This 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 and Proposed Director has consented to the lodgement of this Prospectus with the ASIC.

Dated this 6<sup>th</sup> day of February 2015

Signed for and on behalf of the Company



**BRIAN THOMAS**

Chairman

PARKER RESOURCES LIMITED

**9 DEFINITIONS**

In this Prospectus, unless the context otherwise requires:

**A\$ and \$** means Australian dollars, unless otherwise stated.

**Acquisition** means the acquisition by the Company of all the issued share capital of Ensurance, including an indirect 100% interest in the issued share capital of Ensurance Underwriting via Ensurance acquiring the 10% interest in Ensurance Underwriting which it does not already own.

**AFSL** means an Australian Financial Services Licence.

**Applicant** means a person who submits an Application Form under this Prospectus.

**Application** means a valid application to subscribe for Shares.

**Application Form** means the application form contained in this Prospectus or a copy of the application form contained in this Prospectus or a direct derivative of the application form which is contained in this Prospectus.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means the Australian Securities Exchange and ASX Limited (ACN 008 624 691).

**AWST** means Australian Western Standard Time (UTC +8:00).

**Board of Directors** and **Board** means the board of Directors of the Company as constituted from time to time.

**Business Day** means a day on which the trading banks are open in Perth, Western Australia.

**Closing Date** means the closing date of the Offer as set out in the indicative timetable on page 14 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

**Company** or **Parker** means Parker Resources Limited (ABN 80 148 142 634).

**Consideration Shares** has the meaning given in section 5.1.1 of this Prospectus.

**Constitution** means the constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company.

**EL** and **Exploration Licence** means an area granted under the Mining Act in respect to mineral exploration.

**Ensurance** means Ensurance Capital Pty Ltd (ACN 158 971 718).

**Ensurance Group** means Ensurance and its five subsidiaries, being SHC, SHC (NSW), Ensurance Underwriting, Ensurance IT and Ensurance Life.

**Ensurance IT** means Ensurance IT Pty Ltd (ACN 090 514 015).

**Ensurance Life** means Ensurance Life Pty Ltd (ACN 602 344 178).

**Ensurance Underwriting** means Ensurance Underwriting Pty Ltd (ACN 158 973 365).

**General Meeting** means the meeting of Shareholders held on 12 January 2015 to consider the business set out in the Notice of Meeting.

**Group** means the combined entity subsequent to the acquisition of Ensurance, comprising Parker and the Ensurance Group.

**HIN** means holder identification number.

**Issue** means the issue of Shares pursuant to this Prospectus.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means listing rules of the ASX.

**Maximum Subscription** means \$2,000,000 or 9,090,909 Shares

**Minimum Subscription** means \$1,500,000 or 6,818,182 Shares.

**Notice of Meeting** means the notice of general meeting dated 11 December 2014.

**Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.

**Offer** means the invitation to apply for Shares pursuant to this Prospectus.

**Official List** means the Official List of the ASX.

**Opening Date** means the date specified in the indicative timetable on page 14 of this Prospectus.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Oversubscription** means \$500,000 or 2,272,727 Shares taking total subscription in this case to \$2,000,000 or 9,090,909 Shares.

**Partly Paid Share** means shares issued without the Company requiring the full payment of the issuance price at the date of issuance.

**Proposed Director** or **Incoming Director** means Stefan Hicks, Brett Graves and Neil Pinner.

**Prospectus** means this disclosure document.

**Quotation** means quotation of the Shares on the Official List.

**Share Registry** means Computershare Investor Services Pty. Limited.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**SHC** means Savill Hicks Corp. Pty. Ltd. (ACN 009 392 125).

**SHC (NSW)** means Savill Hicks Corp (NSW) Pty Ltd.

**Tenement** means Western Australian Exploration Licence 20/717.

**Vendors** means the shareholders of Ensurance (being Brett Graves and Kerrie Graves as trustees of the B & K Graves Family Trust, Stefan Hicks as trustee of the Hicks Family Trust and Stefan Hicks) and Maplaljac Pty Ltd as trustee for Maplaljac Family Trust (entities controlled by Mr Michael Huntly), the holder of a 10% interest in Ensurance Underwriting.



**How to complete this Application Form**

<p><b>A Number of Shares applied for</b> Enter the number of Shares you wish to apply for. The Application must be for a minimum of 9,091 Shares (\$A2,000).</p> <p><b>B Application Monies</b> Enter the amount of Application Monies. To calculate the amount, multiply the number of Shares applied for in Step A by the Issue Price of A\$ 0.22.</p> <p><b>C Applicant Name(s)</b> Enter the full name you wish to appear on the statement of shareholding. This must be either your own name or the name of a company. Up to 3 joint Applications may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHES) participants should complete their name identically to that presently registered in the CHES system.</p> <p><b>D Postal Address</b> Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.</p> <p><b>E Contact Details</b> Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.</p>	<p><b>F CHES</b> Parker Resources Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold Shares issued to you under this Application on the CHES Subregister, enter your CHES HIN. Otherwise, leave this section blank and on issue, you will be sponsored by Quintessential Resources Ltd and allocated a Securityholder Reference Number (SRN).</p> <p><b>G Payment</b> Make your payment by direct debit, cheque, bank draft or money order payable in Australian dollars to 'Parker Resources Limited' and if using a cheque cross it <b>'Not Negotiable'</b>. Cheques must be drawn from an Australian bank. Cash will not be accepted. The total payment amount must agree with the amount shown in Step B. Complete the cheque details in the boxes provided. Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Application Form. Receipts will not be forwarded. When paying by Direct debit the application form must still be submitted for your application to processed.</p>
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Before completing the Application Form the Applicant(s) should read this Prospectus to which this Application relates. By lodging the Application Form, the Applicant agrees that this Application for Shares in Parker Resources Limited is upon and subject to the terms of the Prospectus and the Constitution of Parker Resources Limited agrees to take any number of Shares that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

**Lodgement of Application**

Application Forms must be received by Computershare Investor Services Pty Limited (CIS) by no later than 5.00pm WST on 5 March 2015, you should allow sufficient time for this to occur. Return the Application Form with cheque, bank draft or money order attached to:

**Computershare Investor Services Pty Limited**  
GPO Box D182  
Perth WA 6840

Neither CIS nor Parker Resources Limited accepts any responsibility if you lodge the Application Form at any other address or by any other means.

**Privacy Notice**

The personal information you provide on this form is collected by CIS, as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided overleaf or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.

**Correct forms of registrable title(s)**

Note that ONLY legal entities are allowed to hold Shares. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Parker Resources Limited. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual: use given names in full, not initials	Mr John Alfred Smith	JA Smith
Company: use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings: use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts: use the trustee(s) personal name(s)	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates: use the executor(s) personal name(s)	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18): use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships: use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names: use office bearer(s) personal name(s)	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds: use the name of the trustee of the fund	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund