



# ENERGY WORLD CORPORATION LTD.

9A Seaforth Crescent,  
Seaforth NSW 2092, Australia.

Tel : (61 2) 9247 6888  
Fax: (61 2) 9247 6100

15 May 2015

The Listing Manager  
Company Announcement Platform  
ASX Limited

**FOR IMMEDIATE RELEASE**

The Manager  
ASX Company Announcements  
ASX Limited  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

**EWC to raise up to \$75 million via a fully underwritten, non-renounceable pro rata rights issue of partly paid Convertible Notes**

- **Fully underwritten non-renounceable pro rata rights issue of approximately 750,000 Convertible Notes to raise approximately \$75 million (before costs). Eligible Shareholders are entitled to subscribe for 1 Convertible Note for every 2,312 Ordinary Shares held as at the Record Date.**
- **As previously announced by the Company in its Appendix 4D for the half year end 31 December 2014, the Company have reached an agreement with EWI, to provide a US\$25M working capital facility as an advancement under the current AUD75M Convertible Note. On 15 March 2015 EWI made available to the Company the US\$25M working capital funds which have been used by the Company to continue to advance the development of key projects in Indonesia and the Philippines.**
- **The proceeds of the rights issue, will therefore be partly used to offset (in whole or in part, depending on the amount raised under the rights issue) the working capital funds already advanced from EWI and the balance of the proceeds of the rights issue will provide the Company with additional funds to continue to advance the development of key projects in Indonesia and the Philippines.**

**Sydney: 15 May 2015:** Energy World Corporation Limited (ACN 009 124 994) (**EWC** or the **Company**) today announces a fully underwritten, non-renounceable pro rata offer of partly paid Convertible Notes (**Offer**).

The purpose of the Offer is to raise approximately \$75 million (before Offer costs), which, in addition to offsetting the funds previously advanced by EWI under the working capital facility, will also assist with progressing:

- the advancement of the construction and commissioning of the first 0.5MTPA LNG train (with a view to commencing operations during 2015); and
- the advancement of construction of 2 x 200MW gas turbines as part of the first phase of the Company's Philippines power plant development.

REGISTERED OFFICE ADDRESS

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CITIC CLSA (CLSA) were appointed as financial advisor to the Company for this transaction to guide the commercial arrangements of the Note facility and, on the Company's behalf to contact and liaise with Shareholders in connection with the underwriting and take up by Shareholders of the Note.

Following the recommendations and advice received from CLSA, EWI were approached and agreed to underwrite the proposed fund raising. It should be noted however that other Shareholders who have been approached will also have the right to join the underwriting should they wish to do so. Underwriting and future take up under the Note is therefore subject to decisions to be taken by Shareholders, and at this time certain Shareholders approached, other than EWI, are still considering their positions.

The Offer is fully underwritten by Energy World International Limited (**EWI**), which has confirmed that it will take up its full pro rata entitlement. CLSA have recommended to the Company and its Directors that the terms of the underwriting agreed with EWI are considered to be fair and reasonable, at an arms length basis, and within market practice.

### Offer details

The Offer is for the issue of approximately 750,000 Convertible Notes, with a face value of \$100 each, for the purposes of raising approximately \$75 million.

Under the Offer, eligible shareholders of the Company described below (**Eligible Shareholders**) have the opportunity to subscribe for 1 Convertible Note for every 2,312 ordinary shares in the Company (**Ordinary Shares**) held as at 5.00pm (AEST) on Thursday, 28 May 2015 (**Record Date**).

Eligible Shareholders are:

- those Shareholders registered as Shareholders as at 5:00 pm AEST on 28 May 2015 (**Record Date**) who have a registered address in Australia, New Zealand, Hong Kong, Singapore, the United Kingdom or the United States; and
- in the case of a person with a registered address in the United States, that person (and the beneficial holder, if any, on whose behalf that person is acting) is a Qualified Institutional Buyer (a **QIB**) for the purposes of the United States Securities Act of 1933, as amended.

The Company has reserved the right to reject any application for Notes that it believes comes from a person who is not an Eligible Shareholder.

The Offer will incorporate a shortfall facility under which Eligible Shareholders can apply to take up additional Convertible Notes in excess of their pro rata Entitlement (**Shortfall Facility**). Applications under the Shortfall Facility will only be considered to the extent there is a shortfall under the Offer, and will be subject to the terms set out in the Prospectus issued in connection with the Offer (**Prospectus**).

For more information about the Offer and who is eligible to participate, please refer to the Prospectus.

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### **Key features of the Convertible Notes**

The Convertible Notes are unsecured loans to EWC, and carry the right to be converted into Ordinary Shares.

The Convertible Notes also carry an entitlement to interest, fixed at a rate of 2.5% per annum and payable semi-annually in arrears on 30 June and 31 December. The first interest payment will be paid on 30 June 2015, and the final interest payment will be paid on the earlier of the Redemption Date, the Conversion Date or the Maturity Date (as defined in the Prospectus).

The face value of the Convertible Notes is payable in two instalments, with 50% payable upon Application (**First Instalment Amount**) and the remaining 50% to be paid six months after the Convertible Notes' Issue Date (**Second Instalment Amount**). Until the second instalment is paid the Convertible Notes will only receive interest on the First Instalment Amount.

If the Second Instalment Amount is not received by the Second Instalment Date (as defined in the Prospectus), interest will continue to accrue and be paid only on the First Instalment Amount. If the Second Instalment Amount is received by the Second Instalment Date, interest accrues from that date on the face value.

The Convertible Notes are subordinated, ranking after secured and unsecured subordinated creditors on the winding up of the Company.

The Convertible Notes will be convertible into Ordinary Shares at the price of \$0.50 per share. Conversion is only possible after payment of the Second Instalment Amount and up to 35 business days before the redemption date referred to below.

Any Convertible Notes which have not been converted by 31 December 2018 will be redeemed by EWC on that date.

The Convertible Notes will not be quoted on ASX or any other stock exchange.

For further details regarding the Convertible Notes, please refer to section 2 of the Prospectus.

### **Underwriting arrangements**

The Offer is fully underwritten by EWI, and EWI has confirmed that it will take up its full pro rata Entitlement. If not all Entitlements under the Offer are accepted, a Shortfall Facility will allow Eligible Shareholders to subscribe for additional Convertible Notes.

EWI will also be eligible to take part in the Shortfall Facility, to the extent that any unsubscribed Convertible Notes remain in the Shortfall Facility after Eligible Shareholders have subscribed for additional Convertible Notes.

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Further details regarding the underwriting arrangements and Shortfall Facility are set out in section 1 and 9.12 of the Prospectus.

## Indicative timetable

Event	Timing
<b>Announcement of Offer</b>	15 May 2015
Lodgement Date (Prospectus lodged with ASIC) Exposure period begins	15 May 2015
Despatch notice to Eligible Shareholders	21 May 2015
Ex-date for entitlements	26 May 2015
Prospectus Exposure Period ends	27 May 2015
<b>RECORD DATE FOR ENTITLEMENT</b>	28 May 2015
Despatch of Prospectus to Eligible Shareholders, and announcement that prospectus has been despatch to Eligible Shareholders <b>OFFER OPENS FOR ACCEPTANCE</b>	2 June 2015
Last day to extend Offer closing date (if required)	9 June 2015
<b>OFFER CLOSES (unless extended)</b>	12 June 2015
Advise ASX of shortfall under entitlement offer	17 June 2015
Allotment and issue of Convertible Notes to shareholders	19 June 2015
Despatch holding statements, and announce despatch to ASX	19 June 2015
Second Instalment Date	21 December 2015
Maturity Date	31 December 2018

Dates and times in the Prospectus are indicative only and subject to change. The Company, in conjunction with the Underwriter reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws to withdraw, or vary the dates and times of the Offer without notice. The Directors also reserve the right to withdraw all or part of the Offer at any time prior to the issue of the Convertible Notes.



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### **Shareholder enquiries**

Eligible Shareholders will be sent full details about the Offer in the Prospectus, a copy of which accompanies this announcement (the Prospectus will also be sent to Eligible Shareholders). Shareholders should read the Prospectus carefully before making any investment decision regarding the Offer.

Anyone who wants to acquire the Notes will need to complete the application form that will be in or will accompany the Prospectus.

Shareholders with any questions regarding the Offer can call the Offer Information Line, which will be open from 2 June 2015 until 12 June 2015 (between 8.30am to 5.00pm on weekdays). Further details regarding the Offer Information Line are contained in the Prospectus.

Yours sincerely,

For and on behalf of

ENERGY WORLD CORPORATION LTD.

A handwritten signature in black ink, appearing to read 'Ian W. Jordan', written in a cursive style.

Ian W. Jordan

Executive Director and Company Secretary

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# Prospectus

15 May 2015

**FOR AN UNDERWRITTEN NON-RENOUNCEABLE PRO RATA RIGHTS ISSUE OF 1 PARTLY PAID UNSECURED SUBORDINATED CONVERTIBLE NOTE FOR EVERY 2,312 ORDINARY SHARES HELD TO RAISE BETWEEN APPROXIMATELY A\$37.5 MILLION AND A\$75 MILLION**

## **Important information**

This is an important document that should be read in its entirety. Convertible Notes are complex and investing in them is subject to a number of risks. You should seek independent professional advice before deciding whether or not to invest in Convertible Notes in response to the Offer under this Prospectus.

This Prospectus is for information purposes only and does not constitute or form part of any offer, invitation or recommendation to sell or issue, or any solicitation of any offer, invitation or recommendation to acquire, subscribe for, or purchase Convertible Notes in any jurisdiction in which such an offer or solicitation is unlawful. The securities referred to in this Prospectus have not been and will not be registered under the US Securities Act, or under the laws of any state or other jurisdiction of the United States, and may not be offered, sold, accepted, taken up, resold, renounced, transferred or delivered, directly or indirectly, in or into the United States, absent registration or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of the states or other jurisdictions of the United States. There is no intention to register any Convertible Notes or any other securities described in this Prospectus in the United States or to conduct a public offering of securities in the United States.

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# Important notice

## This Prospectus

This Prospectus relates to an underwritten pro-rata non-renounceable offer to Eligible Shareholders to subscribe for partly paid, unsecured, subordinated Convertible Notes to be issued by Energy World Corporation Ltd ACN 009 124 994 (**EWC** or the **Company**), a company incorporated and domiciled in Australia.

This Prospectus is important and requires your immediate attention. It should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should consult your stockbroker, solicitor, accountant or other independent professional adviser before deciding whether to invest in Convertible Notes.

There are risks associated with an investment in the Company and Convertible Notes. You should consider the risk factors set out in **Section 7** in light of your personal circumstances (including your financial circumstances and taxation position). There may also be risk factors in addition to those set out in this Prospectus that should be considered in light of your personal circumstances.

The potential tax effects of an investment in Convertible Notes will vary between investors. **Section 8** contains a general overview of the Australian taxation implications of the Offer for Eligible Shareholders. You should, however, satisfy yourself of any potential tax consequences by consulting your professional tax adviser.

The information in this Prospectus is not financial product advice or a recommendation to acquire securities in the Company, and has been prepared without taking into account the specific objectives, financial situation or needs of individuals. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

This Prospectus is dated 15 May 2015 and a copy of this Prospectus was lodged with ASIC on that date. Neither ASIC, ASX nor any of their officers take any responsibility for the contents of this Prospectus or for the merits of the investment to which this Prospectus relates. No Convertible Notes will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

## Prospectus availability

The Company may distribute this Prospectus and Entitlement and Acceptance Forms electronically, provided that the electronic Prospectus is identical to the Prospectus lodged with ASIC and the electronic Prospectus contains the same information in the same sequence and with the same prominence as the Prospectus lodged with ASIC, with the exception of modifications that are immaterial and reflect necessary adjustments or increased functionality when using different electronic media.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by your personalised Entitlement and Acceptance Form. If you have not, please phone the Company on + 61 2 9247 6888 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus (without an accompanying Entitlement and Acceptance Form) from the Company's announcements page on ASX: [www.asx.com.au](http://www.asx.com.au), Company code: EWC.

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

The Offer constituted by this Prospectus in electronic form is only available to persons receiving the electronic Prospectus in Australia.

## Applications

Applications for Convertible Notes under this Prospectus may only be made by Eligible Shareholders on a printed copy of the Entitlement and Acceptance Form attached to or accompanying this Prospectus with an accompanying cheque, bank draft or money order, or alternatively, by making payment for the Convertible Notes applied for via BPAY®. No Entitlement and Acceptance Forms will be accepted if sent in electronic form. The Corporations Act prohibits any person from passing the Entitlement and Acceptance Form onto another person unless it is included in, or accompanied by, a copy of the Prospectus (in hard copy or electronic form).

The Corporations Act prohibits the Company from processing Applications in the seven day period after the date of lodgement of the Prospectus with ASIC (**Exposure Period**). This period may be extended by ASIC for a further period of up to seven days.

Applications received under this Prospectus during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period.

An Applicant will, by submitting an Application, be taken to have represented and warranted to the Company each of the matters referred to in **Section 3.7**.



### **Notice to foreign resident Shareholders**

Due to regulatory requirements, the invitation to apply for Convertible Notes pursuant to this Prospectus is not being extended to Shareholders who, as at the Record Date, have a registered address outside of Australia, New Zealand, Hong Kong, Singapore, the United Kingdom or the United States, although the Company reserves the right to extend the Offer to, and to accept Applications from, Shareholders resident in other jurisdictions. In the case of a Shareholder with a registered address in the United States, to be eligible to participate in the Offer they (and the beneficial holder, if any, on whose behalf they are acting) must be a QIB.

Eligible Shareholders who reside in New Zealand, Hong Kong, Singapore, the United Kingdom or the United States (including New Hampshire specifically) should carefully consider the important information in relation to them in **Section 9.9**, which sets out the specific terms and conditions on which this Offer is made to them.

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 an offer. This Prospectus has not been, nor will it be, lodged, filed or registered with any regulatory authority under the securities laws of any country other than 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 those restrictions may constitute a violation of applicable laws.

### **Financial information and amounts**

The historical financial information included in this Prospectus for the half-year ended 31 December 2014 has been prepared and presented in accordance with Australian Accounting Standards and the Corporations Act and is expressed in US Dollars, except where otherwise stated. Similarly, all other financial amounts referred to in this Prospectus are expressed in US Dollars unless stated otherwise.

Some numerical figures included in this Prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **Forward looking statements**

This Prospectus may contain forward looking statements that are identified by words such as “may”, “could”, “believes”, “estimates”, “expects”, “intends” and other similar words that involve risks and uncertainties that have not been based solely on historical facts, but on the Company’s expectations about future events and results.

You should be aware that because such statements relate to future matters, they are subject to various inherent risks, uncertainties and assumptions that could cause actual results or events to differ materially from expectations described in the forward looking statement. Neither the Company, the Directors, nor any other person named, with their consent, in this Prospectus can assure you that any forward looking statement or implied result will be achieved.

### **Disclaimer**

No person is authorised to give any information or make any representation in connection with the Offer that is not contained in this Prospectus. Investors should not rely on any information that is not contained in this Prospectus in making a decision as to whether to acquire Convertible Notes pursuant to the Offer. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company, its Directors or any other person in connection with the Offer. The Company’s business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

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

### **No quotation**

The Company will not apply to have Convertible Notes quoted on ASX or any other stock exchange.

### **References to time and dates**

All references to time in this Prospectus refer to Australian Eastern Standard Time (**AEST**) unless stated otherwise. The Company reserves the right to amend any or all of the dates and times referred to in this Prospectus without prior notice, subject to the requirements of the Corporations Act, the Listing Rules and any other applicable legal requirement.

### **Accuracy of information**

Diagrams used in the Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available as at the date of this Prospectus.

### **Definitions and abbreviations**

Defined terms and abbreviations used in this Prospectus have the meanings given in the glossary in **Appendix A**.

### **Responsibility Statement by Note Trustee**

Australian Executor Trustees Limited (the **Note Trustee**):

- (a) has not authorised or caused the issue, submission, dispatch or provision of this Prospectus and does not make any statement or purport to make any statement in this Prospectus or any statement on which a statement in this Prospectus

is based;

- (b) nor any of its directors, employees, officers, affiliates, agents, advisors, intermediaries or related body corporate (each a **“related person”**) assumes any responsibility for the accuracy or completeness of any information contained in this Prospectus;
- (c) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation or any statement regarding, and takes no responsibility for, any part of this Prospectus, or any statements in, or omissions from this Prospectus, other than the references to its name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with its written consent;
- (d) has given, and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and content in which it is named;
- (e) nor any related person makes any representation as to the truth and accuracy of the contents of this Prospectus;
- (f) has relied on the Issuer for the accuracy of the contents of this Prospectus; and
- (g) nor any related person makes any representation or warranty as to the performance of Convertible Notes or the payment of interest or Redemption of Convertible Notes.

## About this Prospectus

This Prospectus relates to a pro rata rights issue of Convertible Notes by EWC. Eligible Shareholders have an Entitlement to subscribe for 1 Convertible Note for every 2,312 Ordinary Shares held on the Record Date.

### What you should do

1	Read this Prospectus in its entirety	<p>If you are an Eligible Shareholder, you should read this Prospectus in its entirety before deciding whether or not to apply for Convertible Notes pursuant to the Offer. You should pay particular attention to:</p> <ul style="list-style-type: none"><li>• <b>Section 2</b> for a summary of the details of the Offer;</li><li>• <b>Section 3.7</b> for details of the implications of making an Application;</li><li>• <b>Section 7</b> for a discussion of the <b>risks</b> associated with investing in Convertible Notes;</li><li>• <b>Section 9.3</b> for an overview of the terms of the Note Trust Deed; and</li><li>• <b>Appendix B</b> for the Terms of Issue of Convertible Notes.</li></ul> <p>Eligible Shareholders who reside outside of Australia should also carefully consider the information in <b>Section 9.9</b> that relates to them.</p>
2	Seek further information about EWC and the Convertible Notes to be issued under the Offer	<p>Detailed information regarding Convertible Notes is contained within this Prospectus. A copy of the Note Trust Deed may be obtained, free of charge, from the Company on request or inspected at the office of the Note Trustee.</p> <p>Further information about EWC, including financial accounts, annual reports, and investor presentations, can be obtained via the Company's website at <a href="http://www.energyworldcorp.com">www.energyworldcorp.com</a>.</p> <p>A complete list of EWC's ASX announcements can be viewed at <a href="http://www.asx.com.au">www.asx.com.au</a>. Copies of documents lodged with ASIC can be obtained from, or inspected at, an ASIC office.</p>
3	Consider whether an investment in Convertible Notes is appropriate for you	<p>If you are an Eligible Shareholder, you may take any one of the following three actions in response to the Offer:</p> <ul style="list-style-type: none"><li>• take up some or all of your Entitlement;</li><li>• take up your full Entitlement and apply for additional Convertible Notes; or</li><li>• not take up any of your Entitlement.</li></ul> <p>In deciding which option to take, you should consider all risk factors and other information relevant to an investment in Convertible Notes, both within this Prospectus and otherwise, in light of your personal financial circumstances and objectives.</p> <p>If you are in any doubt as to whether or not to invest in Convertible Notes pursuant to the Offer, you should seek appropriate professional advice.</p>

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4	Respond	<p>If, after completing the three steps above, you have decided to apply for Convertible Notes, you must apply using either the Entitlement and Acceptance Form attached to or accompanying this Prospectus, or directly via BPAY®.</p> <p>Your Entitlement and Acceptance Form and/or your First Instalment Amount must be received by 5:00 pm on 12 June 2015 (the <b>Closing Date</b>). Refer to <b>Section 3</b> for further details on how to apply.</p> <p>If you do not wish to take up your Entitlement to subscribe for Convertible Notes under the Offer, then you do not need to do anything further. Please see <b>Section 5.3</b> for further information on what this means for you.</p>
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### Offer Information Line

If you have any questions in relation to the Offer, you can call the Offer Information Line:

on 1300 850 505 if calling within Australia

**OR**

on +61 3 9415 4000 if calling from outside Australia.

The Offer Information Line will be open weekdays between 8.30am and 5.00pm (AEST) from Tuesday, 2 June 2015 to Friday, 12 June 2015. Please note that the Offer Information Line **cannot** provide you with financial (or other) advice or provide you with a recommendation as to whether or not you should invest in Convertible Notes. Questions of this nature should be directed to your professional adviser(s).

## Key Offer information

Key dates <sup>1</sup>	
Announcement of the Offer	15 May 2015
Lodgement of this Prospectus with ASIC	15 May 2015
Ordinary Shares quoted ex-rights on ASX	26 May 2015
Record Date to determine Entitlements under the Offer	28 May 2015
Dispatch of Prospectus and Entitlement and Acceptance Forms	2 June 2015
Opening Date of the Offer	2 June 2015
Closing Date of the Offer	12 June 2015
Issue Date and dispatch of holding statements	19 June 2015
Second Instalment Date <sup>2</sup>	21 December 2015
Maturity Date	31 December 2018

<sup>1</sup> This timetable is indicative only. References to time are to Australian Eastern Standard Time (**AEST**). The Company reserves the right to vary the dates and times set out above and to withdraw the Offer at any time prior to Convertible Notes being issued, subject to the Corporations Act, Listing Rules, and other applicable legal requirements. In particular, the Company reserves the right to accept late Applications without notifying any recipients of this Prospectus or any Applicants. Eligible Shareholders who wish to submit an Application are encouraged to do so as soon as practicable after the Offer opens, and in any event, by not later than 5:00 pm on the Closing Date.

<sup>2</sup> The Second Instalment Date is the date on which the Second Instalment Amount is due. See **Section 2.3** for further details.

Key Offer statistics	
Amount to be raised <sup>3, 4</sup>	A\$37,500,000 to A\$75,000,000
Approximate number of Convertible Notes to be issued pursuant to the Offer <sup>4</sup>	750,000
Face Value	A\$100 per Convertible Note
First Instalment Amount	A\$50 per Convertible Note
Second Instalment Amount	A\$50 per Convertible Note

<sup>3</sup> The minimum of approximately A\$37.5 million represents the amount that the Company will initially raise under the Offer, calculated as the First Instalment Amount of A\$50 multiplied by 750,000 Convertible Notes. The receipt by the Company of the maximum amount sought to be raised under the Offer is subject to all Holders paying their Second Instalment Amount. See **Section 1** (item 2) for details.

<sup>4</sup> Subject to the effects of rounding. Fractional Entitlements will be rounded up to the next whole number of Convertible Notes, which may result in more than 750,000 Convertible Notes being issued.

# Letter from the Chairman

15 May 2015

Dear Shareholder,

On behalf of the Board of Directors, it is with great pleasure that I invite you to participate in a non-renounceable pro rata rights issue by EWC of partly paid subordinated unsecured Convertible Notes.

We are now at an exciting phase in the growth of our Company. We are working hard to bring a number of our key projects into commercial operation during the course of this calendar year, in particular, the first stage of the Sengkang LNG Project in Indonesia and the first stage of the Philippines Power Plant Project and the Philippines LNG Hub.

The purpose of the Offer is to raise between approximately A\$37.5 million and A\$75 million (before related costs). Energy World International Limited (**EWI**) has made a pre-funding advance of US\$25 million. As at the date of this letter approximately US\$19 million of the US\$25 million advance from EWI has been expended in advancing the development of the Sengkang LNG Project in Indonesia and the first stage of the Philippines Power Plant Project. Proceeds from the Offer will be used to offset the US\$25 million pre-funding advance. The remainder of the Offer proceeds net of costs will also be used for those purposes while we finalise negotiations with financial institutions regarding the provision of project specific credit facilities that, if made available, will provide the Company with sufficient funds to complete construction and development and to refinance some of the capital expenditure committed by the Company in the development phases of these projects to date.

In Indonesia, proceeds from the Offer will be used to assist in advancing construction of the first 0.5MTPA LNG train at the Sengkang LNG Project in order to move towards commissioning this facility. This project is now well advanced with key equipment, including four cold-boxes, compressors and ancillary equipment, already installed on site. The LNG storage tank has been fully slipformed and is now subject to fit out. Jetty works have been finalised and loading arms have been installed. The interconnecting pipework and the installation of the control and instrumentation systems are being completed. PT PLN (Persero) (**PLN**), the party responsible for providing the power supply to the Sengkang LNG Project, has completed the first phase of the interconnecting transmission systems and are on track to supply power to the site prior to the project's commercial operation. We are presently also engaged in LNG product off-take discussions with PLN as it requires LNG for its power operations in eastern Indonesia. Additionally, SKK Migas have recently confirmed the allocation of gas from our WASAMBO fields (part of the Sengkang PSC) for the allocation to PLN for these power plant sites.

In addition to the funding already in place from our own equity, project debt financing for the Sengkang LNG Project is being finalised with a leading Indonesian domestic bank.

In the Philippines, proceeds from the Offer will be used to assist in advancing construction of the first phase of our Philippines Power Plant Project (i.e. 2 X 200MW gas turbines). The power plant we are developing will be a 600 – 650MW (2 X 200MW gas turbines and 1 x 200/250MW steam turbine) gas-fuelled combined cycle power plant. Site foundations for the 2 x 200MW gas turbines (which arrived on site in October 2014) are complete and both gas turbines have been placed onto their permanent foundations with the erection of auxiliary equipment now in progress. Works are ongoing to bring these turbines into commercial operation as soon as possible.

In addition to the funding already in place from our own equity and that of Standard Chartered Private Equity, the Development Bank of the Philippines (**DBP**) is acting as lead arranger and lender to our Philippines Power Plant Project and we anticipate being able to finalise this financing in the coming months.

Under the Offer, Eligible Shareholders have the opportunity to subscribe for 1 Convertible Note for every 2,312 Ordinary Shares held in EWC as at the Record Date, at a Face Value of A\$100 per Convertible Note. The Offer will be underwritten by EWI and EWI has confirmed that it will also take up its full Entitlement. If

all Entitlements under the Offer are not taken up, Eligible Shareholders will be able to subscribe for additional Convertible Notes under the Shortfall Facility.

The Convertible Notes are unsecured loans to EWC and carry the right to be converted into Ordinary Shares in the Company during the Conversion Period. The Convertible Notes are payable in two instalments, with 50% payable when you apply and the remaining 50% to be paid six months from their Issue Date, as detailed in **Section 2.3**. The Convertible Notes are subordinated, ranking after secured and unsecured unsubordinated creditors.

The Conversion Price of the Convertible Notes is A\$0.50 for each Ordinary Share in the Company (subject to certain adjustments detailed in the Terms of Issue). The closing price of Ordinary Shares on 14 May 2015 was A\$0.38. The Conversion Price aligns with the conversion prices for other issues of convertible notes by the Company, namely the issue to Standard Chartered Private Equity on 14 May 2013 of US\$50 million of 5 year exchangeable and convertible notes, and the US\$25 million issue of 5 year convertible notes to EWI approved by Shareholders on 21 November 2014.

While an investment in an energy business such as EWC and the projects that it has under development involves a number of risks, some of which are described in this Prospectus, an investment in Convertible Notes represents an opportunity for you to participate further in our exciting future.

On behalf of my fellow Directors, I encourage you to read this Prospectus in its entirety and to seek appropriate professional advice prior to deciding whether to invest.

We commend the Offer to Eligible Shareholders and look forward to your continued support of our business.

Yours truly,

Stewart Elliott  
Chairman

# 1 Summary of the Offer

This section contains a summary of the key features of the Offer and is not intended to be a comprehensive description of either the Offer or the Terms of Issue. This overview should be read in conjunction with the remainder of this Prospectus.

Item	Topic	Summary	For more information
1	<b>What is the Offer?</b>	<p>The Offer is a non-renounceable pro rata rights issue to Eligible Shareholders of 1 Convertible Note for every 2,312 Ordinary Shares held as at the Record Date (fractional Entitlements to be rounded up to the nearest whole number of Convertible Notes).</p> <p>The Offer is underwritten. Approximately 750,000 Convertible Notes will be issued pursuant to the Offer.</p>	<b>Section 2.1</b>
2	<b>How much will the Offer raise?</b>	<p>The Company will raise between approximately A\$37.5 million and A\$75 million (before related costs). The final amount actually raised will depend on the extent to which Holders pay the Second Instalment Amount in respect of their Convertible Notes, and also the effects of rounding. If all Holders (including the Underwriter) did not pay the Second Instalment Amount on their Notes, the total amount raised under the Offer would be approximately \$37.5 million. See <b>Section 2.3</b> for further details on the payment structure for Notes.</p>	<b>Section 5.1</b>
3	<b>Who is the Issuer?</b>	<p>The Issuer is Energy World Corporation Ltd (ACN 009 124 994) (<b>EWC</b>). EWC is an independent energy company engaged in the production and sale of power and natural gas, which is also expanding into LNG.</p> <p>EWC's strategy is to become a leader in modular LNG development and the operator of a vertically integrated clean energy supply chain delivering electricity, natural gas and LNG throughout the Asia Pacific region.</p>	<b>Section 4</b>
4	<b>Who is eligible to participate?</b>	<p>All Eligible Shareholders can participate in the Offer. You are an Eligible Shareholder if:</p> <ul style="list-style-type: none"> <li>• you are registered as a Shareholder as at 5:00 pm AEST on 28 May 2015 (the <b>Record Date</b>) and have a registered address in Australia, New Zealand, Hong Kong, Singapore, the United Kingdom or the United States; and</li> <li>• in the case of a person with a registered address in the United States, you (and the beneficial holder, if any, on whose behalf you are acting) are a qualified institutional buyer (a <b>QIB</b>).</li> </ul> <p>Eligible Shareholders who reside in New Zealand, Hong Kong, Singapore, the United Kingdom or the United States (including New Hampshire specifically) should carefully consider the important information in relation to them in <b>Section 9.9</b>, which sets out the specific terms and conditions on which this Offer is made to them. Eligible Shareholders must ensure that they are eligible to participate in the Offer under all applicable securities laws in all jurisdictions whose laws are applicable to them.</p> <p>The Offer is not being extended to Ineligible Shareholders. You are an Ineligible Shareholder if you are not an Eligible Shareholder. The Company may, however, in its absolute discretion elect to treat</p>	<b>Section 2.2</b>



		Shareholders who would not otherwise be Eligible Shareholders as Eligible Shareholders.	
5	<b>Who is the Underwriter and what is its role?</b>	<p>The Company, through its financial adviser, explored the underwriting of the Offer by unrelated third parties. As at the date of this Prospectus the Company has not been able to obtain commitments from such parties. Energy World International Limited (<b>EWI</b>), a major Shareholder in EWC, has accordingly agreed to underwrite the Offer.</p> <p>As at the date of this Prospectus, EWI holds 36.59% of the Company's Ordinary Shares. EWI also holds US\$25 million of EWI 2014 Notes, which are securities convertible into Shares.</p> <p>EWI's role in underwriting the Offer is to ensure that the funds sought by EWC are raised. EWI will do this by subscribing for all Convertible Notes (if any) that are not subscribed for by other Eligible Shareholders. Details of the Underwriting Agreement can be found in <b>Section 9.13</b>.</p> <p>Prior to EWI taking up any Shortfall as Underwriter, all Eligible Shareholders who have taken up their full pro rata Entitlement will have the opportunity to participate in any Shortfall by subscribing for additional Convertible Notes. Further information on the Shortfall Facility is set out in item 17 below and in <b>Section 2.8</b>.</p> <p>EWI has confirmed that it intends to take up its full pro rata Entitlement under the Offer. However, EWI cannot participate in the Shortfall Facility.</p> <p>Details of the potential effect of the Offer on EWI's shareholding in the Company are set out in <b>Section 5.4</b>.</p>	<p><b>Section 2.8</b></p> <p><b>Section 5.4</b></p> <p><b>Section 9.13</b></p>
6	<b>What are Convertible Notes?</b>	<p>Convertible Notes are subordinated, unsecured loans to the Company that are convertible into Ordinary Shares. The key features of Convertible Notes are:</p> <ul style="list-style-type: none"> <li>• Face Value – A\$100 per Convertible Note.</li> <li>• Partly paid – 50% of the Face Value is payable upon Application, with the remaining 50% payable six months after the Issue Date (see <b>Section 2.3</b>).</li> <li>• Maturity – Convertible Notes will be Redeemed by EWC on 31 December 2018 if not Redeemed or converted earlier (see item 10).</li> <li>• Interest – Convertible Notes will carry an entitlement to interest fixed at a rate of 2.5% per annum, payable semi-annually in arrears.</li> <li>• Convertible – Convertible Notes are convertible into Ordinary Shares once fully paid. Shares issued on conversion will rank equally with all other Ordinary Shares in the capital of EWC.</li> <li>• Subordinated – Convertible Notes will be subordinated to most other claims on EWC (apart from Ordinary Shares), but will rank equally and without any preference or priority amongst themselves.</li> <li>• Unsecured – repayment of the Invested Amount and payment of interest is not secured by any mortgage, charge or other security over any asset of EWC, nor is it guaranteed by any other person or entity.</li> </ul>	<p><b>Section 2</b></p> <p><b>Section 9.1</b></p> <p><b>Appendix B</b></p>

		<ul style="list-style-type: none"> <li>No quotation – no application will be made for Convertible Notes to be listed on ASX or any other stock exchange.</li> </ul> <p>The Convertibles Notes are “unsecured notes” for the purposes of section 283BH of the Corporations Act. The complete Terms of Issue of Convertible Notes are set out in <b>Appendix B</b>.</p>	
7	<b>What is the purpose of the Offer?</b>	<p>The proceeds of the Offer will be used to:</p> <ul style="list-style-type: none"> <li>repay (in whole or in part, depending on the amount raised under the Offer) the loan to the Company from EWI as described, and in the manner set out, in <b>Section 9.5</b>;</li> <li>continue construction of the first 0.5MTPA LNG train at the Sengkang LNG Project in Indonesia; and</li> <li>continue the development of 2 x 200MW gas turbines at the Company’s Philippines Power Plant Project.</li> </ul> <p>The proceeds of the Offer will not be sufficient to enable the Company to complete these projects and it is currently in discussions with financiers to provide project finance facilities to enable this to occur.</p>	<b>Section 5.1</b>
8	<b>What happens if I do not pay the Second Instalment Amount?</b>	<p>By subscribing for Convertible Notes you agree to pay the Second Instalment Amount by its due date. If you fail to pay the Second Instalment Amount by the Second Instalment Date:</p> <ul style="list-style-type: none"> <li>you will not have any right to convert your Convertible Note(s) into Ordinary Shares (even if you pay the Second Instalment Amount after the Second Instalment Date); and</li> <li>you will receive interest on the Invested Amount (being the First Instalment Amount) only and your Convertible Notes will be Redeemed for the Invested Amount on the Maturity Date (if not sooner).</li> </ul>	<b>Section 2.3 Appendix B</b>
9	<b>What is the Conversion Price?</b>	<p>The Conversion Price is the price at which you can convert Convertible Notes into Ordinary Shares. The Conversion Price will initially be A\$0.50 per Ordinary Share and is subject to adjustment in certain circumstances. These adjustments are set out in full in the Terms of Issue.</p> <p>The price of Ordinary Shares at the close of ASX trading on the day prior to this Prospectus being lodged was A\$0.38.</p>	<b>Section 2.12 Appendix B</b>
10	<b>Can Convertible Notes be Redeemed early?</b>	<p>Yes, Convertible Notes can be Redeemed early. In the event that EWC is Wound Up, the Company has the obligation to Redeem each Convertible Note, although there is a risk that it may not be in a position to do so, in whole or in part. If a Control Event occurs or if the aggregate principal amount of Convertible Notes outstanding at any time is less than 10% of the original amount issued, then EWC may (with notice) Redeem all outstanding Convertible Notes.</p> <p>Where a Control Event occurs, Holders will first have the option to convert their Convertible Notes (see item 18).</p>	<b>Section 9.1 Appendix B</b>
11	<b>Do Convertible Notes carry voting and/or participation rights?</b>	<p>Convertible Notes do not give Holders the right to vote at any meeting of the Company’s Shareholders. Similarly, Convertible Notes do not give Holders any right to subscribe for new securities, participate in bonus issues or participate in the profits of EWC.</p> <p>Following conversion, holders of Ordinary Shares will have the right to vote and participate in all such capital events.</p>	<b>Section 9.1</b>

12	<b>What effect will the Offer have on control of the Company?</b>	<p>As at the date of this Prospectus, EWI holds 36.59% of EWC's Ordinary Shares. EWI also holds US\$25 million of EWI 2014 Notes, which are convertible into Ordinary Shares in the capital of the Company.</p> <p>If all securities convertible into Ordinary Shares (excluding Convertible Notes and Options) were converted on the date of this Prospectus, EWI would hold 36.61% of EWC's Ordinary Shares.</p> <p>As EWI is a significant Shareholder in EWC, its participation in the Entitlement Offer and agreement to underwrite the Offer may have implications for its shareholding in the Company. The potential effect of the Offer on EWI's shareholding in the Company depends on a range of factors, including:</p> <ul style="list-style-type: none"> <li>• the extent to which other Eligible Shareholders take up their Entitlements;</li> <li>• whether EWI, or any other Holder of Convertible Notes, exercises them (in whole or in part);</li> <li>• whether certain other convertible securities previously issued (including EWI 2014 Notes) are converted into Ordinary Shares, and the timing of those conversions; and</li> <li>• whether EWI chooses to exercise its rights under the EWI 2014 Notes to be issued further convertible notes on the same terms as Notes.</li> </ul> <p>As a consequence, there are a large number of different scenarios.</p> <p>The issue of Convertible Notes will not, of itself, have any effect on the shareholding of EWI or any other Holder. It is only when Convertible Notes are exercised that Ordinary Shares will be issued. In the case of EWI, as it already holds more than 20% of Ordinary Shares, any exercise by it of Convertible Notes issued to it will not be able to occur except as permitted under the takeovers provisions of the Corporations Act, for example, with the approval of Shareholders in accordance with the exemption in item 7 of section 611 of the Corporations Act, or in reliance on the 3% "creep" exemption in item 9 of section 611 of the Corporations Act.</p> <p>If all Eligible Shareholders (including EWI) take up their Entitlements, and the Shortfall (representing the entitlements of Ineligible Shareholders) is allocated to Eligible Shareholders other than EWI under the Shortfall Facility, and all of those Convertible Notes are subsequently converted, EWI's percentage shareholding in the Company will not change (assuming no conversion of any existing convertible securities).</p> <p>At the other end of the spectrum of possibilities, the maximum amount that EWI's shareholding in the Company could ultimately increase to as result of the conduct of the Offer is 43.63% (an increase of 7.04%). The circumstances in which this situation could potentially arise are described in <b>Section 5.4</b>. As noted above, however, such an increase could only occur in accordance with the takeovers provisions of the Corporations Act.</p>	<b>Section 5.4</b>
13	<b>Who is the Note Trustee?</b>	<p>Australian Executor Trustees Limited (ABN 84 007 869 794) has been appointed as Note Trustee pursuant to the Note Trust Deed dated on or about the date of this Prospectus. The Note Trust Deed</p>	<b>Section 2.16</b> <b>Section 9.3</b>

		establishes the obligations of EWC and the Note Trustee to Holders. All rights relating to Convertible Notes are generally only enforceable by the Note Trustee in accordance with the Note Trust Deed.	
14	<b>Will Convertible Notes be quoted on ASX?</b>	No, Convertible Notes will not be quoted on ASX. This means that you will not be able to buy or sell Convertible Notes on ASX. Subject to compliance with the terms of the Note Trust Deed, Convertible Notes will, however, generally be freely transferable.	<b>Section 2.15</b> <b>Section 9.3</b>
15	<b>What are the risks involved?</b>	<p>An investment in Convertible Notes is subject to a number of risks, not all of which are in the control of the Company. These risks could negatively affect the value of your Convertible Note investment.</p> <p>Some of these risks are summarised below. For a more detailed summary of potential risks, please see <b>Section 7</b>:</p> <ul style="list-style-type: none"> <li>• Financing risk – the Company may be unable to obtain future funding for the further development of its projects. Without this funding, EWC may not be able to develop and operate these projects as intended and its business may be materially adversely affected.</li> <li>• Third party risk – the Company must procure numerous approvals from, conclude agreements with, and meet the conditions of third parties to successfully develop its projects. The outcomes of these interactions depend, to a certain extent, upon factors outside EWC's control.</li> <li>• Foreign exchange control risk – due to the denominations of the Company's various credit facilities, it considers the risk that foreign exchange controls could be imposed in those jurisdictions in which its projects are located to be a key concern. Such controls could affect EWC's ability to meet its foreign currency payment obligations.</li> <li>• Risks specific to investing in Convertible Notes – Convertible Notes are unsecured, subordinated and likely to be illiquid. The Company may be unable to pay interest on them or Redeem them. Holders may be diluted and further subordinated by subsequent issues of securities by the Company.</li> <li>• General risks – the performance, position and prospects of the Company are subject to a number of general risks, including prevailing economic conditions, fluctuations in various financial markets, legislative and regulatory changes, fiscal and monetary policies, geopolitical concerns, environmental conditions, counterparty risk, competition from other market participants, the adequacy of insurance and litigation risk.</li> </ul> <p>This is not a complete description of the risks involved in investing in Convertible Notes. Applicants should read this Prospectus carefully and in its entirety. In particular, Applicants should carefully consider the risk factors summarised in <b>Section 7</b> and seek appropriate professional advice prior to deciding whether or not to invest. Applicants should also consider whether this investment is suited to their personal financial position and objectives.</p>	<b>Section 7</b>
16	<b>Can Eligible Shareholders sell</b>	No. The Offer is non-renounceable and so you are unable to sell your Entitlement. If an Eligible Shareholder elects not to participate,	<b>Section 2.7</b>

	<b>their Entitlement to participate in the Offer?</b>	<p>their Entitlement will lapse on the Closing Date and form part of the Shortfall.</p> <p>Eligible Shareholders who do not participate in the Offer will have their equity interest in the Company diluted if Holders subsequently convert their Convertible Notes.</p>	<b>Section 5.3</b>
17	<b>What is the Shortfall Facility?</b>	<p>Under the Shortfall Facility, Eligible Shareholders who take up all of their respective Entitlement will be able to apply for additional Convertible Notes which will be allocated out of the Shortfall. The Shortfall comprises those Convertible Notes that are available for issue under the Offer but which are not subscribed for by Eligible Shareholders, as well as the Entitlements that Ineligible Shareholders would have had, were they eligible. If subscriptions for additional Convertible Notes can be accommodated from the Shortfall, those Applicants will receive the full amount for which they have applied. If the Shortfall Facility is oversubscribed, allocations will be scaled back on a pro rata basis in accordance with Eligible Shareholders' Entitlements under the Offer.</p>	<b>Section 2.8</b>
18	<b>Will I be able to participate if a Control Event occurs?</b>	<p>Yes. If a Control Event occurs, the Company will notify you of the event and give you the opportunity to convert your Convertible Notes into Ordinary Shares so that you can participate in the relevant action. You will then have 20 Business Days to convert your Convertible Notes. If you do not exercise your right of conversion, it will be lost and the Company may redeem your Notes on giving the required notice.</p>	<b>Section 2.12</b> <b>Section 9.1</b> <b>Appendix B</b>
19	<b>What are the taxation consequences of an investment in Convertible Notes?</b>	<p>The taxation consequences of investing in Convertible Notes will depend on your particular circumstances. It is your responsibility to satisfy yourself of the particular taxation treatment that applies to you by consulting your own professional tax advisers before investing in Convertible Notes. Neither EWC nor any of its officers, employees, agents or advisers accepts any liability or responsibility in respect of the taxation consequences connected with an investment in Convertible Notes.</p> <p>A general overview of the Australian income tax, goods and services tax (GST) and stamp duty consequences regarding the acquisition, holding and disposal of Convertible Notes by Australian tax resident Eligible Shareholders, is set out in <b>Section 8</b>.</p>	<b>Section 8</b>
20	<b>What is my Entitlement?</b>	<p>Eligible Shareholders' Entitlements are displayed on the personalised Entitlement and Acceptance Form accompanying this Prospectus and have been calculated in accordance with the formula at item 1.</p> <p>Your Entitlement is the maximum number of Convertible Notes available to you under the pro rata rights issue. You may apply for more (or less) than your Entitlement, however, you should note that indicating your desire to subscribe for additional Convertible Notes through the Shortfall Facility does not guarantee that you will be allotted any additional Notes.</p> <p>There is no minimum subscription amount.</p>	<b>Section 2.8</b> <b>Entitlement and Acceptance Form</b>
21	<b>What action must Eligible Shareholders take?</b>	<p>Eligible Shareholders who wish to participate in the Offer, in full or in part, must either:</p> <ul style="list-style-type: none"> <li>• prior to the Closing Date, complete and lodge the Entitlement and Acceptance Form attached to or accompanying this Prospectus along with an accepted method of payment for the</li> </ul>	<b>Section 3</b>

		<p>First Instalment Amount; or</p> <ul style="list-style-type: none"> <li>• make the First Instalment Amount payment via BPAY® by the Closing Date.</li> </ul> <p>Eligible Shareholders who do not wish to participate in the Offer are not required to do anything. Entitlements that are not taken up by Eligible Shareholders by the Closing Date will lapse and form part of the Shortfall, as stated above.</p>	
22	<b>Can the Company withdraw the Offer?</b>	<p>Yes. Subject to the Listing Rules, the Corporations Act and any other applicable legal requirements, the Company reserves the right, in its absolute discretion, to withdraw the Offer at any time prior to Convertible Notes being issued. The Company may withdraw the Offer without providing any prior notice of such withdrawal to Eligible Shareholders.</p> <p>If the Offer is withdrawn, any payments made to the Company in support of an Application will be refunded to Applicants (without interest) as soon as is practicable.</p>	<b>Section 2.18</b>
23	<b>What happens if I do not participate?</b>	<p>If you do not participate in the Offer then your shareholding in the Company may be diluted if the Holders of Convertible Notes subsequently exercise them.</p>	<b>Section 5.3</b>

## 2 Details of the Offer

This section contains a summary of the details of the Offer and the Convertible Notes to be issued by the Company. This section is not intended to be comprehensive in nature and should be read in conjunction with the remainder of this Prospectus. In particular, the complete Terms of Issue of Convertible Notes are set out in **Appendix B**.

### 2.1 The Offer

The Offer is for the issue of approximately 750,000 Convertible Notes with a Face Value of A\$100 each to raise between approximately A\$37.5 million and A\$75 million (before the related costs of the Offer). The Offer is underwritten by Energy World International Limited (**EWI**).

Eligible Shareholders have the right to subscribe for 1 Convertible Note for every 2,312 Ordinary Shares held on the Record Date (the **Entitlement**). Any fractional Entitlement will be rounded up to the nearest whole number of Convertible Notes. If you are an Eligible Shareholder, the Entitlement and Acceptance Form attached to or accompanying this Prospectus sets out your Entitlement under the Offer. If you have more than one holding of Ordinary Shares, you will have separate Entitlements and will receive separate Entitlement and Acceptance Forms for completion and lodgement.

The Offer is non-renounceable and so Eligible Shareholders will not be able to trade their Entitlements. Any full or partial Entitlement that is not taken up by the Closing Date will lapse in the hands of the Eligible Shareholder and form part of the Shortfall.

Eligible Shareholders will be entitled to apply for more Convertible Notes than their Entitlement. If there is a Shortfall, Applications by Eligible Shareholders for additional Convertible Notes will be dealt with under the Shortfall Facility. See **Section 2.8** for further details.

### 2.2 Eligible Shareholders

The Company is making the Offer to Eligible Shareholders only. However, in limited circumstances and at the Company's absolute discretion, it may elect to treat certain Shareholders who would not otherwise be Eligible Shareholders as Eligible Shareholders.

Eligible Shareholders are:

- those Shareholders registered as Shareholders as at 5:00 pm AEST on 28 May 2015 (the **Record Date**) who have a registered address in Australia, New Zealand, Hong Kong, Singapore, the United Kingdom or the United States; and
- in the case of a person with a registered address in the United States, that person (and the beneficial holder, if any, on whose behalf that person is acting) is a qualified institutional buyer (a **QIB**).

The Company reserves the right to reject any Application that it believes comes from a person who is not an Eligible Shareholder.

Eligible Shareholders who reside in New Zealand, Hong Kong, Singapore, the United Kingdom or the United States (including New Hampshire specifically) should carefully consider the important information in relation to them in **Section 9.9**, which sets out the specific terms and conditions on which this Offer is made to them.

If you are not an Eligible Shareholder, you will be an Ineligible Shareholder. If you are an Ineligible Shareholder, you will not be able to participate in the Offer and will not receive a copy of the Prospectus. The Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders, having regard to:

- the number of Ineligible Shareholders;
- the number and value of Convertible Notes that would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- the cost of obtaining legal advice and complying with the legal requirements and requirements of regulatory authorities in the respective foreign jurisdictions.

## 2.3 Partly paid

The Face Value of Convertible Notes is payable in two instalments, with 50% of the Face Value payable upon Application (**First Instalment Amount**) and the remaining 50% payable six months after the Issue Date (**Second Instalment Amount**).

Holders of Convertible Notes who fail to pay the Second Instalment Amount by the Second Instalment Date will not have a right of conversion and the Interest Rate payable in respect of their partly paid Convertible Notes will continue to apply only to the First Instalment Amount.

On Redemption, Holders who have not paid the Second Instalment Amount will only receive, in respect of their partly paid Convertible Notes, the First Instalment Amount plus any accrued but unpaid interest on that amount (refer to **Section 2.13** for further information regarding Redemption).

## 2.4 Interest

Convertible Notes carry a right to interest at 2.5% per annum (**Interest Rate**) on the Invested Amount, payable semi-annually in arrears. This means that until the Second Instalment Amount is received by the Company, Convertible Notes will accrue interest only on the First Instalment Amount. Also, as discussed in **Section 2.3** above, if the Second Instalment Amount is not received by the Second Instalment Date, interest will accrue and be paid only on the First Instalment Amount.

Interest payments will be made semi-annually on each 30 June and 31 December, with the first interest payment due for payment on 30 June 2015 and the final interest payment due on the earlier of the Redemption Date, the Conversion Date or the Maturity Date.

Interest payments cannot be deferred by the Company. Any interest that falls due but is not paid by the Company is cumulative but non-compounding. You should note, however, that the payment of interest is not secured by any assets of the Company (refer to **Section 2.14** and **Section 7.2**).

You should also note that the Company may be required to withhold tax from any interest in certain circumstances. See **Section 8** for further details.

## 2.5 Maturity

The Maturity Date of the Convertible Notes is 31 December 2018. On the Maturity Date, all Convertible Notes then on issue will be Redeemed. See **Section 2.13** for further details.

## 2.6 Exposure Period

Under the Corporations Act, the Company cannot process Applications in the seven day period after the date of lodgement of this Prospectus with ASIC (**Exposure Period**). ASIC can extend this period for a further period of up to seven days.

The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds under the Offer. This examination may result in the identification of certain deficiencies in the Prospectus, in which case Applications may need to be dealt with in accordance with section 724 of the Corporations Act.

Applications received under this Prospectus during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period.

## 2.7 Implications of not taking up Entitlements

Eligible Shareholders who do not take up their Entitlements under the Offer, either in full or in part, or who take up their Entitlements but do not convert their Convertible Notes into Ordinary Shares, will have their equity interest in the Company diluted if the Holders of Convertible Notes convert their Notes into Ordinary Shares. See **Section 5.3** for further details.

## 2.8 Shortfall Facility

Entitlements that are not taken up by the close of the Offer, and the entitlements of Ineligible Shareholders, will form the Shortfall. Subject to any restrictions imposed by law, Eligible Shareholders who subscribe for their



Entitlement in full, regardless of the size of their pre-Offer shareholding, may also apply for additional Convertible Notes (**Shortfall Notes**) to be issued from the Shortfall. Related parties of the Company, including the Underwriter, cannot apply for, and will not be allocated, Shortfall Notes. Shortfall Notes will be issued at the same price, carry the same rights and be subject to the same terms and obligations as other Convertible Notes issued pursuant to the Offer.

Where the aggregate number of Shortfall Notes applied for by Eligible Shareholders is less than the Shortfall, Eligible Shareholders will receive the number of Shortfall Notes for which they have applied. In accordance with the Underwriting Agreement, the Underwriter will then subscribe for any Shortfall Notes that remain. A summary of the Underwriting Agreement can be found in **Section 9.13**.

If subscriptions for Shortfall Notes exceed the Shortfall, the number of Shortfall Notes allocated will be scaled back on a pro rata basis in accordance with Eligible Shareholders' Entitlements under the Offer.

If you apply for Shortfall Notes, the Company does not guarantee that any will be issued to you. Eligible Shareholders who apply may receive less than the number of Shortfall Notes applied for, or possibly none at all. Any excess application monies will be refunded without interest as soon as is practicable.

For instructions on how to apply under the Shortfall Facility, please refer to **Section 3**.

## **2.9 Use of the proceeds**

The proposed use of the proceeds from the Offer is detailed in **Section 5.1**.

## **2.10 Underwriting**

EWI has agreed to underwrite the Offer. This means that if there is a shortfall after the allocation of Convertible Notes under the Shortfall Facility, EWI will be liable to subscribe for that part of the Shortfall that remains, subject to the terms of the Underwriting Agreement. A summary of the terms of the Underwriting Agreement can be found in **Section 9.13**.

The effect of the Offer being underwritten is that if no other Shareholder subscribes for Convertible Notes, EWI will be required to subscribe for all of the Shortfall. EWI has already confirmed that it will subscribe for its full Entitlement. As a consequence, the Company will raise a minimum of approximately A\$37.5 million from the Offer. As Holders are not obligated to pay the Second Instalment Amount, the Underwriter will be under no obligation to pay the Second Instalment Amount in respect of any Convertible Notes held by it.

## **2.11 Effect of the Offer**

The effect of the Offer on the capital structure and financial position of the Company is described in **Sections 5** and **6**, respectively. The potential effect of the Offer on the control of the Company is described in **Section 5.4**.

## **2.12 Conversion**

Holders will have the right to convert their Convertible Notes into Ordinary Shares during the Conversion Period. Broadly described, and subject to due payment of the Second Instalment Amount, the Conversion Period is the period from the Second Instalment Date to the Business Day that is 35 Business Days before the Maturity Date.

Convertible Notes will initially be convertible into Ordinary Shares at a Conversion Price of A\$0.50 per Share. The Conversion Price is subject to adjustment in certain circumstances. Refer to the Terms of Issue (Condition 4) in **Appendix B** for details.

Interest which accrues during the Conversion Period, but which remains unpaid at conversion, will be paid by the Company on the Conversion Date.

If a Control Event occurs during the Conversion Period, the Company must provide holders with notice of the relevant action. Holders will then have a period of 20 Business Days from the date of the notice in which to convert their Convertible Notes. Following the expiry of this period, Holders who have not converted their Convertible Notes will be unable to do so and the Company will be entitled to Redeem them on at least 30 Business Days' notice, and no more than 45 Business Days' notice.

## 2.13 Redemption

Convertible Notes that have not been converted prior to the Maturity Date will be Redeemed on that date for the Invested Amount, together with any interest accrued but not yet paid. The Company may only Redeem Convertible Notes prior to the Maturity Date in certain defined circumstances. Refer to the Terms of Issue (Condition 5) in **Appendix B** for details. A summary of these circumstances is also contained in **Section 9.1**.

When deciding whether or not to take up their Entitlement under the Offer, Eligible Shareholders should carefully consider that, in certain circumstances (e.g., the insolvency of the Company), the Company may not, in respect of Convertible Notes, be in a position to Redeem all or any of the Invested Amount or to pay the interest accrued but outstanding at that time. Refer to **Section 7.2** for a discussion of these risks.

## 2.14 Ranking of Convertible Notes

Convertible Notes constitute direct, unconditional, subordinated and unsecured obligations of the Company and rank equally and without any preference or priority amongst themselves.

Because Convertible Notes are unsecured, the Company's obligation to Redeem them for the Invested Amount on the Maturity Date is not secured by any charge, mortgage or other security interest over the assets of the Company. Furthermore, this obligation is not guaranteed or secured by any other person or entity.

With the exception of Ordinary Shares and any subsequently issued junior ranking obligations, Convertible Notes are subordinated to all other claims on the Company.

If a Convertible Note is converted, the Ordinary Shares issued on conversion will be issued free from any encumbrances or third party rights of any kind and, upon issue, will rank equally in all respects with all other Ordinary Shares, other than in respect of any dividend or other entitlement for which the applicable Record Date falls prior to the Conversion Date. The Company will promptly apply for quotation of any Ordinary Shares issued on conversion of Convertible Notes. For a discussion of the rights attaching to Ordinary Shares, refer to **Section 9.2**.

## 2.15 No ASX quotation

No application will be made by the Company for Convertible Notes to be quoted on ASX or any other stock exchange. However, Convertible Notes will be transferrable subject to compliance with the Note Trust Deed and all applicable laws and regulations. Refer to **Section 9.3** for further information. The Company will promptly apply for quotation of any Ordinary Shares issued on conversion of Convertible Notes.

## 2.16 Note Trustee and Note Trust Deed

Australian Executor Trustees Limited has agreed to act as Note Trustee for Holders and Convertible Notes are issued subject to the terms and conditions of the Note Trust Deed. A summary of the details of this deed are set out in **Section 9.3** and the entire deed can be inspected by Holders at the registered office of the Company or the Note Trustee. A copy of the Note Trust Deed will also be provided, free of charge, to any Eligible Shareholder upon request.

## 2.17 Price of Shares

EWC Shares are quoted on ASX. While Convertible Notes themselves will not be quoted, the value of Convertible Notes may be affected by movements in the Company's Share price. If the prevailing market price on ASX for EWC Shares is greater than the Conversion Price at the time of conversion, then Shares will be issued to the Holder at less than the market price. Conversely, if the market price is less than the Conversion Price at the time of conversion, it may not be advantageous to convert because the Conversion Price will be higher than the market price of Shares.

In the most recent three months of trading on ASX, the highest price at which EWC Shares have traded was A\$0.45 on 4 May 2015 and the lowest price was A\$0.33 on 9 March 2015. On the most recent Business Day prior to the Prospectus Date, EWC Shares closed trading on ASX at A\$0.38.

Details of the price of EWC Shares (Company code: EWC) can be obtained from the website of ASX at [www.asx.com.au](http://www.asx.com.au).

## **2.18 Withdrawal of the Offer**

The Company reserves the right, subject to the Listing Rules, the Corporations Act and any other applicable legal requirements, to withdraw the Offer at any time, in its absolute discretion, prior to Convertible Notes being issued. The Company is not required to provide Eligible Shareholders with any prior notice of such withdrawal.

If the Offer is withdrawn, any payments made to the Company in support of an Application will be refunded to Applicants (without interest) as soon as is practicable.

## **2.19 Taxation implications**

**Section 8** contains general information regarding the taxation consequences for Australian tax resident Eligible Shareholders. This section does not address the foreign tax consequences for any investor, or the Australian tax consequences for a foreign tax resident, other than in respect of interest withholding tax. Eligible Shareholders should seek professional taxation advice regarding an investment in Convertible Notes issued by the Company.

### 3 Actions required by Eligible Shareholders

This section details the actions (if any) that you must take in response to the Offer for Convertible Notes, and if you choose to make an Application, the consequences of doing so. If you choose to apply, your Application should strictly comply with the instructions set out below and on the Entitlement and Acceptance Form. The Company reserves the right to reject any Application that does not strictly comply with these requirements. Similarly, the Company reserves the right (in its absolute discretion) to reduce the number of Convertible Notes allocated to Eligible Shareholders (or persons claiming to be Eligible Shareholders) if their claims as to their Entitlement prove to be overstated or if they fail to provide information to substantiate those claims.

#### 3.1 What choices do you have?

If you are an Eligible Shareholder, you may take any one of the following three actions:

- take up some or all of your Entitlement – see **Section 3.2**;
- take up your full Entitlement and apply for additional Convertible Notes – see **Section 3.3**; or
- not take up any of your Entitlement – see **Section 3.4**.

If you choose to take up at least some of your Entitlement, you will be required to make the appropriate payment for the First Instalment Amount upon Application. Please see **Section 3.5** for a discussion of the various payment methods available to you. You should note that no brokerage or stamp duty is payable on your Application.

#### 3.2 If you wish to take up some or all of your Entitlement

If you wish to take up some or all of your Entitlement, you should, by 5:00 pm on 12 June 2015 (the **Closing Date**), either:

- complete and return your Entitlement and Acceptance Form together with an acceptable form of payment (see below); or
- make a payment via BPAY® by following the instructions set out below and on the Entitlement and Acceptance Form.

If you make a valid Application for some or all of your Entitlement before the Closing Date, it is expected that you will be issued Convertible Notes on 19 June 2015. The Company's decision on the number of Convertible Notes issued to you will be final.

As above, if you do not take up a portion of your Entitlement, it will lapse and form part of the Shortfall to be allocated to other Eligible Shareholders who apply for additional Convertible Notes under the Shortfall Facility.

#### 3.3 If you wish to apply for more than your Entitlement

If you wish to apply for more Convertible Notes than your Entitlement, you should, by 5:00 pm on 12 June 2015 (the **Closing Date**), either:

- complete and return your Entitlement and Acceptance Form (taking care to specify how many additional Convertible Notes you wish to apply for) together with an acceptable form of payment (see below); or
- make a payment via BPAY® by following the instructions set out below and on the Entitlement and Acceptance Form.

If you apply for more than your Entitlement, you will be applying for additional Convertible Notes to be issued through the Shortfall Facility. As discussed in **Section 2.8**, if you apply for additional Convertible Notes through the Shortfall Facility, there is no guarantee of any additional Convertible Notes being issued.

#### 3.4 If you do not wish to take up any of your Entitlement

If you do not wish to take up any of your Entitlement after having reviewed the Offer information in this Prospectus, you are not required to do anything. Your Entitlement will lapse at the Closing Date and form part of the Shortfall to be allocated to other Eligible Shareholders through the Shortfall Facility. See **Section 5.3** for details of what this means for you.

### 3.5 How to make payment

You can make the required payment for your Application in the following ways:

- by BPAY®; or
- by cheque, bank draft or money order.

Cash payments will not be accepted and receipts for payment will not be issued. The Company will treat you as having applied for as many whole Convertible Notes as your payment can substantiate, irrespective of any discrepancy with your Entitlement and Acceptance Form (if applicable). Where there is such a discrepancy, you will be taken to have specified that adjusted number of Convertible Notes on your Entitlement and Acceptance Form.

Payments received by the Company in support of Applications will be held on trust in a subscription account until the allotment of Convertible Notes is complete. The subscription account will be established and maintained by or on behalf of the Company on behalf of all Applicants, and Applicants will not be entitled to any interest that may accrue on these funds while they remain on trust.

Any payment received by the Company that exceeds (by at least A\$2.00) the payment required to fund the First Instalment Amount of your final allocation of Convertible Notes will be refunded to you, without interest, as soon as is practicable (after allotment of Notes).

#### Payment via BPAY®

For payment via BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings, only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding, your Application will not be recognised as valid.

If you have a daily BPAY® limit and your required payment for Convertible Notes exceeds that limit, you can make several BPAY® payments using the same Biller Code and CRN to satisfy that amount.

Should you choose to pay via BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but you are taken to make the representations, declarations, warranties and agreements on that Entitlement and Acceptance Form and in **Section 3.7**; and
- you will be deemed to have taken up as many whole Convertible Notes as your payment can substantiate, up to your Entitlement, and you will be deemed to have applied for as many additional whole Convertible Notes through the Shortfall Facility as your payment can substantiate.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00 pm on the Closing Date. Your financial institution may implement earlier cut-off times with regard to electronic payments and you should therefore take this into consideration in the timing of when you make payment.

#### Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by one of these methods of payment, made out to "Energy World Corporation Ltd" for the appropriate amount, and crossed "**Not Negotiable**".

Your cheque, bank draft or money order must be:

- for an amount equal to A\$50 multiplied by the number of Convertible Notes that you are taking up (up to your Entitlement) and, if applicable, any additional Convertible Notes that you wish to apply for through the Shortfall Facility; and

- in Australian currency, drawn on an Australian branch of a financial institution. Payment cannot be made in foreign currency. Eligible Shareholders who reside outside Australia must arrange for payment to be made in Australian Dollars.

If paying by cheque, you should ensure that sufficient funds are held in relevant account(s) to cover your payment as your cheque will be processed on the day of receipt. If the amount for which your cheque clears in time for allocation is insufficient to meet in full the number of Convertible Notes you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of Convertible Notes as your cleared funds can substantiate (and to have specified that number of Convertible Notes on your personalised Entitlement and Acceptance Form) and made the representations, declarations, warranties and agreements in **Section 3.7**. Alternatively, at the absolute discretion of the Company, your Application may not be accepted.

### 3.6 Postal details

If you make payment via cheque, bank draft or money order, mail your completed personalised Entitlement and Acceptance Form together with the applicable form of payment to:

Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 3001  
Australia

Your payment must be received no later than the Closing Date. To avoid disappointment and to prevent your payment from arriving late, you should factor in the possibility of postal service delays and mail your Entitlement and Acceptance Form and accompanying method of payment well in advance of the Closing Date. The Company may (in its absolute discretion) accept late Applications but it is under no obligation to do so.

### 3.7 Implications of making an Application

Submitting an Application constitutes a binding, irrevocable offer to acquire Convertible Notes on the terms and conditions set out in this Prospectus. The Entitlement and Acceptance Form does not need to be signed to be binding.

If an Entitlement and Acceptance Form is not completed or submitted correctly it may still be treated as a valid Application for Convertible Notes. The Company's decision whether to treat an Entitlement and Acceptance Form as valid and how to construe, amend, complete or submit the Entitlement and Acceptance Form, is final.

By completing and returning your personalised Entitlement and Acceptance Form with an approved form of payment, or by making a payment via BPAY®, you are deemed as an Applicant to:

- acknowledge having personally received a printed or electronic copy of the Prospectus;
- acknowledge you understand the Terms of Issue and have had the opportunity to consider the suitability of an investment in Convertible Notes with your professional advisers;
- agree to be bound by the Terms of Issue and the Note Trust Deed;
- represent and warrant to the Company that you are an Eligible Shareholder and that you have, in respect of your Application, complied (and will comply) fully with the applicable laws of any relevant jurisdiction, including by obtaining any required governmental or other consents, observing any other required formalities, and paying any issue, transfer or other taxes due in such jurisdictions;
- represent and warrant to the Company that you have read and understood this Prospectus (including the terms and conditions on which the Offer is being made to Eligible Shareholders who reside outside of Australia, as set out in **Section 9.9**) and the Entitlement and Acceptance Form and you agree to be bound by the terms and conditions on which the Offer is being made to Eligible Shareholders, and make the warranties and representations and agreements contained therein;
- agree to the terms of the Offer and provide authorisation to be registered as the Holder of Convertible Notes and, on conversion, become a member of the Company and to be bound by the terms of the Constitution;

- apply for, and agree to being allocated, the number of Convertible Notes set out in, or determined in accordance with, your Application and this Prospectus;
- represent and warrant that all details and statements on your Entitlement and Acceptance Form are complete and accurate;
- declare that you are the current registered holder(s) of the Shares in your name as at the Record Date;
- declare, if you are a natural person, that you are at least 18 years of age;
- authorise the Company and its officers or agents to do anything on your behalf that is necessary for Convertible Notes to be allocated to you;
- acknowledge that once received by the Share Registry or the Company, your Application may not be varied or withdrawn except as allowed by law;
- acknowledge that the information contained in this Prospectus is not personal investment advice or a recommendation that Convertible Notes are suitable for you; and
- acknowledge that your Application may be rejected without the Company giving any reason, including where the Entitlement and Acceptance Form is not properly completed.

### 3.8 Privacy

By completing an Entitlement and Acceptance Form, you are providing personal information to the Company and the Share Registry, which is contracted by the Company to manage Applications, and you consent to the collection and use of that personal information in accordance with these terms. Contact details for both the Company and the Share Registry are located in the Corporate Directory at the rear of this Prospectus.

If you do not wish to provide this information, the Company may not be able to process your Application. The Company and the Share Registry will collect, hold and use your personal information in order to assess and process your Application and, if successful, administer security holdings in the Company. You should note that this may require the Company to disclose your personal information to its Hong Kong office, the details of which are located in the Corporate Directory.

The Company and the Share Registry may disclose your personal information, for purposes related to your investment, to their agents and service providers, including:

- the printers and the mailing house for the purposes of preparing and distributing statements and handling of mail; and
- legal and accounting firms, auditors and other advisers for the purpose of administering and advising on Convertible Notes, Ordinary Shares and associated actions.

Under the *Privacy Act 1988* (Cth), you may request access to your personal information held by, or on behalf of, the Company. The privacy policies of both the Company and the Share Registry contain information about how you may access the personal information that each entity holds about you, and about how you may seek the correction of such information. These privacy policies also contain information regarding how you may complain about a breach of the Australian Privacy Principles (**APP**), or a registered APP code binding the particular entity, and how that entity will deal with such a complaint. You can request access to your personal information or obtain a copy of the relevant privacy policy by contacting either the Company or the Share Registry.

The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the Share Registry if any of the details you have provided change.

The Note Trustee collects your personal information for the primary purpose of providing trustee services in relation to Convertible Notes and for ancillary purposes detailed in its privacy policy. The Note Trustee may disclose your personal information, such as, your name and contact details, along with your account information, to its related bodies corporate, EWC, professional advisers, the land titles office and/or as otherwise instructed by EWC. The Note Trustee is also permitted to collect and disclose your personal information when required or authorised to do so by law. The Note Trustee is not likely to disclose your personal information to overseas recipients. Your personal information will be used in accordance with the Note Trustee's privacy policy. This privacy policy contains information about how you may access or correct your personal information held by the

Note Trustee and how you may complain about a breach of the APP. You may obtain a copy of the privacy policy at [www.aetlimited.com.au/privacy](http://www.aetlimited.com.au/privacy).



## 4 Information about the Company

### 4.1 Overview of the Company's business

The Company is an independent energy company primarily engaged in the production and sale of power and natural gas. The Company is also expanding into LNG and its strategy is to become a leader in modular LNG development and the operator of a vertically integrated clean energy supply chain which delivers power, natural gas and LNG throughout the Asia Pacific region.

The Company's principal activities at the present time are:

- the development, design, construction, operation and maintenance of power stations;
- the development of LNG, including the design, construction, operation and maintenance of LNG plants and road transport of LNG, as well as the design and development of LNG receiving terminals; and
- the exploration, development and production of gas and oil, including the design, construction, operation and maintenance of gas processing plants and gas pipelines.

Within these areas, the major assets of the Company currently comprise:

- a 95% interest in the Sengkang Power Plant in Indonesia;
- a 100% interest in the production sharing contract for the Sengkang Gas Field in Indonesia;
- a 100% interest in the Alice Springs Power Plant;
- a 100% interest in the Alice Springs LNG Facility (not in production); and
- a 100% interest in the Gilmore Gas Field and Eromanga Gas Field in Queensland.

### 4.2 Key projects and operations

Company projects which are currently under development are as follows:

- the Sengkang LNG Project in Indonesia;
- the Gilmore LNG Project in Queensland;
- the Philippines LNG Hub in Pagbilao, Philippines; and
- the Philippines Power Plant Project in Pagbilao, Philippines.

In addition, the Company is currently considering the feasibility of the Abbot Point LNG Project. Further details of certain of the Company's projects and operations, grouped by geographic region, are set out below.

#### Indonesia

##### *Sengkang Power Plant*

The Sengkang Power Plant, in which the Company has a 95% interest (Medco Power Indonesia, an independent third party, owns the remaining 5% interest, as required under Indonesian law), has been operating since 1997. Electricity is sold under a long-term take-or-pay power purchase agreement into the South Sulawesi power grid operated by PLN, the Indonesian state-owned electricity company. The Company supplies all of the gas to fuel the Sengkang Power Plant from the Sengkang Contract Area under a long-term gas supply arrangement.

In September 2013, the Company completed the second phase of its expansion to the Sengkang Power Plant to a total output of 315MW (total rated output of 357MW).

##### *Sengkang Gas Field*

The Company has a 100% interest in the 2,925.2 km<sup>2</sup> Sengkang Contract Area under a production sharing contract (PSC) entered into with SKK Migas' predecessor, BP Migas, the Indonesian gas regulator and supervising body of upstream oil and gas activities. The Sengkang PSC gives us the exclusive right to explore for and produce petroleum, including natural gas, within the Sengkang Contract Area until 23 October 2022. SKK Migas have recently confirmed the allocation of gas from the Company's WASAMBO fields (part of the Sengkang PSC) for the allocation to PT PLN Pesero power plant sites in eastern Indonesia.

##### *Sengkang LNG Project*

The Sengkang LNG Project on the South Sulawesi coastline is in the same region as the Sengkang Contract Area and Sengkang Power Plant and is designed to monetise additional gas reserves and contingent resources in the Sengkang Contract Area in excess of the fuel requirement for the Sengkang Power Plant.

The project consists initially of: (i) one modular LNG train with a capacity of 0.5MTPA, with three additional trains, depending on gas field development, for a potential total LNG capacity of 2MTPA; (ii) an LNG storage facility; and (iii) an LNG loading facility.

This project is now well advanced with key equipment, including four cold-boxes, compressors and ancillary equipment, already installed on site. The LNG storage tank has been fully slipformed and is now subject to fit out. Jetty works have been finalised and loading arms have been installed. The interconnecting pipework and the installation of the control and instrumentation systems are being completed.

Project debt financing for the Sengkang LNG Project is being finalised with a leading Indonesian domestic bank. LNG product take-off discussions from the first train are occurring with PLN which requires LNG for its power operations in eastern Indonesia.

## **Philippines**

### *Philippines LNG Hub*

The Philippines Hub consists of several components, comprising: (i) a storage tank with a capacity of 130,000 m<sup>3</sup> for storing LNG on site; (ii) a jetty and receiving and re-export terminal for berthing, unloading and reloading LNG ships; (iii) a regasification facility to convert LNG back to natural gas; and (iv) related support facilities (such as receiving and discharge lines, boil-off gas lines, metering, pumps and compressors). We expect this to be the first LNG terminal to become operational in the Philippines. The Philippines LNG Hub hopes to attract both domestic and international customers as well as to supply gas from LNG to the Philippines Power Plant Project. The site has space and planning for a second storage tank with a capacity of 130,000 m<sup>3</sup>.

The Philippines LNG Hub and associated works are well advanced. The LNG storage tank walls are complete and construction of the dome top roof will be completed shortly. Formation of the jetty with rock armouring is complete. Installation of the jetty's loading arms is being completed. Site buildings and supporting infrastructure are under advanced stages of construction.

To support the project financing, the Company has engaged Standard Chartered Bank as its financial adviser to coordinate the structuring and arrangement of debt finance in relation to the development of the Philippines LNG Hub and Philippines Power Plant Project below. The Company is also working with Standard Chartered Bank in relation to a domestic bond issuance to finance the Philippines LNG Hub project.

### *Philippines Power Plant Project*

The Company is developing a power plant located on Pagbilao Grand Island adjacent to the Philippines LNG Hub. The site for the plant is adjacent to the existing Pagbilao power station, owned by an independent third party, and to the 230 kV switch-yard connected to the main Luzon power grid in the Philippines. The plant will be a 600 - 650MW (2 x 200 MW gas turbines and 1 x 200/250MW steam turbine) gas-fuelled combined cycle power plant based on highly efficient Siemens gas turbines and associated plant and infrastructure. The Philippines power plant is a merchant plant which will sell into the merchant market or WESM.

Site foundations for the first 2 x 200MW gas turbines (which arrived on site in October 2014) are complete and the first and second gas turbines have been placed onto their permanent foundations, with the erection of auxiliary equipment now in progress. Works are ongoing to bring these turbines into commercial operation as soon as possible. The power plant will source regasified LNG from the Company's Philippines LNG Hub when completed.

In addition to the funding already in place from the Company's own equity and that of Standard Chartered Private Equity, the Development Bank of the Philippines is acting as lead arranger and lender to the Company's Philippines Power Plant Project. The project financing is well advanced and the Company envisages the conclusion of formal arrangements and subsequent drawdown of funds in the coming months.

## 5 Purpose and effect of the Offer

### 5.1 Purpose of the Offer

The purpose of the Offer is to raise between approximately A\$37.5 million and A\$75 million (before Offer costs). The final amount actually raised by the Company will depend on the extent to which Holders pay the Second Instalment Amount in respect of their Convertible Notes and is also subject to the effect of rounding. If all Holders (including the Underwriter) pay the Second Instalment Amount on their Notes, the total amount raised under the Offer will be approximately A\$75 million. If all Holders (including the Underwriter) do not pay the Second Instalment Amount on their Notes, the total amount raised under the Offer will be approximately A\$37.5 million.

The proceeds of the Offer (net of Offer costs), will be used as described below.

Energy World International Limited (**EWI**) has made a pre-funding advance of US\$25 million. As at the date of this letter approximately US\$19 million of the US\$25 million advance from EWI has been expended in advancing the development of the Sengkang LNG Project in Indonesia and the first stage of the Philippines Power Plant Project. Proceeds from the Offer will be used to offset the US\$25 million pre-funding advance.

At the Sengkang LNG Project in Indonesia, funds from the Offer will be used to assist with the advancement of the construction and commissioning of the first 0.5MTPA LNG train. Funds from the Offer will also be used to assist in the advancement of construction of the first phase (2 X 200MW gas turbines) of the Company's Philippines Power Plant Project in order to move towards commissioning these turbines.

It is important to note, however, that the funds from the Offer will not be sufficient to enable the Company to complete the development of the projects identified above, and it will be necessary for the Company to raise further funds in the future in order to do so.

At present the Company is in discussions with financial institutions regarding the provision of project finance for each of these projects. In particular, the Company is in advanced negotiations with a leading Indonesian domestic bank for project debt financing for the Sengkang LNG Project. Furthermore, in addition to the funding already in place from the Company's own equity and that of Standard Chartered Private Equity, the Development Bank of the Philippines (DBP) is acting as lead arranger and lender to the Company's Philippines Power Plant Project.

If these negotiations are successfully completed, and the funding sought by the Company is made available, the Company anticipates that it will have sufficient funds to complete the construction and development of each of the above projects, and to refinance some of the capital expenditure committed by the Company in the development phases to date. However, there can be no assurance that the Company will be able to successfully conclude all or some of these negotiations. See **Section 7.1** for a discussion of the Company's financing risks.

### 5.2 Effect of the Offer on capital structure

The capital structure of the Company as at the Prospectus Date is set out below. This table also shows the anticipated effect of the Offer on this structure. These numbers are subject to the effects of rounding.

Security	Pre Offer	Offer	Post Offer
Ordinary Shares	1,734,166,672	-	1,734,166,672
Convertible Notes pursuant to Offer	-	750,000	750,000

The Offer will not, of itself, result in any change in the number of SCPE 2013 Notes, SCPE Warrant or EWI 2014 Notes.

The capital structure above will change if any existing convertible securities (i.e., EWI 2014 Notes, SCPE 2013 Notes and the SCPE Warrants) are converted into Ordinary Shares. An increase in the number of Ordinary Shares on issue prior to the Record Date may increase the number of Convertible Notes issued under the Offer. The EWI 2014 Notes and SCPE 2013 Notes each have a conversion price of A\$0.50 per Ordinary Share. The SCPE Warrants are exercisable at A\$0.60 per Ordinary Share. The closing price of Ordinary Shares on the Business Day prior to lodgment of this Prospectus was A\$0.38. The Company does not therefore expect the holders of these securities to exercise their rights of conversion so as to be able to participate in the Offer,

although the position may change if there is a material increase in the price of Ordinary Shares prior to the Record Date.

### 5.3 Effect of the Offer on non-participating Shareholders

The issue of Convertible Notes pursuant to the Offer will not alter the percentage shareholding or voting power of Shareholders at the time of issue because the Notes themselves do not carry any voting rights. However, upon Holders converting their Convertible Notes into Ordinary Shares (which in the case of EWI, will be subject to compliance with the takeovers provisions of the Corporations Act, as described further in **Section 5.4**), the percentage shareholding and voting power of other Shareholders will be diluted based on the Company's capital structure as at the date of this prospectus.

The number of Ordinary Shares to be issued upon conversion cannot be determined at this time due to the fact that the number of Shares issued is calculated by dividing the aggregate Face Value by the Conversion Price. While the Conversion Price is initially fixed at A\$0.50, it is subject to adjustment under the Terms of Issue in certain circumstances. The aggregate Face Value is dependent on whether the entire First Instalment Amount and Second Instalment Amount is paid up. In addition, the Company cannot be certain that all Convertible Notes issued will be converted into Ordinary Shares. As a consequence, the exact dilutive effect of the exercise of Convertible Notes cannot currently be accurately determined.

On the assumption that 750,000 Convertible Notes (the indicative maximum under the Offer) are issued and become fully paid, the table below illustrates the effective dilution (i.e. reduction in shareholding percentage of the enlarged share capital) and change in voting power that non-participating Eligible Shareholders would experience at different rates of conversion. These calculations are based on the current number of Ordinary Shares on issue, and assume that no Ordinary Shares are issued except pursuant to the exercise of Convertible Notes and that there are no adjustments to the Conversion Price.

Notes converted into Ordinary Shares	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Non-participating Shareholder dilution	0.86%	1.70%	2.53%	3.34%	4.15%	4.93%	5.71%	6.47%	7.22%	7.96%

### 5.4 Effect of Offer on control of the Company

As at 15 May 2015, Energy World International Limited (**EWI**) was a substantial Shareholder in the Company, holding approximately 36.59% of the Company's Ordinary Shares on issue. EWI is also underwriting the Offer.

As Holders of Convertible Notes will not be entitled to vote at meetings of members of the Company, the issue of Convertible Notes prior to their conversion will have no effect on the control of the Company and EWI's shareholding and voting power in the Company will remain the same.

However, EWI's voting power in the Company may subsequently increase as a result of the Offer. This is because, firstly, although the Offer is being made on a pro rata basis (subject to eligibility requirements), if additional Convertible Notes are issued to EWI in its capacity as Underwriter, it will hold more than its pro-rata share of Convertible Notes. In this situation, if all Notes are converted, EWI will be issued with a greater proportion of Shares than its percentage Shareholding before conversion. The extent of the increase in EWI's shareholding will, in this situation, depend in part on the number of Notes allocated to it in its capacity as Underwriter.

A second factor that may influence EWI's voting power in the Company is the extent to which other Eligible Shareholders who subscribe for Convertible Notes subsequently exercise them. If EWI ultimately exercises all Convertible Notes issued to it (whether pursuant to its pro-rata entitlement or in its capacity as Underwriter), but other Holders do not exercise all of their Convertible Notes, EWI's voting power will increase (assuming no other changes to the Company's share capital occur).

In addition to the above factors, under the terms of the EWI 2014 Notes, as a result of the Offer, EWI is entitled to require the Company to offer it additional convertible notes (on the same terms as Notes) (**Follow-on Notes**).

Standard Chartered Private Equity has a similar right under the terms of the SCPE 2013 Notes, although it has waived these rights in respect of the Offer. The maximum number of Follow-on Notes that may be issued to EWI is 26,478, which would be convertible into 5,295,600 Shares (based on a conversion price of A\$0.50). The maximum number of Follow-on Notes that may be issued to SCPE is 43,739, which would be convertible into 8,747,800 Shares (based on a conversion price of A\$0.50). For further details on the terms of the EWI 2014 Notes, see **Section 9.8**. For further details on the terms of the SCPE 2013 Notes, see **Section 9.6**.

As EWI's voting power in the Company is greater than 20%, EWI will not be permitted to exercise any Convertible Notes (or Follow-on Notes) issued to it except as permitted by section 611 of the Corporations Act. Circumstances in which EWI would be able to exercise its Notes include if the issue of Shares pursuant to the exercise of Notes (or Follow-on Notes) is approved by a resolution of Shareholders (with EWI unable to vote on such a resolution) in accordance with the exemption in item 7 of section 611. Alternatively, EWI could rely on the "3% creep in six months" exemption in item 9 of section 611, which permits it to increase its voting power in the Company by up to 3% in every six month period.

The table below illustrates the effect on the voting power of EWI in the Company in each of the following scenarios (with Scenario 1 being the least dilutive of other Shareholders, and Scenarios 6 and 7 the most dilutive):

**Scenario 1:** If EWI subscribes for its full Entitlement only (on the basis that the Offer is fully subscribed) and converts all those Notes, but no other convertible securities currently on issue (e.g., SCPE 2013 Notes or EWI 2014 Notes) are converted and the SCPE Warrant is not exercised.

**Scenario 2:** If Shareholders (other than EWI) subscribe for, in aggregate, 50% of their Entitlements and EWI subscribes for its full Entitlement and the remainder of the Shortfall and EWI and the other Shareholders convert all of those Notes, but no other convertible securities currently on issue (e.g., SCPE 2013 Notes or EWI 2014 Notes) are converted and the SCPE Warrant is not exercised .

**Scenario 3:** If EWI subscribes for its full Entitlement and the whole Shortfall (i.e., each other Eligible Shareholder does not take up any of their Entitlement) and converts all those Notes, but no other convertible securities currently on issue (e.g., SCPE 2013 Notes or EWI 2014 Notes) are converted and the SCPE Warrant is not exercised.

**Scenario 4:** If EWI subscribes for its full Entitlement and the whole Shortfall (i.e., each other Eligible Shareholder does not take up any of their Entitlement) and converts all those Notes and both EWI and Standard Chartered Private Equity subsequently exercise their conversion rights under the EWI 2014 Notes and SCPE 2013 Notes respectively, and SCPE exercises the SCPE Warrant.

**Scenario 5:** If EWI subscribes for its full Entitlement and the whole Shortfall (i.e., each other Eligible Shareholder does not take up any of their Entitlement) and EWI subsequently exercises its conversion rights under the EWI 2014 Notes, but Standard Chartered Private Equity does not exercise its rights under the SCPE 2013 Notes or exercise the SCPE Warrant.

**Scenario 6:** If EWI exercises its conversion rights under the EWI 2014 Notes, and is issued further Shares in the Company before the Record Date (such that its Entitlement to participate in the Offer is calculated on the basis of its enlarged Shareholding) and then subscribes for its full (enlarged) Entitlement and the whole Shortfall (i.e., each other Eligible Shareholder does not takes up any of their Entitlement), but Standard Chartered Private Equity does not exercise its rights under the SCPE 2013 Notes or exercise the SCPE Warrant.

**Scenario 7:** If EWI does not exercise its conversion rights under the 2014 EWI Notes but exercises its right to be issued with Follow-on Notes, subscribes for its full Entitlement and the whole Shortfall (i.e., each other Eligible Shareholder does not takes up any of their Entitlement), and then converts all of its Notes and Follow-on Notes, but Standard Chartered Private Equity does not exercise its rights under the SCPE 2013 Notes or exercise the SCPE Warrant.

Shareholding percentage in EWC <sup>1</sup>				
Scenario	EWI <sup>2</sup>	Standard Chartered Private Equity	Other Shareholders	Total
Pre-Offer	36.59%	Nil	63.41%	100.00%
1	36.59%	Nil	63.41%	100.00%
2	39.12%	Nil	60.88%	100.00%
3	41.64%	Nil	58.36%	100.00%
4	41.24%	5.14%	53.62%	100.00%
5	43.48%	Nil	56.52%	100.00%
6	43.63%	Nil	56.37%	100.00%
7	43.63%	Nil	56.37%	100.00%

<sup>1</sup> These calculations assume the Offer is fully subscribed and that all Holders pay their Second Instalment Amount. It is assumed that there are no adjustments to the Conversion Price.

<sup>2</sup> Conversion of the EWI 2014 Notes is assumed to occur at an exchange rate of US\$1 = A\$1.2243. Conversion of the SCPE 2013 Notes and SCPE Warrant is assumed to occur at an exchange rate of US\$0.9889 equals A\$1.00.

## 6 Financial information

### 6.1 Pro-forma Consolidated Statement of Financial Position

The effect of the Offer on the financial position of the Company is illustrated by the Pro-forma Consolidated Statement of Financial Position below. This pro-forma is based on the Company's interim unaudited accounts for the half-year ended 31 December 2014. It shows the effect of the Offer as if the events contemplated in this Prospectus had occurred on 31 December 2014 and assumes that the Offer is fully subscribed and that Holders fully pay both the First Instalment Amount and the Second Instalment Amount due in respect of Notes.

The accounting policies adopted in the preparation of the Pro-forma Consolidated Statement of Financial Position are consistent with the policies adopted and described in EWC's Consolidated Statement of Financial Position for the half-year ended 31 December 2014. The adjustment to the Consolidated Statement of Financial Position includes an estimate of the related costs of the Offer, as described in **Section 9.16**.

#### Pro-forma Consolidated Statement of Financial Position (unaudited) as at 31 December 2014 before expenses of the Offer

	Actual as at 31 December 2014	Convertible Note Offer 50% <sup>1</sup>	Pro-forma after receipt of First Instalment Amounts as at 31 December 2014	Convertible Note Offer 50% <sup>2</sup>	Pro-forma after receipt of Second Instalment Amounts as at 31 December 2014
	US\$'000s	US\$'000s	US\$'000s	US\$'000s	US\$'000s
<b>Current Assets</b>					
Cash assets	6,288	29,794 <sup>3</sup>	36,082	29,794	65,876
Cash held in reserve accounts	101,733		101,733		101,733
Trade and other receivables	22,199		22,199		22,199
Inventories	1,363		1,363		1,363
Prepayment	5,350		5,350		5,350
<b>Total Current Assets</b>	<b>136,933</b>	<b>29,794</b>	<b>166,727</b>	<b>29,794</b>	<b>196,521</b>
<b>Non-Current Assets</b>					
Cash held in reserve accounts	51,000		51,000		51,000
Oil and gas assets	110,917		110,917		110,917
Exploration and evaluation expenditure	58,191		58,191		58,191

Property, plant and equipment	1,058,256		1,058,256		1,058,256
<b>Total Non-Current Assets</b>	<b>1,278,364</b>	<b>-</b>	<b>1,278,364</b>		<b>1,278,364</b>
<b>Total Assets</b>	<b>1,415,297</b>	<b>29,794</b>	<b>1,445,091</b>	<b>29,794</b>	<b>1,474,885</b>
<b>Current Liabilities</b>					
Trade and other payables	313,038		313,038		313,038
Financial liabilities	114,170		114,170		114,170
Income tax payable	6,887		6,887		6,887
Provisions	1,697		1,697		1,697
<b>Total Current Liabilities</b>	<b>435,792</b>	<b>-</b>	<b>435,972</b>	<b>-</b>	<b>435,792</b>
<b>Non-Current Liabilities</b>					
Trade and other payables	1,770		1,770		1,770
Financial liabilities <sup>1</sup>	312,241	<b>29,794</b>	342,035	<b>29,794</b>	371,829
Deferred tax liabilities	48,068		48,068		48,068
Provisions	10,548		10,548		10,548
<b>Total Non-Current Liabilities</b>	<b>372,627</b>	<b>29,794</b>	<b>402,421</b>	<b>29,794</b>	<b>432,215</b>
<b>Total Liabilities</b>	<b>808,419</b>	<b>29,794</b>	<b>838,213</b>	<b>29,794</b>	<b>868,007</b>
<b>Net Assets</b>	<b>606,878</b>	<b>-</b>	<b>606,878</b>	<b>-</b>	<b>606,878</b>
<b>Equity</b>					
Issued capital	466,805		466,805		466,805
Other reserves	20,195		20,195		20,195
Retained earnings	110,224		110,224		110,224

<sup>1</sup> This does not take into account the US\$25 million loan advanced to EWC by EWI on 15 March 2013 (see **Section 9.14**).



Equity attributable to owners of the parent	597,224		597,224		597,224
Non-controlling interests	9,654		9,654		9,654
<b>Total Equity</b>	<b>606,878</b>	<b>-</b>	<b>606,878</b>	<b>-</b>	<b>606,878</b>

<sup>1</sup> Assumes the Company receives the First Instalment Amount of A\$50 per Note for 750,000 Convertible Notes, being the indicative maximum number of Notes issued under the Offer. Australian Dollars are converted to US Dollars based on an intra-day exchange rate of A\$0.79451 for every 1 US Dollar on 13 May 2015.

<sup>2</sup> Assumes all Holders pay the Second Instalment Amount of A\$50 per Note, on or prior to the Second Instalment Date, for 750,000 Convertible Notes, being the indicative maximum number of Notes issued under the Offer. Australian Dollars are converted to US Dollars based on an intra-day exchange rate of A\$0.79451 for every 1 US Dollar on 13 May 2015.

<sup>3</sup> These amounts are before the expenses of the Offer (see **Section 9.16**).

## 6.2 Subsequent events

On 15 March 2015, EWI advanced to the Company the sum of US\$25 million. Details of this loan are described in **Section 9.5**. EWI and the Company have agreed that EWI's obligation to pay the First Instalment Amount in respect of the Convertible Notes to be issued to it pursuant to the Offer will be set-off against the balance of this loan. Based on an exchange rate of one US Dollar equalling A\$0.79451, being the approximate intra-day rate on 13 May 2015, EWI will be required to pay US\$10.9 million in respect of the First Instalment Amount of its Entitlement. If it is required to subscribe for all Convertible Notes (pursuant to the Underwriting Agreement) its obligations in respect of the First Instalment Amount will be US\$29.8 million.

There has not arisen, at the date of this Prospectus, any other item, transaction or event of a material or unusual nature not already disclosed (in this Prospectus or to ASX) that is likely, in the opinion of the Directors, to affect substantially:

- the operations of the Company;
- the results of those operations; or
- the state of affairs of the Company.

## 7 Risk factors

An investment in Convertible Notes and in the Company involves a number of risks. These include risks that arise from the nature of Convertible Notes and their Terms of Issue. They also include a number of factors, some of which may be considered general in nature and others that are specific to the business of the Company, which have the potential to have a material adverse effect on the future financial or operational performance of the Company, its financial position or prospects. If the performance of the Company is adversely affected, this may affect its ability to perform its obligations in respect of Convertible Notes, or the value of, liquidity of, or market for, Convertible Notes or the Ordinary Shares into which they are convertible. While the Company attempts to mitigate risks where reasonable to do so, some risks are either beyond the Company's control or cannot reasonably be mitigated in a commercial manner.

While not intended to be an exhaustive list of the risks that may affect the Company's business or an investment in Convertible Notes, each of the risk factors below should be considered carefully by Eligible Shareholders before deciding whether or not to invest. In particular, Eligible Shareholders should consider these risks in light of their personal financial objectives, their tolerance for assuming investment risk, and their current financial position.

### 7.1 Risks related to EWC

#### Financing risk

The proceeds from the Offer will be used primarily for the Company's development activities in connection with its Sengkang LNG Project, and phase one of its Philippines Power Plant Project (consisting of 2 x 200MW gas turbines). The Company is in negotiations with various financial institutions in respect of credit facilities for the purposes of funding the further development and entry into commercial operation of each of these projects. These negotiations are ongoing, incomplete and confidential and the Company will make an announcement when it is appropriate to do so. For the time being, there can be no assurance that the Company will be able to conclude the credit financings currently under negotiation and be able to raise sufficient funds to meet its capital expenditure requirements. If the Company is unable to raise the capital needed to fund the costs of its projects or experiences any delays in satisfying conditions to draw on such funds, this could have a material and adverse effect on the Company's ability to complete these projects as planned.

#### Third party approval risk

There are a number of governmental permits, approvals, licences and agreements with third parties that the Company will need to obtain in order to proceed with its development plans to bring each of the projects referred to above into commercial operation, or to satisfy conditions precedent in relation to credit facilities under negotiation, in order to accomplish its objectives.

#### Foreign exchange control risk

The credit facility under negotiation in respect of the Philippines Power Plant Project is to be denominated in Philippine Peso and the credit facility under negotiation in respect of the Sengkang LNG Project is to be in US Dollars. If foreign exchange controls were to be imposed, the ability to meet foreign currency payment obligations could be adversely affected.

### 7.2 Risks related to Convertible Notes

#### Convertible Notes are unsecured and subordinated obligations

As detailed in **Section 9.1**, Convertible Notes are unsecured, subordinated liabilities of the Company. That is, the Company's obligation to repay the Invested Amount upon Redemption is not secured by any asset of the Company. Further, in the event of a Winding Up, claims by Holders against the Company will be subordinated and so rank behind all holders of Senior Ranking Obligations and equally with any Equal Ranking Obligations. In addition, the shares in, and assets of, the Company's main operating subsidiaries have been pledged as security to lenders under credit facilities entered into by the Group, or are expected to be pledged as security to lenders under proposed credit facilities for the Sengkang LNG Project, Philippines Power Plant and Philippines LNG Hub if these are concluded. There is therefore a risk that there may be a shortfall of funds available to pay all amounts ranking senior to and equally with Convertible Notes if a Winding Up of the Company occurs. In such

circumstances, Holders would not receive some or all of their Invested Amount and/or accrued but unpaid interest.

### **Market price of Shares**

Once fully paid, Convertible Notes are convertible at the Conversion Price. The Conversion Price is initially A\$0.50 and is subject to adjustment. The closing price of shares on ASX on the Business Day prior to the Prospectus was A\$0.38. There is a risk that the market price of Shares will not rise above, or stay above, the Conversion Price. In such a case, it may not be advantageous to exercise Convertible Notes.

**Further issues of indebtedness or securities** – subsequent to the Offer under this Prospectus, the Company may, without the approval of Holders, incur further liabilities that will rank ahead of Convertible Notes. These include future amounts that may be borrowed from time to time from senior lenders and liabilities that arise out of events that are not reflected on the balance sheet of the Company, including issuance of guarantees and indemnities.

In addition, the Terms of Issue do not restrict the Company from issuing additional debt securities or incurring other obligations that rank equally with or ahead of Convertible Notes.

**Conversion** – in the event of conversion, the Ordinary Shares issued will rank equally with all other Ordinary Shares on issue and their value will depend upon the prevailing market price for Ordinary Shares on ASX. This price may fluctuate greatly over time as a result of many different risk factors, including but not limited to those risk factors identified in this section. Ordinary Shares also have different rights from those which attach to Convertible Notes, as detailed in **Section 9.2**.

**Ordinary Share dividends** – upon conversion, interest will cease to accrue on Convertible Notes. There can be no guarantee that an investment in Shares will provide an income stream, as this will depend on whether the Company pays dividends. Dividends on Ordinary Shares are determined by the Board. When deciding whether to invest in Convertible Notes, Eligible Shareholders should note that the Company has not paid dividends on its Ordinary Shares to date and does not expect to do so for the foreseeable future. If a dividend was declared by the Company, only those Shareholders with registered shareholdings on the appropriate record date would be entitled to receive that dividend.

**Enforcement** – the Note Trust Deed sets out the obligations that the Company and the Note Trustee respectively owe Holders in relation to Convertible Notes. All rights in relation to Convertible Notes may generally only be enforced by the Note Trustee in accordance with the Note Trust Deed, as summarised in **Section 9.3**. The Note Trustee is not obliged to take any enforcement action unless it has been so directed by a Special Resolution or so requested in writing by the Holders of at least 25% of the aggregate of the principal amount of all Convertible Notes outstanding, it has been indemnified to its satisfaction in respect of, among other things, all liabilities, costs, charges, damages and expenses which it may incur, and it is not restricted or prohibited from taking such action by any order of a competent court or by applicable law. The Note Trustee is generally not liable to a Holder or any other person except where the Note Trustee acts fraudulently, negligently or wilfully defaults under the Note Trust Deed.

**Interest rate risk** – the interest on the Invested Amount to be paid to Holders is fixed and will not be adjusted to reflect fluctuations in any market-based rate of interest. The Company may also be required to deduct non-resident withholding tax from any Holder who is not an Australian tax resident (see **Section 8** for further details). If market-based rates increase, the interest rate on Convertible Notes will become less attractive in comparison with other available rates of return. In addition to considering all of the other risk factors in this section, prior to deciding whether or not to invest, Eligible Shareholders should seek professional advice to determine whether or not this rate of interest is suitable for their personal financial objectives.

**Interest payments** – the payment of interest is not secured by any of the Company's assets or any other entity's assets. The Company expects to make interest payments from operational cash flow and/or the proceeds of future debt or equity raisings. The Company's ability to generate operational cash flow and raise further capital depends substantially on the success of its business. If the Company's projects do not perform as expected, there is a risk that it will not be able to service the semi-annual interest payments from these funding sources.

**Partly paid** – Convertible Notes are partly paid, meaning that you pay half of the principal when you apply and the other half six months after the Issue Date. If you are unable to pay the Second Instalment Amount on its due date, your Convertible Note will not be convertible into Ordinary Shares and will effectively remain a loan to the Company until Redeemed.

A separate risk is that it might not be attractive to pay the Second Instalment Amount at the time it falls due. An example of this might occur where the Company's performance or prospects have deteriorated since the Convertible Notes were issued.

**Redemption risk** – Redemption is not secured by any of the Company's assets or any other entity's assets. The Company presently expects to be able to Redeem Convertible Notes using funds generated from operations or the proceeds from future debt or equity raisings. The Company's ability to generate operational cash flow and raise further capital depends substantially on the success of its business. If the Company's projects do not perform as expected, there is a risk that it will not be able to Redeem Convertible Notes.

There are further risks to Redemption which are not associated with the Company's financial capacity to do so. These risks relate to the possibility that Convertible Notes may be Redeemed (with notice) by the Company prior to the Maturity Date if either a Control Event occurs and Holders don't exercise their Conversion rights in the time allowed, or if the aggregate principal amount of Convertible Notes outstanding is less than 10% of that originally issued (see the Terms of Issue). Early Redemption of this kind may be undesirable to Holders in light of prevailing interest rates, market conditions, and/or their personal circumstances at that time.

**Liquidity risk** – the Company will not be applying to ASX for quotation of Convertible Notes. While Convertible Notes will be freely transferrable in accordance with the terms of the Note Trust Deed, the lack of quotation means that their market is likely to be very illiquid, or possibly non-existent. There is therefore a substantial risk that Holders will be unable to sell their Convertible Notes.

**Dilution risk** – as discussed above, the Company may, without the approval of Holders, issue further securities with the same or different terms as Convertible Notes. Subject to certain adjustments set out in the Terms of Issue, the issue by the Company of additional Shares or securities convertible into Shares will mean that if Holders convert their Notes, they will hold a lower percentage interest in the number of Shares on issue than they would have had if no such additional securities been issued.

**Taxation risk** – changes in Australian tax law, including changes in its interpretation and/or application by the courts or the Australian Taxation Office, may affect the taxation treatment of the acquisition, holding and disposal of Convertible Notes. A general overview of the current taxation considerations relevant to investing in Convertible Notes for Australian resident Eligible Shareholders can be found in **Section 8**. This information is general in nature and is not intended to be relied upon by Eligible Shareholders as advice specific to their personal financial circumstances. Eligible Shareholders who are considering applying under the Offer should consult a professional taxation adviser in relation to their individual taxation circumstances.

## 7.3 General risks

### General risk factors

There are a number of general risk factors outside the control of the Company that may have a detrimental effect on its prospects, future financial performance or the value of its securities, regardless of the Company's operational performance. The following is a non-exhaustive list of such risks:

- general economic conditions in the countries in which the Company operates and in the international economy more broadly;
- changes in interest rates, the rate of inflation, and exchange rates;
- monetary policy in Australia and internationally;
- commodity prices, in particular the prices for oil and natural gas;
- fluctuations in Australian and international capital markets, including changes in investor sentiment and perception within these markets;
- changes to government regulatory regimes, fiscal and other policies, and legislation;
- geopolitical concerns, including risks posed by war, terrorism, military conflict and international hostilities;
- the failure of the Company's customers and counterparties to fulfil their contractual or other obligations;
- general conditions in the markets in which the Company operates, including risks posed by competition; and

- natural disasters, general environmental conditions and weather events.

In light of these risks, and given the Company's lack of control over such matters, neither the Company nor its Board of Directors warrant or represent that the Company will achieve a particular degree of financial performance, or that any specific investment return will be realised by Eligible Shareholders who decide to invest in Convertible Notes or who ultimately convert those Convertible Notes into Ordinary Shares.

### **Insurance**

To the extent that insurance is affordable and available on reasonable terms, the Company maintains policies to insure against certain risks where it is considered appropriate to do so. However, given the nature of some risks, appropriate insurance will not always be available to purchase. Similarly, certain risks will be insurable but it will not make commercial sense for the Company to insure against them when the policy premium is considered against the anticipated benefits of such insurance.

### **Litigation**

As far as the Directors are aware, there are no current or threatened civil litigation proceedings, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned which are likely to have a material adverse effect on the business or financial position or performance of the Company.

However, given the nature of the business which the Company operates, it may be exposed to claims or litigation from third parties in the future. To the extent that such claims are not covered by the Company's insurance, the costs of responding to any threats of legal action, and any litigation itself, could negatively affect the financial position and prospects of the Company.

## 8 Taxation information

**The taxation consequences of investing in Convertible Notes will depend on your particular circumstances. It is your responsibility to satisfy yourself of the particular taxation treatment that applies to you by consulting your own professional tax advisers before investing in Convertible Notes. Neither the Company nor any of its officers, employees, agents or advisers accepts any liability or responsibility in respect of the taxation consequences connected with an investment in Convertible Notes.**

This section provides a general statement of the Australian income tax, goods and services tax (**GST**) and stamp duty consequences regarding the acquisition, holding and disposal of Convertible Notes by Australian tax resident Eligible Shareholders that hold their Ordinary Shares on capital account. It does not apply to a Shareholder that acquired Ordinary Shares under an employee share scheme or that holds Ordinary Shares as trading stock or otherwise on revenue account. This section does not address the foreign tax consequences for any investor, or the Australian tax consequences for a foreign tax resident, other than in respect of interest withholding tax.

The following summary is based on the relevant Australian taxation laws as at the date of this Prospectus, except where otherwise indicated. These laws, and their interpretation by the courts, are subject to change from time to time.

### 8.1 Implications of rights issue

The receipt by an Eligible Shareholder of the non-renounceable right to acquire Convertible Notes issued under this Prospectus should not be treated as a dividend or give rise to any income tax implications.

If an Eligible Shareholder allows the right to lapse, this should not give rise to a capital gain or capital loss.

If an Eligible Shareholder exercises the right to acquire Convertible Notes, this will give rise to the acquisition of an asset for CGT purposes.

### 8.2 Characterisation of Convertible Notes for income tax purposes

Convertible Notes should be regarded as “debt interests” under Division 974 of the Tax Act on the basis that the term of the Convertible Notes is less than ten years and, unless a Holder chooses to convert the Convertible Note to Ordinary Shares, the company has an effectively non-contingent obligation to repay the Invested Amount, and outstanding interest, on the Maturity Date.

### 8.3 Returns on Convertible Notes

On the basis that Convertible Notes are regarded as “debt interests”, the interest payable will be included in the assessable income of Holders. For Holders that are individuals, this would usually be at the time the interest is received. For other Holders, the timing of the assessability of interest will depend on their method of tax accounting and the application, if any, of the taxation of financial arrangement rules in Division 230 of the Tax Act.

The Company may be required to withhold tax from any interest:

- at the rate of 10% (or lower treaty rate) if the recipient is not an Australian tax resident, except where it is received by a foreign tax resident at or through a permanent establishment it has in Australia; or
- at the top marginal tax rate including Medicare levy (currently 49%) if the recipient is an Australian tax resident that fails to quote its tax file number or Australian Business Number.

### 8.4 Profit or loss on disposal or Redemption of Convertible Notes

Convertible Notes should be regarded as “traditional securities” for the purposes of sections 26BB and 70B of the Tax Act. As such, any:

- profit on disposal will be included in the Holder’s assessable income; or
- loss on disposal may give rise to a deduction for the Holder, depending on the circumstances related to the disposal.

The profit or loss will generally be determined by the difference between the Invested Amount for the Convertible Notes and the consideration received on disposal.

Although a disposal arises on Redemption, no profit or loss should arise on the Maturity Date assuming the amount payable on Redemption remains the same as the Invested Amount.

Any capital gain that may otherwise arise for CGT purposes should generally be reduced to nil pursuant to section 118-20 of the Tax Act.

## **8.5 Conversion of Convertible Notes**

On the basis that Convertible Notes are “traditional securities”, no assessable profit or deductible loss should arise on conversion pursuant to sections 26BB(4) and 70B(2B) of the Tax Act, other than for any accrued interest being assessable as outlined in **Section 8.3** above.

There should also be no capital gain or loss on conversion under the CGT rules. However, on conversion, the cost base of the Ordinary Shares should equal the sum of the Face Value of the Convertible Note and any incidental costs incurred by the Holder in respect of the conversion.

## **8.6 Shares assigned on conversion**

There will be ongoing income tax implications associated with the receipt of dividends in respect of Ordinary Shares acquired on conversion of Convertible Notes, as well as CGT implications arising from subsequent dealings in those Ordinary Shares. These implications should be similar to those applying to a Shareholder's existing Ordinary Shares.

## **8.7 GST**

No GST will apply to Holders in respect of the acquisition, conversion or Redemption of, or other dealings with, Convertible Notes. However, input tax credits in respect of GST on associated costs may be denied or limited.

## **8.8 Stamp duty**

As Convertible Notes are unsecured, no stamp duty will apply to Holders in respect of the acquisition, conversion or Redemption of, or other dealings with, Convertible Notes.

## 9 Additional information

### 9.1 Rights attaching to Convertible Notes

The information below is a summary of the rights attaching to Convertible Notes. For the full terms and conditions, please refer to **Appendix B**.

#### Interest

Convertible Notes carry a right to receive interest on the Invested Amount, payable semi-annually in arrears. Interest payments cannot be deferred by the Company and any interest that falls due but is not paid by the Company is cumulative but non-compounding. The payment of accrued but unpaid interest is not secured by any assets of the Company or any other person.

#### Participation rights

Convertible Notes do not confer upon Holders any right to subscribe for new securities or to participate in bonus issues of securities, nor do they confer any right to participate in the profits of the Company. However, the Conversion Price used to determine the number of Ordinary Shares to be issued upon conversion will be adjusted in the case of a rights issue, bonus issue, off market buy-back or return of capital and, in the event of a capital reconstruction, Convertible Notes issued pursuant to the Offer will be reconstructed consistently with the way an Option over Ordinary Shares would be adjusted under the Listing Rules.

Once converted, holders of Ordinary Shares will have the right to participate in all such capital events.

#### Voting rights

Convertible Notes do not confer upon Holders any right to vote at any meeting of the Shareholders of the Company.

#### Conversion

Holders have the right to convert their Convertible Notes into Ordinary Shares ranking equally with all other Ordinary Shares, at any time during the Conversion Period, subject to a Control Event occurring. The Ordinary Shares issued upon conversion will have the rights as set out below for all other Ordinary Shares. Interest that accrues during the Conversion Period, but which remains unpaid at conversion, will be paid by the Company on the Conversion Date.

The Conversion Period is generally the period from the Second Instalment Date (assuming the Holder pays their Second Instalment Amount when due) to the Business Day that is 35 Business Days before the Maturity Date. The occurrence of a Control Event may shorten the Conversion Period, however, a Control Event does not remove a Holder's right to convert as long as the right is exercised within a defined window. Please refer to the Terms of Issue (Condition 4) in **Appendix B** for full details.

#### Redemption

Convertible Notes that have not been converted prior to the Maturity Date will be Redeemed on that date at the Invested Amount, together with any interest accrued but not yet paid. The Company may only Redeem Convertible Notes prior to the Maturity Date where the Company is subject to a Winding Up, where less than 10% of the aggregate principal amount of Convertible Notes initially issued remains outstanding, or where a Control Event occurs. Please refer to the Terms of Issue (Condition 5) in **Appendix B** for full details.

In certain circumstances (e.g., the insolvency of the Company), the Company may not be in a position to Redeem all or any of the Invested Amount or to pay the interest accrued but outstanding at that time. Refer to **Section 7.2** for a discussion of these risks.

#### Transfer

Convertible Notes will not be quoted on ASX or any other stock exchange, however, they will generally be freely transferable provided the terms of the Note Trust Deed are complied with.

#### Ranking and security

Convertible Notes constitute direct, unconditional, subordinated and unsecured obligations of the Company and rank equally and without any preference or priority amongst themselves. The Company's obligation to make payment with respect to Convertible Notes, including its obligation to Redeem them at the Invested Amount on



the Maturity Date is not secured by any charge, mortgage or other security interest over the assets of the Company. Furthermore, this obligation is not secured by any other person or entity.

With the exception of Ordinary Shares and any subsequently issued Junior Ranking Obligations, Convertible Notes are subordinated to all other claims on the Company.

If a Convertible Note is converted into an Ordinary Share, the Holder will receive the rights set out below that attach to all other Ordinary Shares, other than in respect of a dividend or other entitlement for which the applicable record date falls prior to the Conversion Date.

## **9.2 Rights attaching to Ordinary Shares**

The Ordinary Shares issued on conversion will be Ordinary Shares free from any encumbrances or third party rights of any kind. Ordinary Shares issued on conversion will rank equally in all respects with each other and with existing Ordinary Shares.

The information below is a brief, non-exhaustive summary of the rights, privileges and restrictions which attach to Ordinary Shares. It should be noted that these rights, privileges and restrictions can be varied by a special resolution passed at a meeting of Shareholders, or with the written consent of Shareholders holding at least 75% of the votes attaching to Ordinary Shares.

### **Notice of meetings**

Shareholders are entitled to at least 28 days written notice of a meeting of the members of the Company. Shareholders are also entitled to all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the Listing Rules.

### **Voting**

Subject to any restrictions on voting that may from time to time affect any particular Shareholder or any class of Shares, and subject also to any contrary provisions of the Constitution, at a meeting of Shareholders, each Shareholder entitled to vote may vote in person, by proxy, by attorney or, being a corporation, by a duly authorised representative, and will have one vote on a show of hands and one vote per Ordinary Share on a poll.

### **Dividends**

Subject to the Corporations Act and to any special rights or restrictions attached to any particular Shares, the Board may exercise its discretion to determine and declare a dividend payable to Shareholders where it appears to be justified by the Company's profits.

### **Transfer**

Subject to the Constitution, the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules, Ordinary Shares in the Company are freely transferable. Subject to the Listing Rules and the Corporations Act, the Directors may refuse to register a transfer or apply a holding lock to prevent a transfer of Ordinary Shares in limited circumstances. An example of such a situation may be where the Company has a lien on those Shares.

### **Winding Up**

If the Company is Wound Up, the liquidator may divide among all or any of the Company's Shareholders, in specie or in kind, any part of the Company's assets. This division of the assets may be carried out as the liquidator thinks fit, subject to the right of any Shareholder prejudiced by the division to dissent.

## **9.3 Note Trust Deed**

The Note Trust Deed governs the terms and conditions on which Convertible Notes are to be issued and it is subject to the Corporations Act and the Listing Rules. The Terms of Issue of Convertible Notes are contained in Schedule 1 to the Note Trust Deed. These terms and conditions are reproduced in their entirety in **Appendix B**.

The information below is only a summary of the Note Trust Deed. In order to gain a complete understanding of the Note Trust Deed, it must be read in full. Eligible Shareholders who wish to inspect a complete copy of the Note Trust Deed are able to do so without charge during normal office hours at the registered office of either the Company or the Note Trustee from seven days after lodgement of this Prospectus. Please refer to the Corporate Directory at the rear of this Prospectus for the Company's and the Note Trustee's respective addresses.

The Note Trustee has agreed to act as the trustee of the assets and rights held on trust for Holders pursuant to the terms of the Note Trust Deed. The Convertible Notes are issued subject to the Terms of Issue that are contained in the Note Trust Deed.

The interest payments on Convertible Notes are obligations of the Issuer and are not guaranteed by the Note Trustee or any of its directors, employees, officers, affiliates, agents, advisers, intermediaries, related bodies corporate or any other entity. The obligation to Redeem the Convertible Notes in accordance with their terms is a direct obligation of the Issuer. Neither the Note Trustee nor any of its directors, employees, officers, affiliates, agents, advisers, intermediaries, related bodies corporate or any other entity guarantees the Redemption or repayment of the Face Value of Convertible Notes.

The Note Trustee is not responsible for monitoring compliance by the Issuer of its obligations under the Note Trust Deed, nor the Company's business, except as required by law. In this regard, the Note Trustee is subject to certain statutory duties imposed on it under Chapter 2L of the Corporations Act, including to:

- exercise reasonable diligence to ascertain whether:
  - the property of the Issuer that is or should be available will be sufficient to repay the amounts lent by Holders in respect of the Convertible Notes; and
  - the Issuer has breached the Terms of Issue, the Note Trust Deed or the provisions of Chapter 2L of the Corporations Act; and
- unless the Note Trustee is satisfied the breach will not materially prejudice Holders' interests, do everything in its power to ensure the Issuer remedies any such breach which is known to the Note Trustee.

The Holders are taken to have notice of, and are bound by, all the provisions of the Note Trust Deed and the Terms of Issue.

### **Register**

The Note Trust Deed contains certain arrangements relating to the maintenance of the Register of Holders. Title in a Convertible Note vests in the registered Holder. The Issuer and the Note Trustee may treat Holders as the absolute beneficial owners of Convertible Notes held by them and are not obliged to recognise any other person as having any right or interest in any Convertible Note, whether or not they have notice of such right or interest.

### **Transfer of Notes**

Each Convertible Note is transferrable in whole in accordance with the Note Trust Deed, but not otherwise. All transfers must be effected by a proper instrument of transfer and in a manner approved by the Issuer. The Issuer may decline to register a transfer unless the instrument is duly stamped and accompanied by such evidence as the Issuer requires to prove the title of the transferor. The Issuer may refuse to register a transfer that does not satisfy these requirements if register of the transfer would result in a breach of law or if the Issuer has a lien on the relevant Convertible Notes. A transferor remains the Holder until the transfer is registered and the transferee is entered in the Register of Holders.

### **Appointment of Note Trustee**

The Note Trustee is appointed to hold on trust for Holders, subject to the Terms of Issue, the benefit of:

- a settlement sum of A\$10.00;
- the Note Trust Deed;
- the right to enforce the Issuer's duty to repay the Convertible Notes;
- the right to enforce all other duties of the Issuer under the Terms of Issue, the provisions of the Note Trust Deed and Chapter 2L of the Corporations Act; and
- any other powers and any other property which the Note Trustee may receive or which may be vested in the Note Trustee.

### **Payments**

The Issuer undertakes to pay all amounts due under the Convertible Notes to or to the order of the Note Trustee, and to otherwise comply with the Note Trust Deed and Terms of Issue. The Note Trustee directs the Issuer to

pay such amounts to the Holders unless a Winding Up of the Issuer has commenced. Payment to the Holders in accordance with the Terms of Issue satisfies the Issuer's obligation to pay this amount to the Note Trustee to the extent of the payment, and payment to the Note Trustee satisfies the Issuer's obligation to pay any amount to the Holders.

The Note Trustee's entitlement to enforce the Issuer's obligations to make payments under the Convertible Notes is subordinated on equivalent terms to those set out in Condition 2 of the Terms of Issue.

The Note Trust Deed contains provisions entitling the Issuer to withhold payments in various circumstances, including where a Holder needs to obtain a governmental approval to be paid an amount and where the Issuer believes that a person other than the Holder has become entitled to be registered as Holder and receive the payment.

Amounts payable to the Note Trustee in respect of its remuneration, costs and various other amounts are not subordinated and will rank in priority to the payments due to the Holders.

#### **Note Trustee limitation of liability**

The Note Trust Deed contains several provisions which, subject to the Corporations Act, entitle the Note Trustee to make assumptions as to certain matters, rely on information, statements and opinions provided to it and exercise certain other discretions.

The Note Trustee is generally not liable to the Issuer, Holders or any other person and is indemnified against all liabilities and actions, except where the Note Trustee acts fraudulently, negligently or wilfully defaults under the Note Trust Deed. The indemnity granted to the Note Trustee ranks in priority to any claim by a Holder.

#### **Enforcement by Note Trustee**

The Note Trustee is not required to notify any person of the occurrence of any Default or breach of the Note Trust Deed or any other document relating to the Convertible Notes.

If an Event of Default subsists, the Note Trustee can enforce by:

- declaring that the total Invested Amount of the Notes (together with any accrued interest) is immediately due and payable;
- demanding immediate payment by the Issuer of all money that the Issuer is liable to pay under or in connection with the Note Trust Deed or the Terms of Issue; and
- exercising any powers rights or privileges conferred by law or equity under the Note Trust Deed or the Terms of Issue.

The Note Trustee has a discretion to enforce the Note Trust Deed and the manner in which it enforces it, but is not obliged to enforce the Note Trust Deed except in the manner described in "**Enforcement on direction of Holders**" below.

The Issuer is not liable in damages for breach of any provision of the Note Trust Deed other than in respect of the Note Trustee's remuneration and expenses which are due and payable, or any other loss suffered by the Note Trustee in its personal capacity. This does not affect the Issuer's obligations or liabilities under or in respect of the Terms of Issue to pay any amounts payable in respect of the Convertible Notes and costs and other amounts due to the Note Trustee.

#### **Enforcement on direction by Holders**

The Note Trustee is only obliged to take any enforcement action referred to in the section above (see **Enforcement by Note Trustee**) in relation to an Event of Default if:

- the Note Trustee has been directed to take that action:
  - by a Special Resolution; or
  - in writing by the Holders of at least 25% of the aggregate principal amount of all outstanding Convertible Notes;
- the Note Trustee is indemnified to its satisfaction:
  - for all actions, proceedings, claims and demands to which the Note Trustee may render itself liable by taking such action;

- in respect of all costs, charges, damages and expenses which the Note Trustee may thereby incur; and
- in respect of the costs of all management time spent by employees or officers of the Note Trustee in relation to such action in the amount required under the Note Trust Deed; and
- the Note Trustee is not restricted or prohibited from taking such action by any order of any competent court or any applicable law.

### **Enforcement by Holders**

A Holder may take any action that the Note Trustee could take in relation to an Event of Default or to otherwise enforce the Note Trust Deed if and only if the Note Trustee, having become bound to take that action, fails to do so within 30 Business Days and that failure is continuing. Any such action may be taken by a Holder in the name of the Note Trustee, but not otherwise.

The Issuer may plead this restriction in bar to any proceedings brought against it that are not permitted.

### **Fees, expenses and indemnity**

The Issuer must pay to the Note Trustee by way of remuneration for its services as trustee under the Note Trust Deed, a fee or such other remuneration as may be agreed between the Issuer and the Note Trustee. The Issuer will also pay the Note Trustee's costs properly incurred in connection with the execution and performance of the Note Trust Deed as well as additional fees for any enforcement action that the Note Trustee takes in relation to the Note Trust Deed following default by any other party or any duties which the Note Trustee determines to be outside the scope of the normal duties of the Note Trustee.

### **Retirement and Removal**

The Note Trustee may retire by giving notice to the Issuer, which will not be effective until the last to occur of:

- the day which is 60 days after the date of the notice (or such shorter period as the Note Trustee and the Issuer may agree); and
- the day upon which the appointment of a new note trustee becomes effective.

The Note Trustee may also be removed by the Issuer in various circumstances.

Any removal of the Note Trustee will only take effect upon the appointment of a new note trustee.

### **Meetings**

Subject to the Corporations Act, the Note Trustee or the Issuer may at any time convene a meeting of Noteholders.

The Issuer must convene a meeting on receipt of a direction in writing by Holders of at least 10% of the aggregate of the principal amount of all outstanding Convertible Notes stating the object of the meeting and the terms of any proposed resolution.

A meeting of Holders has the power to:

- by Special Resolution, among other things, approve an amendment proposed by the Issuer to the Terms of Issue or the Note Trust Deed; and
- by Holder Resolution, give directions to the Note Trustee as to the performance of its duties under the Note Trust Deed and the Terms of Issue and do anything for which a Special Resolution is not required by the Terms of Issue or the Note Trust Deed.

A resolution duly passed at a meeting of Holders held in accordance with the Note Trust Deed is binding on all Holders.

The Note Trust Deed may also be amended without the approval of Holders.

## **9.4 Terms of Issue**

The full terms and conditions of Convertible Notes, as they appear in Schedule 1 of the Note Trust Deed, are set out in full in **Appendix B**. These terms and conditions are also summarised in certain sections of this document. Eligible Shareholders should read this Prospectus in its entirety, with particular regard to **Appendix B**, prior to

deciding whether or not to make an Application. Professional advice should be sought prior to making such a decision.

## 9.5 EWI Loan

On 15 March 2015, and in anticipation of the Offer being made, EWI made a loan (**EWI Loan**) to the Company of a principal amount of US\$25 million (**EWI Loan Amount**). The terms of the loan were approved by EWI's Independent Board Committee (**IBC**) on 26 February 2015. The purpose of the loan was to provide the Company with funds for working capital. Interest is payable on the EWI Loan at a rate of 6.7% per annum, with interest payable on the balance of the outstanding EWI Loan Amount until the earlier of:

- the date on which all of the EWI Loan Amount is converted into Convertible Notes with an equivalent Face Value; or
- the date that the EWI Loan is repaid.

The terms of the EWI Loan provide that in the event that the Offer does not proceed, the EWI Loan Amount will not be repayable until 1 March 2016.

For details of how the EWI Loan Amount will be reduced as a result of the issue of Convertible Notes to the Underwriter, see the summary of the Underwriting Agreement in **Section 9.13**.

## 9.6 Summary of SCPE 2013 Notes

On 14 May 2013, EWP issued convertible exchangeable notes in aggregate principal amount of US\$50 million to SCPE, which are either convertible into shares in EWP or exchangeable for Ordinary Shares in the Company (**SCPE 2013 Notes**). The SCPE 2013 Notes have a maturity date of 14 May 2018. At any time during the EWC Exchange Period (being, in general terms, the period commencing from the first anniversary of the issue date of the SCPE 2013 Notes to the date which is ten days prior to their maturity date), SCPE can elect to transfer to the Company the principal amount of each SCPE 2013 Note in exchange for being issued with Ordinary Shares in the Company.

The number of Ordinary Shares to be issued on exchange of SCPE 2013 Notes is to be determined by dividing the principal amount of the SCPE 2013 Notes exchanged (converted into Australian Dollars at a fixed exchange rate of A\$1.0000 to US\$0.9889) by the EWC Exchange Price in effect on the first business day after the EWC Exchange Right is exercised. The EWC Exchange Price is A\$0.50 per Ordinary Share (subject to certain adjustments). Subject to the Listing Rules, the number of Ordinary Shares into which SCPE 2013 Notes may be converted is to be adjusted to protect them from dilution in certain circumstances, including:

- upon the subdivision or combination of outstanding Ordinary Shares;
- upon any capital reorganisation or reclassification of Ordinary Shares, or upon consolidation, merger or amalgamation with another person;
- upon the Company making a dividend or distribution payable in Ordinary Shares or other EWC securities; or
- any other event where a failure to make an adjustment to the conversion price would not fairly protect SCPE's conversion rights.

In addition, if the Company makes an issue of securities, it must offer SCPE a right to subscribe for securities on a pro rata basis on an "as converted" basis (whether or not such issue of securities is offered pro rata to all Shareholders). SCPE has, however, waived this right in respect of the Offer.

## 9.7 Summary of SCPE Warrant

On 21 November 2013, the Company issued SCPE a warrant in the amount of A\$2,528,061 to purchase Ordinary Shares in the Company at an initial exercise price of A\$0.60 per Ordinary Share, and which expires on 21 November 2017 (**SCPE Warrant**). Under the terms of the SCPE Warrant, upon any reorganisation of the Company's Ordinary Shares (including by way of subdivision, reduction, return or cancellation), the Company must adjust the exercise price and if applicable, the number of Ordinary Shares issuable on exercise (as in effect immediately prior to any such reorganisation) in accordance with the Listing Rules. The SCPE Warrant does not entitle SCPE to participate in any new issues of Ordinary Shares or other securities of the Company. On the

exercise of the SCPE Warrant, SCPE will (based on an exercise price of A\$0.60) be entitled to be issued 4,213,435 Shares

## 9.8 Summary of EWI 2014 Notes

On 19 December 2014, the Company issued convertible notes in aggregate principal amount of US\$25 million to EWI (**EWI 2014 Notes**). The EWI 2014 Notes mature on 19 December 2019. The issue of the EWI 2014 Notes to EWI was approved by a resolution of shareholders of the Company on 21 November 2014. EWI may elect to convert the EWI 2014 Notes into Ordinary Shares at any time during the conversion period (being, in general, the period commencing from the first anniversary of the issue date of the EWI 2014 Notes to the date which is 10 days prior to the maturity date). The number of Ordinary Shares to be issued on conversion of the EWI 2014 Notes is determined by dividing the principal amount of the EWI 2014 Notes converted (converted into Australian Dollars at the fixed exchange rate of US\$100,000 to A\$122,430) by the conversion price in effect on the first business day after the conversion date.

Under the Corporations Act, EWI's conversion right is subject to the condition that the maximum amount that can be converted in any six month period shall not result in EWI's aggregate voting power in the Company increasing by more than 3% in any six month period.

As with the SCPE 2013 Notes described in **Section 9.6** above, subject to the Listing Rules, the number of Ordinary Shares into which EWI 2014 Notes may be converted is to be adjusted to protect them from dilution in certain circumstances, including:

- upon the subdivision or combination of outstanding Ordinary Shares;
- upon any capital reorganisation or reclassification of Ordinary Shares, or upon consolidation, merger or amalgamation with another person;
- upon the Company making a dividend or distribution payable in Ordinary Shares or other EWC securities; or
- any other event where a failure to make an adjustment to the conversion price would not fairly protect EWI's conversion rights.

In addition, if the Company makes an issue of securities, the Company must offer EWI a right to subscribe for securities on a pro rata basis on an "as converted" basis (whether or not such issue of securities is offered pro rata to all Shareholders) (**EWI Follow-on Notes**). As at the date of this Prospectus, EWI has not waived this right in respect of the Offer. This means that the Company is required to offer convertible notes to EWI, on equivalent terms to the Convertible Notes being offered for subscription under the Offer, the number to be offered to be calculated as if EWI had, prior to the Record Date, converted its EWI 2014 Notes into Ordinary Shares. If EWI exercises its right to require the Company to issue additional convertible notes, the Company will be required to issue EWI with 26,478 convertible notes, which will be convertible into 5,295,600 additional Ordinary Shares.

The obligation of the Company to issue EWI Follow-on Notes to EWI on the basis described above is subject to, and conditional upon (among other things):

- the Company being able, under applicable law (including the Listing Rules) to make an offer of EWI Follow-on Notes; and
- any issue of EWI Follow-on Notes being in compliance with all applicable laws (including the Listing Rules).

The Company is required to use its reasonable endeavours to ensure that the above (and other applicable conditions to the issue of EWI Follow-on Notes) are satisfied as soon as practicable following acceptance by EWI of an offer of EWI Follow-on Notes.

## 9.9 Notices to foreign resident Shareholders

Shareholders who reside in the following jurisdictions should carefully consider the relevant information below.

### Notice relating to New Zealand investors

#### Warning statement

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New

Zealand, this subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of the Offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

**Additional warning statement: currency exchange risk**

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand Dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand Dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand Dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand Dollars.

**Additional warning statement: trading on financial product market**

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

**Notice relating to Shareholders in Hong Kong**

This Prospectus, and the information contained herein, is intended for use in Hong Kong only by those Shareholders on the Record Date in Hong Kong to whom it is sent by the Company and is for the exclusive use of the person to whom it is addressed in connection with the Offer. This Prospectus must not be distributed, published, reproduced or disclosed (in whole or in part) to any other person in Hong Kong or used for any purpose in Hong Kong other than in connection with the recipient's consideration of the Offer.

**WARNING:** The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any contents of this document, you should obtain independent professional advice.

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong (**Companies Ordinance**), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, Convertible Notes have not been and may not be offered or sold in Hong Kong other than to 'professional investors' (as defined in the SFO).

No person to whom Convertible Notes are issued may sell, or offer to sell, such Convertible Notes in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such Convertible Notes.

## Notice relating to Shareholders in Singapore

This document, and the information contained herein, is intended for use in Singapore only by those existing holders of Ordinary Shares in Singapore to whom it is sent by the Company. This document must not be distributed, published, reproduced or disclosed (in whole or in part) by the recipient to any other person in Singapore or used for any purpose in Singapore other than in connection with the recipient's consideration of the Offer. In the event that you are not the intended recipient, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

This document and other material relating to the Entitlements and Convertible Notes have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of the Entitlements or Convertible Notes, may not be issued, circulated or distributed, nor may the Entitlements or Convertible Notes be offered or sold, or may be made the subject of an invitation for subscription or purchase whether directly or indirectly, to persons in Singapore except:

- (a) to existing members of the Company pursuant to Section 273(1)(cd)(i) of the Securities and Futures Act, Singapore (the **SFA**);
- (b) pursuant to and in accordance with exemptions in Subdivision (5) Division 1, Part XIII of the SFA, or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

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

## Notice relating to Shareholders in the United Kingdom

This Prospectus is not a prospectus regulated by the European Union's Directive 2003/71/EC (and any amendments thereto, including those made by Directive 2010/73/EU) (the **Prospectus Directive**) and accordingly has been prepared on the basis that the Prospectus documents will be provided in the UK only to, and the Offer is directed only (i) to those persons who are "qualified investors" for the purposes of sections 86(1) and 86(7) of the UK Financial Services and Markets Act 2000 (**FSMA**) (including pursuant to Article 2(1) of the Prospectus Directive), (ii) to fewer than 150 persons (other than qualified investors) in that Member State, and/or (iii) otherwise to persons pursuant to another exemption under Article 3(2) of the Prospectus Directive from the requirement to produce a prospectus regulated by the Prospectus Directive to whom the Prospectus is made available on such basis, being **Relevant Persons**. The Prospectus must not be acted upon or relied upon in the UK by persons who are not Relevant Persons and the Offer of Convertible Notes is only available in the UK to Relevant Persons. This Prospectus is only being made available to Eligible Shareholders (who are Relevant Persons) and as such is exempt under Article 43 of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) and/or another applicable exemption from the general restriction on the communication of invitations or inducements to enter into investment activity and has therefore not been approved by an authorised person, as would otherwise be required by section 21 of FSMA. Any investment to which this Prospectus and/or any Prospectus document relates is only available to (and any investment activity to which it relates will be engaged only with) Relevant Persons. Persons located in the UK who are not Relevant Persons should not take any action upon receipt of this Prospectus (or any of the other Prospectus documents). By receiving this Prospectus (or any of the other Prospectus documents) in the UK and making any Application for Convertible Notes, you are deemed to warrant to the Company that you fall within the categories of persons described above to which this Prospectus and the Prospectus documents may lawfully be made available.

## Notice relating to Shareholders in the US

This Prospectus may not be circulated, distributed, forwarded, delivered or redistributed, electronically or otherwise, to persons within the US, and may not be relied upon as a basis for any investment decision or for any other purpose by any person within the US, save as provided below.

Convertible Notes (whether in their partly-paid or fully-paid form), and the Ordinary Shares which may be issued upon conversion of Convertible Notes, have not been and will not be registered under the US Securities Act or the securities laws of any state or territory of the United States and may not be offered, sold, accepted, taken up, resold, renounced, transferred or delivered, directly or indirectly, in or into the United States, except pursuant to



an effective registration statement or in accordance with an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of the states or other jurisdictions of the United States. In addition, any hedging or similar transactions in Convertible Notes, or the Ordinary Shares which may be delivered upon conversion of Convertible Notes, must be conducted in compliance with the US Securities Act and the rules and regulations promulgated thereunder.

Convertible Notes (whether in their partly-paid or fully-paid form), and the Ordinary Shares which may be issued upon conversion of Convertible Notes, have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any the foregoing authorities passed upon or endorsed the merits of the offering of Convertible Notes or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States. Subject to certain exceptions described below, neither this Prospectus nor the Entitlement and Acceptance Form constitutes or will constitute, or forms or will form, part of any offer to sell or a solicitation of an offer to buy or subscribe for Convertible Notes to any person with a registered address, or who is located, in the United States, or an offer to sell or a solicitation of an offer to buy or subscribe for Convertible Notes by any person in any circumstances in which such offer or solicitation is unlawful. Convertible Notes are being offered outside the United States in accordance with Regulation S under the US Securities Act.

In addition, until 40 days after the commencement of the Offer, or the commencement of procurement of purchasers of Convertible Notes not initially subscribed for in relation to Entitlements not accepted (if applicable), any offer, sale or transfer of Convertible Notes (which will be in partly-paid form) in or into the United States by a dealer (whether or not participating in the Offer) may violate the registration requirements of the US Securities Act unless made in accordance with an applicable exemption from the registration requirements of the US Securities Act.

Each purchaser or subscriber of Convertible Notes being offered and purchased or subscribed for outside the United States will be deemed to have agreed and represented to the Company, and to any person acting on its behalf, that they:

- are not resident or located in the United States;
- are not subscribing for Convertible Notes on a nondiscretionary basis, for a person who is resident or located in the United States at the time the instruction to accept was given;
- are subscribing for Convertible Notes in an offshore transaction as defined in Regulation S under the US Securities Act;
- have not been offered Convertible Notes by means of any "directed selling efforts" as defined in Regulation S under the US Securities Act;
- are not subscribing for Convertible Notes with a view to the offer, sale, transfer, delivery or distribution, directly or indirectly, of such Convertible Notes (whether in their partly paid or fully paid form) into the United States; and
- understand that Convertible Notes (whether in their partly paid or fully paid form), and the Ordinary Shares which may be issued upon conversion of Convertible Notes, have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state, territory, or possession of the United States, and that Convertible Notes are being distributed and offered, and the Ordinary Shares which may be issued upon conversion of Convertible Notes will be delivered, outside the United States in reliance on Regulation S under the US Securities Act, and that, consequently, Convertible Notes (whether in their partly paid or fully paid form), and the Ordinary Shares which may be issued upon conversion of Convertible Notes, may not be offered, sold, pledged, delivered or otherwise transferred in or into the United States, except pursuant to an effective registration statement or in accordance with an applicable exemption from, or in transactions not subject to, the registration requirements of the US Securities Act.

The Company may offer Convertible Notes in the United States to a limited number of persons whom the Company reasonably believes to be QIBs in transactions exempt from registration requirements of the US Securities Act, provided that such persons fulfil relevant requirements to the satisfaction of the Company. Each person who would not be an Eligible Shareholder because of their connection to the United States but who also is a QIB and is permitted by the Company to participate in the Offer will upon request be provided with an Entitlement and Acceptance Form and a private placing offering memorandum in substantially the same form as this Prospectus.

If a purchaser or subscriber of Convertible Notes was within the United States when the Convertible Notes were offered and sold or subscribed for, the purchaser or subscriber will be required to sign and return to the Company an investor representation letter containing a number of representations and warranties and will be deemed to have given to the Company, and to any person acting on its behalf, each of the representations and warranties set out in the form of letter provided to them by the Company, unless in its sole discretion the Company waives such requirement in whole or in part.

#### **Notice to New Hampshire residents**

Neither the fact that a registration statement or an application for a license has been filed under Chapter 421-B of the New Hampshire Revised Statutes (RSA 421-B) with the State of New Hampshire nor the fact that a security is effectively registered or a person is licensed in the State of New Hampshire constitutes a finding by the Secretary of State of New Hampshire that any document filed under RSA 421-B is true, complete and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the Secretary of State has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer or client any representation inconsistent with the provisions of this paragraph.

### **9.10 Disclosing entity**

The Company is a “disclosing entity” under the Corporations Act for the purposes of section 713 of that Act, and is therefore subject to regular reporting and disclosure obligations. Pursuant to these obligations, the Company must comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

This Prospectus is issued under section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to securities in a class of securities which has been quoted by ASX at all times during the 12 months before the date of the Prospectus (or options to acquire such securities). The Company relies on ASIC Class Order 00/195 in issuing a prospectus under section 713 of the Corporations Act in offering Convertible Notes. Aside from formal matters, this Prospectus need only contain information relating to the terms and conditions of the Offer, the effect of the Offer on the Company, and the rights and liabilities attaching to Convertible Notes and the underlying securities, the Ordinary Shares of the Company.

Copies of the documents lodged by the Company with ASIC may be obtained from, or inspected at, an ASIC office. The Company will provide a copy of any of the following documents, free of charge, to any person who requests a copy of the document before the Closing Date in relation to this Prospectus:

- audited financial statements for the Company for the year ended 30 June 2014; and
- any other financial statements lodged in relation to the Company with ASIC and any continuous disclosure notices given by the Company to ASX in the period starting immediately after lodgement of the annual financial statements of the Company and ending on the date of lodgement of this Prospectus with ASIC, being the following announcements:

<b>Date</b>	<b>Description of announcement</b>
14/05/2015	STX: Southern Cooper Basin Gas Project Operations Update
30/04/2015	Change in substantial holding
27/04/2015	STX: Southern Cooper Basin Contingent Resource
15/04/2015	Update on Major Projects
11/03/2015	STX: Southern Cooper Basin Gas Project Operations Update
27/02/2015	Appendix 4D
13/01/2015	STX: Southern Cooper Basin Operations Update
19/12/2014	Cleansing Notice
19/12/2014	Subscription for Convertible Note by EWI

18/12/2014	STX: Southern Cooper Basin Gas Project - Update
21/11/2014	Results of 2014 Annual General Meeting
21/11/2014	Presentation to 2014 Annual General Meeting
05/11/2014	Company Update on Sengkang LNG Project
31/10/2014	650MW Combined Cycle Pagbilao Power Station - Update
24/10/2014	Appendix 3Y - Change of Director's Interest Notice
23/10/2014	650MW Combined Cycle Pagbilao Power Station - Update
21/10/2014	Notice of Annual General Meeting/Proxy Form
06/10/2014	Appointment of Director

### 9.11 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director holds, or has held at any time during the two years prior to the date of this Prospectus, any interest in:

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

There are no persons proposed to be appointed as directors of the Company as at the date of this Prospectus.

#### Interests in Ordinary Shares, Options and Entitlements under the Offer

The relevant interest of each Director in Ordinary Shares as at the date of this Prospectus, together with their respective Entitlement under the Offer (if any), is set out in the table below.

EWI, Hadley Finance Inc. and Power Treasure Ltd (each an entity controlled by Stewart Elliott) have each indicated that they intend to fully subscribe for their respective Entitlements of Convertible Notes under the Offer. All other Directors with an interest in the Company have indicated that they do not intend to subscribe for their respective Entitlements of Convertible Notes under the Offer.

Director	No. of Shares	% of Shares currently on issue	Options	Convertible Note Entitlement
Mr Stewart Elliott, Chairman	647,451,504	37.34%	-	2,800,039
Mr Brian Allen, Executive Director	-	-	-	-
Mr Ian Jordan, Executive Director	319,700	0.02%	-	138
Mr Graham Elliott, Executive Director	-	-	-	-
Mr James Dewar, Non-executive Independent Director	-	-	-	-
Dr Brian Littlechild, Non-executive Independent Director	-	-	-	-
Mr Bruce Macfarlane, Non-executive Independent Director	-	-	-	-
Mr Michael O'Neill, Non-executive Independent Director	600,000	0.03%	-	259

Mr Kanad Singh Virk, Non-executive Independent Director	-	-	-	-
Mr Gregory Karpinski, Alternate Director	-	-	-	-

### Interests in EWI 2014 Notes

On 19 December 2014, the Company issued EWI with US\$25 million in EWI 2014 Notes. A summary of the terms of the EWI 2014 Notes is contained in **Section 9.8**. EWI is wholly owned by Mr Stewart Elliot. Mr Elliot therefore has a relevant interest in all EWI 2014 Notes.

### Other Interests

As noted above, EWI is wholly owned by Mr Stewart Elliot. EWI, in its capacity as Underwriter, is entitled to certain fees for performing this role. See **Section 9.14** for details.

## 9.12 Directors' remuneration

Other than as set out below, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit to, any Director or proposed Director:

- to induce them to become, or to qualify as, a Director of the Company; or
- for services provided by that person in connection with the formation or promotion of the Company or the Offer.

Executive Directors' remuneration is determined by the Board following a process of review and recommendation by the remuneration committee, the members of which are currently entirely non-executive Directors. Executive Directors are entitled to an aggregate maximum basic salary of US\$896,500 per annum (or its equivalent in other currencies). Executive Directors are also entitled to a discretionary bonus, as determined by the Remuneration Committee, by reference to the performance of the Company. The aggregate maximum remuneration for non-executive Directors of the Company is currently set at US\$187,500 per annum.

Details of the remuneration for each Director for the financial year ended 30 June 2014, along with 30 June 2013 comparisons, are set out in the Remuneration Report forming part of the Company's Annual Report for the year ended 30 June 2014, released to the market on 30 September 2014.

## 9.13 Terms of underwriting

The Company has entered into an Underwriting Agreement with EWI (**Underwriter**), pursuant to which the Underwriter has agreed to underwrite the Offer. The entry into the Underwriting Agreement was approved by the Independent Board Committee of the Company on the basis that it considered that the terms reflected what would be reasonable in the circumstances if the Company and EWI were dealing at arm's length and having regard to other relevant considerations.

The Underwriter may appoint one or more sub-underwriters. A summary of the key terms of the Underwriting Agreement is set out below.

### Conditions

The obligations of the Underwriter to underwrite the Offer are subject to the satisfaction of conditions precedent, including that:

- if required by law, by the Closing Date, EQI obtain approval from the Australian Foreign Investments Review Board (**FIRB**) for its subscription of Convertible Notes;
- the results of the Offer are announced to the ASX by the Company in accordance with the timetable in the Underwriting Agreement; and
- by 5.00pm on the Entitlement Offer Settlement Date Underwriter receives a certificate from the Company certifying the Company's compliance with its obligations under the Underwriting Agreement and the Offer and that no termination event has occurred under the Underwriting Agreement.

### Fees

The Company must pay to the Underwriter an underwriting fee of 3.5% of an amount equal to the amount of the proceeds of the Offer, less the amount of the Offer proceeds subscribed by the Underwriter in taking up its Entitlement.

### Termination events

The Underwriter may, by giving notice to the Company, immediately terminate the Underwriting Agreement if any of the following termination events occur:

- (a) **(Offer materials)** a statement contained in any documentation relating to the Offer becomes false, misleading or deceptive;
- (b) **(listing)** ASX announces that the Company will be removed from its official list or that any of its quoted securities will be delisted or suspended from quotation by ASX;
- (c) **(notification)** any of the following notifications are made:
  - (i) an application is made by ASIC or another person for an order under Part 9.5 of the Corporations Act, or to any other government agency, in relation to any Offer documentation or the Offer;
  - (ii) ASIC or any other government agency commences or gives notice of an intention to hold any investigation, proceedings or hearing in relation to the Offer or any of the Offer documentation, or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Company,and in either case:
  - (iii) where the government agency is the Takeovers Panel, the application is not withdrawn or the Takeovers Panel has not declined to conduct proceedings or declined to make a declaration of unacceptable circumstances within 5 Business Days of the date of the application or by the Entitlement Offer Settlement Date ; or
  - (iv) where the government agency is not the Takeovers Panel, such application, notice or proceeding becomes public or is not withdrawn within 2 Business Days after it is made or by the Entitlement Offer Settlement Date;
- (d) **(capital structure)** the Company alters its capital structure without the consent of the Underwriter, other than by issuing securities required as a consequence of the exercise of securities currently on issue or the Offer;
- (e) **\*(timetable)** any event specified in the timetable in the Underwriting Agreement is delayed by the Company for more than 2 Business Days without the prior written consent of the Underwriter;
- (f) **(key dates)** the date of the announcement of the Offer, the Closing Date or the Entitlement Offer Issue Date is delayed by the Company in any way without the prior written consent of the Underwriter;
- (g) **(withdrawal)** the Company withdraws the Offer;
- (h) **(certificate)** any certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished when required;
- (i) **(statement)** a statement in a certificate which is required to be furnished by the Company under the Underwriting Agreement is untrue or incorrect in a material respect;
- (j) **(insolvency)** an event of insolvency occurs in relation to the Company (or any of its subsidiaries);
- (k) **(ASIC modifications)** ASIC withdraws or revokes or materially amends any exemptions from or modifications (including class orders) under the Corporations Act which are necessary in relation to the Offer;
- (l) **(conduct)** the Company or any of its directors or officers (as that term is defined in the Corporations Act) engage in any fraudulent conduct or activity, whether or not in connection with the Offer;
- (m) **\*(Director)** a director or senior manager of the Company is charged with an indictable offence, is disqualified from managing a corporation or any government agency or regulatory body announces or commences any public action against a director or senior manager of the Company;

- (n) **(adverse change)** in the bona fide and reasonable opinion of the Underwriter, there is a material adverse change or any one or more matters, events or circumstances occurs or becomes known, which individually or when aggregated with any other such matters, events or circumstances is likely to give rise to a material adverse change in the financial position or performance, shareholder's equity, profits, losses, results, condition, operations or prospects of the Company and its subsidiaries taken as a whole;
- (o) **\*(hostilities)** there is an outbreak of hostilities (whether or not war has been declared) not presently existing, or a major escalation in existing hostilities occurs (whether or not war has been declared) involving any one or more of Australia, the United States of America, the United Kingdom, the People's Republic of China, the Democratic People's Republic of Korea, the Republic of Korea or Japan;
- (p) **\*(breach of obligations)** the Company is in breach of any terms and conditions of the Underwriting Agreement (other than with respect to compliance with the timetable in the Underwriting Agreement);
- (q) **\*(breach of representations)** any of the representations or warranties made or given by the Company becomes incorrect, untrue or misleading;
- (r) **\*(information supplied to Underwriters)** the information supplied by or on behalf of the Company to the Underwriters for the purposes of due diligence is false, misleading or deceptive (including by omission);
- (s) **\*(change in law)** there is introduced, or there is an official public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Underwriting Agreement);
- (t) **\*(contravention of law)** a contravention by the Company (or any of its subsidiaries) of the Corporations Act, its constitution, any of the Listing Rules, any other applicable law or regulation (as amended or varied) or order or request made by or on behalf of ASIC, ASX or any government agency; and
- (u) **(compliance)** any aspect of the Offer does not comply with the Corporations Act, the Listing Rules or ASIC exemptions from or modifications (including class orders) under the Corporations Act which are necessary in relation to the Offer.

The Underwriter may only terminate its underwriting obligations in relation to events marked with an asterisk (\*) above if the Underwriter has bona fide and reasonable grounds to believe, and actually believes, that the event has had, is having, or is reasonably likely to have a material adverse effect on the financial position or performance, shareholder's equity, profits, losses, results, condition, operations or prospects of the Company or the success of the Offer or the ability to settle the Offer, or is, in the Underwriter's bona fide and reasonable opinion, reasonably likely to lead to, a material liability for the Underwriter or a contravention by the Underwriter (or involvement in a contravention) of applicable law.

### **Representations and Warranties**

The Underwriter and the Company provide each other with standard representations and warranties and undertakings typical of an agreement of this type.

### **Indemnity**

The Company has indemnified:

- (a) the Underwriter;
- (b) any affiliate, successor or related body corporate of the Underwriter; and
- (c) the directors, officers, agents, employees, representatives or advisers of the Underwriter or any of its affiliates, successors or related bodies corporate,

against all losses suffered or incurred, directly or indirectly, in connection with the Offer as a result of:

- (a) the Offer documentation including any false or misleading or deceptive statement (including by omission) or omitting information required; and
- (b) a breach by the Company of any applicable laws in respect of the Offer or the Corporations Act or its obligations under the Underwriting Agreement or any other binding obligations in respect of the Offer, including any representations and warranties contained in the Underwriting Agreement not being true and correct.

## Underwriter's subscription

As summarised in **Section 9.5**, the Underwriter has made a loan to the Company of a principal amount of US\$25 million.

The Underwriter directs the Company to repay the EWI Loan (or part of it) by setting off the Underwriter's obligation to pay the Company the First Instalment Amount for each Convertible Note it subscribes for in respect of its Entitlement (**Underwriter's Subscription Obligation**) against the EWI Loan. If the balance of the EWI Loan is less than the Underwriter's Subscription Obligation, the Underwriter must pay the balance of the Underwriter's Subscription Obligation to the Company in cleared funds on or before the Closing Date. If the balance of the EWI Loan is greater than the Underwriter's Subscription Obligation, only part of the EWI Loan will be repaid.

In relation to the Shortfall, the Underwriter must pay to the Company the First Instalment Amount for each of the Convertible Notes comprising the Shortfall (**Underwriter's Shortfall Obligation**) less:

- (a) the then outstanding balance of the EWI Loan (up to the Underwriter's Shortfall Obligation) which the Underwriter directs the Company to repay; and
- (b) if any amount of the Underwriter's Shortfall Obligation remains outstanding, any amount of the underwriting fee that the Underwriter elects to set off.

## 9.14 Interests of experts

Except as set out below, no person named in this Prospectus who is performing a function in a professional, advisory, or other capacity in connection with the preparation or distribution of this Prospectus, no promoter of the Company, nor any stockbroker to the Offer (each, a **Relevant Person**) holds, at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

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

Except as set out below, no one has paid or agreed to pay any amount, or given or agreed to give any benefits, for services provided by a Relevant Person in connection with the formation or promotion of the Company or the Offer. The amounts set out below are exclusive of GST.

Johnson Winter & Slattery has acted as Australian legal adviser in respect of the Offer. In doing so, Johnson Winter & Slattery have placed reasonable reliance upon information provided to them by the Company. In aggregate, the Company has paid (or agreed to pay) Johnson Winter & Slattery approximately A\$380,000 (plus disbursements) for these services up to the date of this Prospectus. Further amounts may be paid to Johnson Winter & Slattery in accordance with its normal time-based charges.

Hogan Lovells has acted as Hong Kong, Singapore, United Kingdom and US legal adviser in respect of the Offer. In aggregate, the Company has paid (or agreed to pay) Hogan Lovells approximately A\$137,000 (excluding disbursements and GST) for these services up to the date of this Prospectus. Further amounts may be paid to Hogan Lovells in accordance with its normal time-based charges.

CITIC CLSA Capital Markets Limited (**CITIC CLSA**) has acted as financial adviser to the Company in relation to the Offer. In consideration for its services in this capacity, the Company has paid (or agreed to pay) CITIC CLSA a fixed fee of US\$250,000 (approximately A\$308,000 based on an exchange rate of 1 US Dollar = A\$0.8122 as at 14 May 2015) as well as a fee of 1% of the total gross proceeds from the Offer (before the deduction of any expenses), in each case excluding disbursements and GST.

Australian Executor Trustees Limited is acting as Note Trustee for Holders under the Note Trust Deed. In respect of this role, the Company has paid or agreed to pay an establishment fee of A\$5,000 and an ongoing fee of A\$35,000 (excluding disbursements and GST) plus A \$100 per A\$1 million on issue for Notes issued above \$100 million.

## 9.15 ASX confirmations

The Company has received the following confirmations from ASX in relation to the Terms of Issue and the Offer:

- that the Terms of Issue are appropriate and equitable for the purposes of Listing Rule 6.1;
- the Convertible Notes comply with Listing Rule 6.11 on the basis that interest accrues only on the principle which is paid up at the time of calculating the interest; and
- Listing Rule 6.12 does not apply to the redemption of the Convertible Notes.

## 9.16 Expenses of the Offer

The total estimated costs in connection with the Offer, including legal, accounting, tax and administrative fees, as well as printing, advertising and other expenses, are currently estimated to be approximately A\$1,662,333 (excluding GST). This assumes that A\$75 million is raised under the Offer and CITIC CLSA is paid a total of A\$1,058,000. See **Section 9.14**.

## 9.17 Consents

Each of the parties referred to below has given and has not, before the issue of this Prospectus, withdrawn its written consent to being named in the Prospectus and to the inclusion, in the form and context in which it is included, of any information described below as being included with its consent.

Each of the parties referred to below:

- has not authorised or caused the issue of this Prospectus and does not make an offer of Convertible Notes;
- has not made any statement in this Prospectus other than as specified below; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to its name and any statement or report included in this Prospectus with the consent of that party as described below.

Johnson Winter & Slattery has consented to being named in the Corporate Directory of this Prospectus as the Australian legal adviser to the Company in the form and context in which it is named, but it does not make any statement in this Prospectus other than the summary of the potential Australian taxation implications in **Section 8**;

Ernst & Young Australia has consented to being named in the Corporate Directory as the Company's auditor in the form and context in which it is named;

Computershare Investor Services Pty Limited has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named. Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus;

Hogan Lovells has consented to being named in the Corporate Directory of this Prospectus as the Hong Kong, Singapore, United Kingdom and US legal adviser to the Company in the form and context in which it is named;

CITIC CLSA Capital Markets Limited has consented to being named in the Corporate Directory as the Company's corporate adviser in the form and context in which it is named;

Energy World International Limited has consented to being named in this Prospectus as the Underwriter in the form and context in which it is named; and

Australian Executor Trustees Limited:

- has not made any statement or purported to make any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than as specified below;
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation or any statement regarding, and takes no responsibility for, any part of this Prospectus,



or any statements in, or omissions from the Prospectus, other than the references to its name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with its written consent; and

- has given and has not, before the lodgement of this Prospectus with the Australian Securities and Investments Commission (ASIC), withdrawn its written consent:
  - to be named in this Prospectus in the form and context in which it is named; and
  - to the inclusion in this Prospectus of the statement(s) and/or report(s) (if any) by it in the form and context in which they appear in this Prospectus.

### **9.18 Governing law**

This Prospectus, the Offer and the contracts that arise from the acceptance of Applications are governed by the laws applicable in New South Wales, Australia, and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

### **9.19 Consent to lodgement**

This Prospectus is issued by Energy World Corporation Ltd. Every Director has consented to the lodgement of this Prospectus with ASIC under the Corporations Act.

## Appendix A – Glossary

In this Prospectus, the following terms and abbreviations have the corresponding meanings, unless the context requires otherwise:

<b>A\$ or Australian Dollar</b>	The lawful currency of Australia
<b>AEST</b>	Australian Eastern Standard Time
<b>Applicant(s)</b>	An Eligible Shareholder who submits an Application
<b>Application</b>	An application to subscribe for Convertible Notes under the Offer in accordance with this Prospectus
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires
<b>ASX Settlement Operating Rules</b>	The ASX Settlement Operating Rules issued by ASX Settlement Pty Limited (ABN 49 008 504 532)
<b>Australian Accounting Standards</b>	The accounting standards in force in Australia under section 334 of the Corporations Act
<b>Board or Board of Directors</b>	The board of Directors of EWC
<b>Business Day</b>	A trading day as defined in the Listing Rules
<b>CGT</b>	Capital Gains Tax
<b>Chairman</b>	The chairman of the Board, Mr Stewart Elliott
<b>Closing Date</b>	The date by which Applications must be received, being 5.00 pm AEST on 12 June 2015
<b>Company or EWC or Issuer</b>	Energy World Corporation Ltd, a company incorporated in Australia (ACN 009 124 994)
<b>Constitution</b>	The constitution of the Company
<b>Control Event</b>	A takeover bid, scheme of arrangement or other event as defined in the Terms of Issue
<b>Conversion Date</b>	The date on which Convertible Notes are converted into Ordinary Shares in accordance with the Terms of Issue
<b>Conversion Period</b>	The period during which Convertible Notes may be converted subject to, and in accordance with, the Terms of Issue
<b>Conversion Price</b>	A\$0.50, as adjusted from time to time in accordance with the Terms of Issue
<b>Convertible Note or Note</b>	The security to be issued by the Company under this Prospectus pursuant to the Offer, being a partly paid, subordinated, unsecured convertible note, the terms of which are set out in the Terms of Issue
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth)
<b>Default</b>	Has the meaning given to it in the Terms of Issue
<b>Director</b>	A director of EWC as at the date of this Prospectus
<b>Eligible Shareholder</b>	A Shareholder who meets the requirements set out in <b>Section 2.2</b>
<b>Entitlement</b>	The entitlement of an Eligible Shareholder to subscribe for Convertible Notes under the Offer, as set out in the Entitlement and Acceptance Form, calculated on the basis of one Convertible Note for every 2,312 Ordinary Shares held as at the Record Date, with fractional Entitlements rounded up to the nearest whole number of Convertible Notes

<b>Entitlement and Acceptance Form</b>	An entitlement and acceptance form attached to or accompanying this Prospectus
<b>Entitlement Offer Settlement</b>	18 June 2015
<b>Equal Ranking Obligations</b>	Has the meaning given in the Terms of Issue
<b>Eromanga Gas Field</b>	The gas fields, production wells, gas pipeline and gas processing facility located at Eromanga in Queensland which are owned and maintained by Australian Gasfields Ltd (ACN 009 330 134), the Company's wholly-owned subsidiary that holds interests in various Australian gas fields
<b>Event of Default</b>	Has the meaning given in the Terms of Issue
<b>EWC</b>	The Company
<b>EWI</b>	Energy World International Limited, a company incorporated in the British Virgin Islands (registration no. 254136), which is the Underwriter and a Substantial Shareholder in EWC
<b>EWI Loan</b>	Has the meaning given in <b>Section 9.5</b>
<b>EWI 2014 Notes</b>	US\$25 million convertible notes issued to EWI as described in <b>Section 9.8</b>
<b>EWP</b>	Energy World Philippines Holdings Limited, a wholly-owned subsidiary of the Company
<b>Exposure Period</b>	The period commencing on the Lodgement Date and ending seven days after that date, or such later date (not exceeding 14 days after the Lodgement Date) as ASIC may require
<b>Face Value</b>	A\$100 per Convertible Note
<b>FIRB</b>	The Australian Foreign Investments Review Board
<b>First Instalment Amount</b>	A\$50 per Convertible Note
<b>Follow-on Notes</b>	In relation to SCPE 2013 Notes, has the meaning given in <b>Section 9.6</b> , and in relation to EWI 2014 Notes, has the meaning given in <b>Section 9.8</b>
<b>Gilmore Gas Field</b>	The gas fields, production wells, gas pipeline and gas processing facility located in Gilmore, Queensland which are owned and maintained by Australian Gasfields Ltd (ACN 009 330 134), that is the Company's wholly-owned subsidiary holding interests in various Australian gas fields
<b>Group</b>	EWC and its controlled entities
<b>GST</b>	Goods and Services Tax
<b>Holder</b>	A holder of Convertible Notes
<b>Holder Resolution</b>	Has the meaning given in the Terms of Issue
<b>IBC</b>	The Independent Board Committee of EWC established to determine matters in which a Director, or some Directors, of the Company may directly or indirectly have interests in. The Independent Board Committee is comprised of the independent, non-executive directors of EWC
<b>Ineligible Shareholder</b>	A Shareholder who is not an Eligible Shareholder
<b>Interest Rate</b>	2.5% per annum, payable semi-annually in arrears
<b>Invested Amount</b>	If the First Instalment Amount and the Second Instalment Amount have been received by the Company when due, the Face Value, otherwise, the First Instalment Amount
<b>Issue Date</b>	The date upon which Convertible Note are issued to Holders, being 19 June 2015
<b>Issuer</b>	The Company

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<b>Junior Ranking Obligations</b>	Has the meaning given in the Terms of Issue
<b>Listing Rules</b>	The official listing rules of the ASX, as amended from time to time
<b>LNG</b>	Liquefied Natural Gas
<b>Lodgement Date</b>	15 May 2015, being the date this Prospectus was lodged with ASIC
<b>Maturity Date</b>	31 December 2018
<b>Note Trust Deed</b>	Deed between the Company and the Note Trustee, dated on or about the date of this Prospectus, under which Convertible Notes are issued, as amended from time to time and as summarised in <b>Section 9.3</b>
<b>Note Trustee or AET</b>	Australian Executor Trustees Limited (ABN 84 007 869 794)
<b>New Zealand Dollars</b>	The lawful currency of New Zealand
<b>Offer</b>	The offer under this Prospectus of approximately 750,000 Convertible Notes (subject to rounding) to Eligible Shareholders, on the basis of 1 Convertible Note for every 2,312 Ordinary Shares held as at the Record Date
<b>Offer Information Line</b>	1300 850 505 if calling within Australia or +61 3 9415 4000 if calling from outside Australia, which will be open weekdays between 8.30 am and 5.00 pm (AEST) from 2 June 2015 to 12 June 2015
<b>Opening Date</b>	The date the Offer opens, being 2 June 2015
<b>Option</b>	An option to subscribe for a Share
<b>Ordinary Share or Share</b>	A fully paid ordinary share in the capital of the Company
<b>Philippines LNG Hub</b>	The LNG storage facility, LNG loading facility, regasification facility and related support facilities being developed by the Company on Pagbilao Grand Island in Quezon Province, the Philippines, more particularly described in <b>Section 4.2</b>
<b>Philippines Power Plant Project</b>	The 600 – 650MW gas-fuelled power plant that is being developed by the Company on Pagbilao Grand Island in Quezon Province, the Philippines, more particularly described in <b>Section 4.2</b>
<b>PLN</b>	PT PLN (Persero) (PT Perusahaan Listrik Negara (Persero)), the Indonesian state-owned electricity company, and an independent third party
<b>Prospectus</b>	This document, including the electronic version, as supplemented or replaced
<b>QIB</b>	A qualified institutional buyer within the meaning of Rule 144A under the US Securities Act
<b>Record Date</b>	The date for determining Entitlements under the Offer, being 5:00 pm on 28 May 2015
<b>Redemption or Redeem or Redeemed</b>	The repayment of the Invested Amount of a Convertible Note in accordance with the Terms of Issue
<b>Redemption Date</b>	The date on which all Convertible Notes then on issue must be Redeemed
<b>SCPE 2013 Notes</b>	US\$50 million convertible notes issued to SCPE, as described in <b>Section 9.6</b>
<b>SCPE Warrant</b>	US\$2.5 million warrant issued to SCPE, as described in <b>Section 9.7</b>
<b>Second Instalment Amount</b>	A\$50 per Convertible Note
<b>Second Instalment Date</b>	The date six months after the Issue Date, or if that date is not a Business Day, the immediately following Business Day
<b>Sengkang Contract Area</b>	The onshore area, located in South Sulawesi, within which Energy Equity Epic (Sengkang) Pty Limited (ACN 061 882 004) is entitled to carry out exploration and exploitation activities under the terms of a production sharing contract

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<b>Sengkang Gas Field</b>	The gas fields within the Sengkang Contract Area
<b>Sengkang LNG Project</b>	The modular LNG train with a capacity of 0.5MTPA, LNG storage facility and LNG loading facility being developed by the Company on the South Sulawesi coastline of Indonesia, more particularly described in <b>Section 4.2</b>
<b>Sengkang Power Plant</b>	The Company's gas-fired combined cycle power plant in South Sulawesi Indonesia
<b>Senior Ranking Obligations</b>	Has the meaning given in the Terms of Issue
<b>Share Registry</b>	Computershare Investor Services Pty Ltd (ABN 48 078 279 277) or any other registry that EWC appoints to maintain the register of Ordinary Shares
<b>Shareholder</b>	A registered holder of Ordinary Shares
<b>Shortfall</b>	The aggregate of the entitlements Ineligible Shareholders would have had had they been Eligible Shareholders and the difference, if any, between the aggregate of all Eligible Shareholders' Entitlements and the number taken up
<b>Shortfall Facility</b>	The process by which any Shortfall will be allocated to subscribers for additional Convertible Notes
<b>Special Resolution</b>	Has the meaning given to it in the Terms of Issue
<b>Substantial Shareholder</b>	A Shareholder with a 'substantial holding', as defined in the Corporations Act
<b>Standard Chartered Private Equity or SCPE</b>	Standard Chartered Private Equity (Singapore) Pte Ltd
<b>Takeovers Panel</b>	The Takeovers Panel established under the <i>Australian Securities &amp; Investments Commission Act 2001</i> (Cth)
<b>Tax Act</b>	<i>Income Tax Assessment Act 1936</i> (Cth), the <i>Income Tax Assessment Act 1997</i> (Cth), the <i>Income Tax Rates Act 1986</i> (Cth), the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth) and the <i>Taxation Administration Act 1953</i> (Cth)
<b>Terms of Issue</b>	The terms and conditions of Convertible Notes as set out in <b>Appendix B</b>
<b>Underwriter</b>	The underwriter of the Offer, being EWI
<b>Underwriting Agreement</b>	The underwriting agreement between the Company and EWI, which is summarised in <b>Section 9.13</b>
<b>US\$ or US Dollars</b>	The lawful currency of the United States
<b>US or United States</b>	The United States of America, its territories and provinces, any state of the United States of America and the District of Columbia
<b>US Securities Act</b>	<i>United States Securities Act of 1933</i> , as amended
<b>Winding Up or Wound Up</b>	Has the meaning given in the Terms of Issue
<b>WESM</b>	Philippine Wholesale Electricity Spot Market

References in this Prospectus to sections are to sections of this Prospectus.

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## **Appendix B – Terms of Issue**

## Terms of issue of Notes

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### **1 Form, denomination and title**

#### **1.1 Form**

The Notes are constituted by the Note Trust Deed and issued in registered form by entry in the Register. Notes are constituted under, and issued in accordance with, the Note Trust Deed. Notes are unsecured notes for the purposes of section 283BH of the Corporations Act.

#### **1.2 Face Value**

Each Note is issued with a Face Value of A\$100.

#### **1.3 Partly paid**

- (a) Each Note is issued partly paid, to the First Instalment Amount, on the Issue Date.
- (b) On the Second Instalment Date, each Holder of a Note must pay the Issuer in Immediately Available Funds the Second Instalment Amount in respect of each Note held by the Holder as at 9:00am on the Second Instalment Date.
- (c) At least 20 Business Days prior to the Second Instalment Date, the Issuer will provide a notice to each Holder that:
  - (i) notifies that Holder of the Second Instalment Date; and
  - (ii) contains the preferred payment method of the Second Instalment Amount.
- (d) Each Holder must pay the Second Instalment Amount to the Issuer in accordance with the payment mechanics for the First Instalment Amount as set out in the Prospectus unless the notice provided to each Holder under Condition 1.3(c) specifies a different payment method in which case the different payment method prevails.
- (e) If the Second Instalment Amount in respect of a Note is not paid by the Second Instalment Date:
  - (i) the partly paid Note will not carry a right of Conversion into Ordinary Shares under Condition 4 and the Interest Rate payable in respect of those partly paid Notes will continue to apply only to the First Instalment Amount; and
  - (ii) the Issuer will as soon as practicable refund to the Holder any payment made by the Holder in respect of the Second Instalment Amount that is received by the Issuer after the Second Instalment Date. Any interest earned on such monies will be retained by the Issuer.

#### **1.4 Title and transfer**

Title to all Notes will be determined, and the Notes may be transferred, as provided in the Note Trust Deed. Except as provided in the Note Trust Deed or required by law, the Issuer will not recognise any person other than the registered Holder as having any title to, or interest in, a Note.

## **1.5 Evidence of holdings**

The Issuer must provide to each Holder such statements of the holdings of the Notes of the Holder as the Issuer is required to give under the Corporations Act. Note certificates will not be issued unless the Issuer determines that certificates should be made available or are required to be made available by law.

## **1.6 Unlisted**

No application will be made to list any Notes on the ASX or any other stock exchange.

## **1.7 Note Trust Deed**

Holders are entitled to the benefit of, and are bound by the provisions of, the Note Trust Deed. The Note Trust Deed has been lodged with ASIC, and is available for inspection by Holders at the offices of the Note Trustee and the Issuer.

## **1.8 No other rights**

The Notes confer no rights on a Holder:

- (a) to vote at any meeting of shareholders of the Issuer;
- (b) to subscribe for new securities or to participate in any bonus issues of securities of the Issuer; or
- (c) to otherwise participate in the profits or property of the Issuer,

except as set out in these Terms of Issue or the Note Trust Deed.

## **1.9 Provision of information by Holders**

If requested by the Issuer, the Holders must provide certain information required by the Issuer or the Note Trustee in order to comply with any applicable law, including the United States Foreign Account Tax Compliance Act.

# **2 Status and subordination**

## **2.1 Status and subordination of the Notes**

- (a) The Notes are direct, convertible, unsecured and subordinated debt obligations of the Issuer and will at all times rank equally and without preference among themselves.
- (b) Each Note ranks for payment in a Winding Up of the Issuer:
  - (i) after all Senior Ranking Obligations;
  - (ii) equally with each other Note and all Equal Ranking Obligations; and
  - (iii) ahead of all Junior Ranking Obligations.
- (c) In order to give effect to the ranking specified in Condition 2.1(b) in any Winding Up of the Issuer, the claims of Holders are limited to the extent necessary to ensure that:
  - (i) all holders of Senior Ranking Obligations receive payment in full before any payment is made to Holders; and



- (ii) Holders of the Notes and holders of any Equal Ranking Obligations receive payments on a pro-rata basis.
- (d) Neither the Note Trustee nor any Holder has any right to prove in a Winding Up of the Issuer in respect of the Notes, except on the basis set out in Condition 2.1(c).

## **2.2 Holder acknowledgement**

Each Holder acknowledges and agrees that it may not exercise any voting rights as a creditor in a Winding-Up in a manner inconsistent with the subordination contemplated in this Condition 2.

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## **3 Interest**

### **3.1 Interest**

Subject to this Condition 3, each Note accrues interest on its Invested Amount at the Interest Rate from (and including) the Issue Date to (but excluding) the earlier of:

- (a) the date on which it is redeemed in full; and
- (b) subject to it being converted in accordance with these Terms of Issue, its Conversion Date.

### **3.2 Interest Payment Dates**

Subject to this Condition 3, interest accrued on each Note is payable in arrears on the Interest Payment Date in respect of the Interest Period for which that interest has accrued.

### **3.3 Record Dates**

Interest is only payable to those persons registered in the Register as holders of Notes at the Record Date during the relevant Interest Period.

### **3.4 Calculation of interest payments**

- (a) Interest is calculated in respect of each Interest Period on a daily basis, on actual days elapsed and a year of 365 days.
- (b) All calculations of interest on the Notes will be to four decimal places. For the purpose of making any interest payment in respect of a Holder's aggregate Notes, any fraction of a cent will be disregarded.

### **3.5 Certificate by Issuer conclusive**

A certificate by the Issuer as to the amount of interest payable to a Holder on an Interest Payment Date is, in the absence of manifest error, conclusive and binding on the Holder.

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## **4 Conversion**

### **4.1 Conversion Notice**

- (a) Subject to this Condition 4 and Condition 5.3, a Holder may request Conversion of the Notes held by it by giving a Conversion Notice to the Issuer at any time during the period commencing on the day on which the Holder has paid the Second

Instalment Amount as required by Condition 1.3 to and ending on the Business Day that is 35 Business Days preceding the Maturity Date (**Conversion Period**).

- (b) A request under Condition 4.1(a) requesting a Conversion may be in relation to some or all of the Holder's Notes, subject to the aggregate Face Value of the Notes the subject of the Conversion Notice being at least the lesser of A\$500 or the balance of the Holder's holding of Notes.
- (c) Once given by a Holder, a Conversion Notice cannot be withdrawn without the written consent of the Issuer, which the Issuer may choose to provide at any time. If a Conversion Notice is withdrawn in accordance with this Condition 4.1(c), it must not be acted upon and will be of no further force or effect despite any other provisions in this Condition 4.
- (d) A Conversion Notice must be accompanied by such evidence of the authority of the person signing it as is reasonably acceptable to the Issuer and may be treated by the Issuer as not being a valid Conversion Notice unless and until such evidence is actually received by the Issuer.
- (e) A Conversion Notice must include:
  - (i) such information as may be required by the Issuer in relation to the Holder's voting power in the Issuer to enable the Issuer to determine the maximum number of Ordinary Shares that the Holder is able to acquire on the Conversion Date without contravening section 606 of the Corporations Act (or without exceeding such lesser percentage voting power in the Issuer as the Holder may specify in the Conversion Notice as being the percentage voting power that it does not wish to exceed as a result of Conversion of the Notes which are subject to the Conversion Notice) (the **Maximum Number**); and
  - (ii) a warranty that the information referred to in Condition 4.1(e)(i) is correct and that the Holder will not breach any other applicable law as a result of the Conversion (and that the Holder either (i) is acquiring the Ordinary Shares the subject of the Conversion Notice in an offshore transaction within the meaning of Regulation S under the US Securities Act of 1933, as amended (the **Securities Act**); or (ii) is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act and is acquiring the Ordinary Shares the subject of the Conversion Notice in a private transaction exempt from or not subject to the registration requirements of the Securities Act, in which case the Ordinary Shares to be delivered to such Holder will be "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and such Holder will be required to make certain representations and agreements as to, among other matters, its eligibility to acquire such securities and restrictions on transfer of such securities; or (iii) is otherwise acquiring the Ordinary Shares the subject of the Conversion Notice in a transaction exempt from or not subject to the registration requirements of the Securities Act, and to the extent the Ordinary Shares delivered in such transaction are "restricted securities", making the representations and agreements as referred to in (ii) above),

and the Issuer may rely on such information without further enquiry (or, if it so chooses, may require additional substantiation of such information).
- (f) If on the Conversion Date in respect of a Conversion Notice the Issuer determines in good faith that the number of Ordinary Shares that would be required to be issued as a result of the Conversion of the Notes the subject of the Conversion Notice exceeds the Maximum Number, then:

- (i) the notice will be deemed to relate only to the maximum number of those Notes as can be Converted into a number of Ordinary Shares that does not exceed the Maximum Number; and
  - (ii) the balance of the Notes will be treated as having never been the subject of a Conversion Notice.
- (g) A Holder must not deal with, transfer, dispose of or encumber any Notes the subject of a Conversion Notice once that Conversion Notice has been given. Subject to the Corporations Act, the Issuer may refuse to register a transfer of any Notes the subject of a Conversion Notice and may arrange for the Notes to be subject to a holding lock or make other arrangements to ensure that the Notes are not dealt with by the Holder.
- (h) Where the Issuer has received a valid Conversion Notice in respect of any particular Notes, any Conversion Notice subsequently received will be taken to apply only to the Notes which were not the subject of the prior Conversion Notice. The Issuer may apply such adjustments (if any) as it considers to be reasonably necessary to reflect this.

#### **4.2 Conversion on Control Event**

- (a) As soon as reasonably practicable after the Issuer becomes aware of a Control Event it must:
- (i) give the Note Trustee a certificate signed by two directors of the Issuer that a Control Event has occurred; and
  - (ii) by notice in writing, notify Holders of the occurrence of the Control Event.
- (b) Subject to these Terms of Issue, a Holder may request Conversion of all or some of the Notes held by it if:
- (i) a notice under Condition 4.2(a) is issued by the Issuer within the Conversion Period; and
  - (ii) the Holder gives a Conversion Notice to the Issuer during the 20 Business Days after the date that notice was issued by the Issuer under Condition 4.2(a).
- (c) The Note Trustee shall not be required to take any steps to determine whether a Control Event or any event which could lead to a Control Event has occurred or may occur. The Note Trustee is entitled to accept the notice referred to in Condition 4.2(a) as sufficient evidence of the occurrence of a Control Event, which will become conclusive and binding on the Holders.

#### **4.3 Conversion process**

- (a) Where a Note is to be Converted under these Terms of Issue, on the Conversion Date:
- (i) the Issuer will redeem the Note for its Face Value, and apply the whole of that amount as payment to the Issuer by way of subscription by the Holder of the Note for the number of new Ordinary Shares to be issued to the Holder calculated in accordance with Condition 4.3;
  - (ii) the Issuer will pay interest on the Note for the Interest Period ending on the Conversion Date; and

- (iii) the Issuer must cause to be issued to the relevant Holder the number of Ordinary Shares calculated in accordance with Condition 4.3.
- (b) By delivering a Conversion Notice, the relevant Holder irrevocably and unconditionally:
  - (i) directs that the amount payable under this Condition 4.2 is to be applied as provided for in this Condition and acknowledges and agrees that it has no right to payment in any other way; and
  - (ii) consents to be a member of the Issuer and agrees to be bound by the constitution of the Issuer.
- (c) Any issue of Ordinary Shares under this Condition 4.3 will have effect on and from, and be deemed to have been made on, the Conversion Date.
- (d) Ordinary Shares issued on Conversion must be free of any encumbrance or third party right of any kind and rank equally with all other fully paid Ordinary Shares other than in respect of any dividend or other entitlement for which the applicable record date falls prior to the Conversion Date.

#### 4.4 Conversion Price

- (a) The number of Ordinary Shares to which a Holder is entitled upon Conversion of Notes is determined by the following formula:

$$\text{Number of Ordinary Shares} = \text{AFV} / \text{Conversion Price}$$

Where:

**AFV** is the aggregate Face Value of the Notes being Converted by the Holder.

**Conversion Price** is A\$0.50, as adjusted under this Condition 4.

- (b) Where the number of Ordinary Shares to be issued to a Holder under Condition 4.4(a) includes a fraction, that fraction will be disregarded.

#### 4.5 Adjustments to Conversion Price for rights issues or bonus issues

- (a) Subject to Conditions 4.5(b) and 4.5(c), if the Issuer makes a rights issue (including an issue of the kind known as a 'jumbo issue' or 'accelerated entitlement offer', where offers to certain institutional holders, or beneficial holders, are made in advance of offers to other holders) or bonus issue (in either case being a pro rata issue) of Ordinary Shares to holders of Ordinary Shares generally, the Conversion Price will be adjusted immediately under the following formula:

$$CP = CP_0 \times \frac{1/P \times [(RD \times P) + (RN \times A)]}{(RD + RN)}$$

Where:

**CP** means the Conversion Price applying immediately after the application of this formula;

**CP<sub>0</sub>** means the Conversion Price applying immediately before the application of this formula;

**P** means the VWAP during the period from (and including) the first Business Day after the announcement of the rights or bonus issue to ASX up to (and including) the last Business Day of trading cum rights or bonus issue (or if there is no period of cum rights or bonus issue trading, an amount reasonably determined by the Issuer as representing the value of an Ordinary Share cum the rights or bonus issue);

**RD** means the number of Ordinary Shares on issue immediately before the issue of new Ordinary Shares under the rights or bonus issue;

**RN** means the number of Ordinary Shares issued under the rights or bonus issue; and

**A** means the subscription price per Ordinary Share for a rights issue (and is zero in the case of a bonus issue).

- (b) No adjustment to the Conversion Price will occur if **A** exceeds **P**.
- (c) Condition 4.5(a) does not apply to Ordinary Shares issued as part of an employee incentive arrangement, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.
- (d) For the purpose of this Condition 4.5, an issue will be regarded as a pro rata issue notwithstanding that the Issuer does not make offers to some or all Ordinary Shareholders with registered addresses outside Australia, provided that in so doing the Issuer is not in contravention of the ASX Listing Rules.

#### **4.6 Adjustments to Conversion Price for off market buy-backs**

- (a) Subject to Condition 4.6(b), if the Issuer undertakes an off market buy-back under a buy-back scheme which but for any applicable restrictions on transfer would be generally available to holders of Ordinary Shares (or otherwise cancels Ordinary Shares for consideration), the Conversion Price will be adjusted immediately using the following formula:

$$CP = CPo \times 1/P \times \left[ \frac{(BD \times P) - (BN \times A)}{(BD - BN)} \right]$$

Where:

**CP** means the Conversion Price applying immediately after the application of this formula;

**CPo** means the Conversion Price applying immediately before the application of this formula;

**P** means the VWAP during the 20 Business Days before the announcement to ASX of the buy-back (or cancellation);

**BD** means the number of Ordinary Shares on issue immediately before the buy-back (or cancellation);

**BN** means the number of Ordinary Shares bought back (or cancelled); and

**A** means the buy-back (or cancellation) price per Ordinary Share.

- (b) No adjustment to the Conversion Price will occur if **P** exceeds **A**.

#### 4.7 Adjustment to Conversion Price for returns of capital

If at any time prior to the Conversion Date the Issuer makes a pro rata return of capital to holders of Ordinary Shares without cancellation of any Ordinary Shares (a **Relevant Distribution**), the Conversion Price will be adjusted under the following formula:

$$CP = CPo \times \frac{P - RD}{P}$$

Where:

**CP** means the Conversion Price applying immediately after the application of this formula;

**CPo** means the Conversion Price applying immediately before the application of this formula;

**P** means the VWAP during the period from (and including) the first Business Day after the announcement to ASX of the Relevant Distribution up to and including the last Business Day of trading cum the Relevant Distribution (or if there is no period of cum Relevant Distribution trading, an amount reasonably determined by the directors of the Issuer as representing the value of an Ordinary Share cum the Relevant Distribution); and

**RD** means with respect to the Relevant Distribution, the amount of the cash and/or the value (as reasonably determined by the directors of the Issuer) of any other property distributed to holders of Ordinary Shares per Ordinary Share (or such lesser amount such that the difference between P and RD is greater than zero).

#### 4.8 Adjustments to Conversion Price for reconstructions, etc

Where the Ordinary Shares are reconstructed, consolidated, divided or reclassified into a lesser or greater number of securities, the Conversion Price shall be adjusted by the Issuer as it reasonably considers appropriate (consistently with the way in which the exercise price and number of Ordinary Shares (as applicable) the subject of an option over Ordinary Shares would have been adjusted under the ASX Listing Rules).

#### 4.9 Other adjustments to Conversion Price

Despite the provisions of Conditions 4.5 to 4.8, where:

- (a) the effect of any of the adjustment provisions set out in Conditions 4.5 to 4.8 is not, in the opinion of the Issuer, appropriate in any particular circumstances (including because more than one adjustment provision applies); or
- (b) any other event other than payment of an Ordinary Dividend occurs in relation to the Issuer that in the Issuer's opinion may have a dilutive or concentrative effect on the value of the Ordinary Shares, and, in the opinion of the Issuer, such occurrence would affect the relative values of Notes and the Ordinary Shares, the Issuer may:
  - (i) make such adjustment to the Conversion Price as it considers appropriate or necessary to maintain that relativity; or
  - (ii) extend an entitlement to the Holders to participate in such event based upon the number of Ordinary Shares to which those Holders would have been entitled if their Notes had been Converted on a date nominated by the Issuer to maintain the relativity,

provided that the Issuer will act reasonably and in good faith in determining whether Conditions 4.9(a) or 4.9(b) apply in any particular circumstance or event and (if so) in determining what (if any) action should be taken under this Condition 4.9(b).

#### **4.10 Determination and notification of adjustments**

- (a) The Issuer must promptly determine all adjustments to the Conversion Price required under this Condition 4 and must promptly notify the Note Trustee and the Holders of that determination.
- (b) The Issuer's determination is, in the absence of manifest error, final and binding on the Note Trustee and each Holder.
- (c) The Note Trustee shall not be under a duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price and will not be responsible to any Holder for any loss arising from any failure by it to do so.
- (d) No adjustment may be made to the Conversion Price or the Conversion Period under these Terms of Issue if to do so would contravene applicable law (including the ASX Listing Rules).

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## **5 Redemption**

### **5.1 Redemption by the Issuer on Maturity Date**

Unless earlier redeemed, or the Note is Converted, the Issuer must repay the Redemption Amount in respect of each Note on the Maturity Date.

### **5.2 Winding Up**

If an order is made by a court of competent jurisdiction, or an effective resolution is passed, for the Winding Up of the Issuer, the Issuer must redeem each Note by paying the Holder the Redemption Amount.

### **5.3 Control Event**

If a Control Event occurs and the Issuer has given a notice as required by Condition 4.2(a), following the expiry of the period in Condition 4.2(b):

- (a) a Holder cannot give a Conversion Notice under Condition 4.1(a); and
- (b) the Issuer may redeem all (but not some) of the Notes in respect of which a Conversion Notice has not been given in accordance with these Terms of Issue at any time on the Redemption Date nominated in accordance with this Condition 5.3 by paying the Holder the Redemption Amount in respect of each Note. The Issuer may only redeem a Note under this Condition if the Issuer has given at least 30 Business Days' (and no more than 45 Business Days') notice to the Note Trustee and the Holders nominating the Redemption Date upon which the Issuer proposes to Redeem the Notes.

### **5.4 Clean-up option**

If at any time the aggregate principal amount of the Notes Outstanding is less than 10% of the aggregate principal amount of the Notes originally issued, the Issuer may Redeem all (but not some) of the Notes that remain Outstanding for their Redemption Amount. The Issuer may only redeem Notes under this Condition 5.4 if:

- (a) the Issuer has given at least 30 Business Days' (and no more than 45 Business Days') notice to the Note Trustee and the Holders nominating the Redemption Date upon which the Issuer proposes to redeem the Notes; and
- (b) the proposed Redemption Date nominated by the Issuer is an Interest Payment Date.

### 5.5 Effect of notice

Notice under this Condition 5 is irrevocable and on the Redemption Date specified in the notice the Issuer must redeem each Note at its Redemption Amount. The accidental or inadvertent failure to give notice to an individual Holder will not invalidate a notice given for the purposes of this Condition 5.

### 5.6 Failure to Redeem

If the Issuer fails to redeem the Notes when due, interest will continue to accrue on the Notes at the rate applicable to them in accordance with Condition 3 and must be paid to the relevant Holders upon redemption of the Notes.

### 5.7 Cancellation

Notes redeemed by the Issuer will be cancelled by the Issuer.

## 6 Enforcement

### 6.1 Consequences of a default

Subject to Condition **Error! Reference source not found.** and the Note Trust Deed, if an Event of Default is subsisting, the Note Trustee may in its absolute discretion:

- (a) declare by notice to the Issuer that the total Redemption Amount of Notes is immediately due and payable (and that amount will immediately become due and payable when the notice is served);
- (b) demand and require immediate payment by the Issuer of all money which the Issuer (whether alone or not) is or at any time may become liable to pay to or for the account of the Note Trustee, a Holder or the Note Trustee on a Holder's behalf (whether alone or not) under or in connection with the Note Trust Deed or these Terms of Issue; and
- (c) exercise any powers rights or privileges conferred by law or equity under the Note Trust Deed or these Terms of Issue.

### 6.2 Enforcement on direction by Holders

The Note Trustee must, subject to Condition **Error! Reference source not found.**, take any action referred to in Condition **Error! Reference source not found.** to enforce the rights of the Holders against the Issuer in respect of the Notes or any other action pursuant to or in connection with the Note Trust Deed or the Notes if:

- (a) it shall have been so directed to take that action:
  - (i) by a Special Resolution; or
  - (ii) in writing by the Holders of at least 25% of the aggregate of the principal amount of all Notes Outstanding;



- (b) it shall have been indemnified to its satisfaction:
  - (i) for all actions, proceedings, claims and demands to which the Note Trustee may render itself liable by taking such action;
  - (ii) in respect of all costs, charges, damages and expenses which the Note Trustee may thereby incur; and
  - (iii) in respect of the costs of all management time spent by employees or officers of the Note Trustee in relation to such action in the amount required under clause 9 of Note Trust Deed; and
- (c) the Note Trustee is not restricted or prohibited from taking such action by any order of any competent court or any applicable law.

### 6.3 Court direction for enforcement

Notwithstanding anything in Condition **Error! Reference source not found.**, if the Note Trustee forms the view that action it has been directed to take is or could be inconsistent with the Note Trust Deed, these Terms of Issue or any applicable law or is or could be otherwise objectionable, it may take steps to seek (and, if the court so determines, to obtain) as soon as reasonably practicable a court direction or order to set aside or vary the direction and, while those steps are underway, the Note Trustee is not obliged to take any action or proceedings it has been directed to take.

### 6.4 Enforcement by Holders

- (a) A Holder is entitled to take any action that the Note Trustee could take in relation to a Default or to otherwise enforce this deed if and only if the Note Trustee, having become bound to take that action under Condition **Error! Reference source not found.**, fails to do so within 30 Business Days and that failure is continuing. Any such action may be taken in the name of the Holder and not the Note Trustee but not otherwise.
- (b) Except as otherwise provided in Condition 6.4(a), a Holder is prohibited from:
  - (i) taking any Enforcement Action;
  - (ii) taking any action in relation to a Default; or
  - (iii) enforcing these Terms of Issue or the Note Trust Deed.
- (c) The Issuer may plead this Condition 6 in bar to any proceedings brought against it that are not permitted by this Condition 6.

### 6.5 Conversion right to remain exercisable

The right to Convert remains exercisable in accordance with these Terms of Issue notwithstanding any action taken by the Note Trustee under this Condition 6 to enforce any provision of these Terms of Issue or the Note Trust Deed at any time up to the date the Notes are redeemed.

### 6.6 Issuer liability

Except as permitted by this Condition 6, the Issuer is not liable in damages for breach of any provision of the Note Trust Deed other than in respect of the Note Trustee's remuneration and expenses due and payable under clause 9 of the Note Trust Deed or any other loss suffered by the Note Trustee in its personal capacity. This does not affect the Issuer's obligations or liabilities under or in respect of these Terms of Issue to pay the principal amount, interest,

redemption amount or other amounts payable in respect of the Notes and Costs and other amounts due to the Note Trustee.

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## **7 Payments**

### **7.1 Payment of principal**

Payments of the Redemption Amount in respect of a Note will be made to the person registered at 10:00am on the relevant Redemption Date as the Holder of that Note.

### **7.2 Payment of interest**

Interest payable in respect of a Note (other than interest payable on redemption of the Note) will be made to the person registered at the Record Date for that payment as the Holder of that Note.

### **7.3 Manner of payment**

- (a) Amounts payable to a Holder in respect of the Notes will be paid by:
  - (i) direct credit to an account nominated by the Holder at an Australian financial institution by notice to the Registry not less than eight calendar days before the date for payment; or
  - (ii) Australian dollar cheque drawn in favour of such Holder and sent by pre-paid post to the address of the Holder in the Register, or in the case of Joint Holders to the Holder whose name appears first in the Register.
- (b) Where a payment cannot be made in accordance with Condition 7.3(a)(i) because a Holder has not provided account details, or the Issuer determines that the account details are incorrect or the relevant account has been closed or is not an account to which the relevant payment can be made, the Issuer will make the relevant payment in accordance with Condition 7.3(a)(ii).
- (c) Where a payment is due on a day that is not a Business Day, or cannot be made in accordance with Condition 7.3(a) on the due date because a financial institution is not open for business (or is not open for business in the place where the account is kept) on that date, the Issuer is under no obligation to make the relevant payment until the next Business Day on which payment can be made.
- (d) The Holder is not entitled to any interest or other amount in respect of a delay in payment under Conditions 7.3(b) or 7.3(c).
- (e) Every cheque will be sent at the risk of the person entitled to the moneys represented by the cheque and payment will be deemed to have been made when the cheque is posted or the deposit is made in accordance with this Condition 7. The cost of any replacement cheque shall be at the expense of the Holder. Any cheque returned to the Issuer, or any cheque not presented by a Holder, shall be treated by the Issuer as unclaimed money.

### **7.4 Payment subject to fiscal laws**

The Issuer's obligations to make payments on the Notes are subject to all applicable laws.

## **7.5 Payments net of deductions**

- (a) The Issuer may deduct from any interest payment or other amount payable to a Holder the amount of any withholding or other tax, duty or levy required by law to be deducted in respect of such amount.
- (b) The Issuer will pay the full amount deducted to the relevant revenue authority within the time allowed for such payment without incurring a penalty under the applicable law and will, if required by any Holder, deliver to that Holder the relevant receipt issued by the revenue authority without unreasonable delay after it is received by the Issuer.
- (c) No gross up or other additional amount is payable to any Holder in respect of any deduction made from a payment under Condition 7.5(a).

## **7.6 Payments generally**

Payments in respect of the Notes will be made in accordance with the provisions relating to payment set out in clause 4 of the Note Trust Deed.

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## **8 Time limit for claims**

A claim against the Issuer for a payment under the Notes is void unless made within five years after the date on which payment first became due and payable.

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## **9 Amendments**

### **9.1 Amendments without consent**

- (a) Subject to Condition 9.1(b) below, and to the Note Trust Deed, compliance with the Corporations Act and all other applicable laws, the Issuer and Note Trustee may without the consent of the Holders, jointly amend these Terms of Issue or the Note Trust Deed if each of the Note Trustee and the Issuer is of the opinion that such amendments are:
  - (i) of a formal or technical or minor nature and not materially prejudicial to the interests of the Holders as a whole;
  - (ii) made to cure any ambiguity or correct any manifest error;
  - (iii) necessary or expedient for the purpose of enabling the Notes to be offered for subscription or for sale under the laws for the time being in force in any place and the Issuer has provided to the Note Trustee an opinion of independent legal advisers or counsel of recognised standing in the relevant jurisdiction that such amendment is otherwise not materially prejudicial to the interests of Holders generally;
  - (iv) necessary to comply with the provisions of any statute or the requirements of any statutory authority and is otherwise not materially prejudicial to the interests of Holders as a generally; or
  - (v) not, and is not likely to become, taken as a whole and in conjunction with all other amendments to be made contemporaneously with that amendment, materially prejudicial to the interests of Holders generally.

- (b) Prior to making an amendment to these Terms of Issue in the manner outlined in Condition 9.1(a):
- (i) the Issuer must provide the Note Trustee with a copy of the proposed amendment and, if requested by the Note Trustee, draft legal opinion (or the Note Trustee may obtain its own opinion) in reasonably sufficient time to allow the Note Trustee to consider and consent to the proposed amendments;
  - (ii) the proposed amendment must not without the approval of the Note Trustee alter or conflict with any of the personal rights and obligations of the Note Trustee;
  - (iii) the Note Trustee may obtain the relevant opinion of an independent legal adviser and/or request the Issuer obtain an opinion of an independent legal adviser or counsel of recognised standing in New South Wales and/or such other relevant jurisdictions (including an opinion as to whether it is open to the Note Trustee to form the opinion regarding that amendment and an opinion that such amendment is otherwise not materially prejudicial to the interests of Holders generally); and
  - (iv) the Note Trustee may request the Issuer to, and the Issuer shall provide, its opinion in relation to whether the proposed amendment to these Terms of Issue comes within a category described in Condition 9.1(a).

## **9.2 Amendments with consent**

Without limiting Condition 9.1, at any time and from time to time, but subject to the Note Trust Deed, compliance with the Corporations Act and all other applicable laws, the Issuer may amend these Terms of Issue or the Note Trust Deed if a Special Resolution is passed in favour of such amendment and (if the amendment alters or conflicts with any of the personal rights or obligations of the Note Trustee) the Issuer has obtained the Note Trustee's prior written consent to such amendment.

## **9.3 No consent of holders of Senior Ranking Obligations or Equal Ranking Obligations**

Nothing in these Terms of Issue requires the consent of the holder of any Senior Ranking Obligation or Equal Ranking Obligation to the amendment of any Term of Issue made in accordance with this Condition 9.

## **9.4 Notices**

Notices under these Terms of Issue are to be given in accordance with the provisions of the Note Trust Deed.

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# **10 Governing law and jurisdiction**

## **10.1 Governing law**

The Notes and these Terms of Issue are governed by the laws of New South Wales, Australia.

## **10.2 Submission to jurisdiction**

The Issuer, the Note Trustee and each Holder submits to the exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, Australia in connection with matters concerning the Notes or these Terms of Issue. The Issuer, the Note Trustee and each Holder

waive any right they have to object to an action being brought in those courts, or to claim that the action has been brought in an inconvenient forum, or to claim those courts do not have jurisdiction.

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## 11 Definitions

The following defined terms apply in these Terms of Issue:

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

**ASX** means ASX Limited (ABN 98 008 624 691) or the market it operates.

**ASX Listing Rules** means the listing rules of ASX as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

**A\$ or Australian Dollars** means the lawful currency of the Commonwealth of Australia.

**Business Day** has the same meaning as in the ASX Listing Rules, but where used in connection with any Redemption of or payment on the Notes, excludes a day on which major trading banks are not open for business in Sydney.

**Control Event** means any one of the following events:

- (a) a takeover bid (as defined in the Corporations Act) is made by any person to acquire all or some of the Ordinary Shares and such offer is, or becomes, unconditional, all regulatory approvals necessary for the acquisition to occur have been obtained, and the bidder has or obtains at any time during the offer period a relevant interest in more than 50% of Ordinary Shares on issue;
- (b) the Issuer lodges with ASIC a draft explanatory statement for a scheme of arrangement that the Issuer proposes to enter into under Part 5.1 of the Corporations Act, which if approved and implemented, will result in a person having a relevant interest in more than 50% of Ordinary Shares that will be on issue after the scheme is implemented and implementation of the scheme has been approved by the Court;
- (c) any other step or steps are taken as a result of which the board of the Issuer determines that a person has or will acquire a relevant interest in more than 50% of Ordinary Shares on issue and that such step or steps should be treated as a Control Event for the purposes of these Terms of Issue.

**Conversion** means a Holder ceasing to hold Notes and receiving Ordinary Shares in accordance with Condition 4.3. **Convert** and **Converted** have corresponding meanings.

**Conversion Date** means the date on which Notes are to be Converted pursuant to a Conversion Notice, being the first Monthly Conversion Date falling at least 11 Business Days after the receipt of the relevant Conversion Notice.

**Conversion Notice** means a notice, in a form prescribed by the Issuer, given by a Holder to the Issuer under Condition 4.1.

**Conversion Period** has the meaning given in Condition 4.1(a).

**Conversion Price** has the meaning given in Condition 4.4.

**Conversion Process** means the process described in Condition 4.

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

**Costs** means costs, charges, fees, expenses (including expenses of advisors), commissions, liabilities, losses, damages and Taxes and all amounts payable in respect of any of them or like payments.

**Default** means an Event of Default or event which, with the giving of notice or lapse of time, would become an Event of Default.

**Enforcement Action** means:

- (d) the acceleration of any Liabilities or any declaration that any Liabilities are prematurely due and payable or payable on demand;
- (e) the taking of any steps to enforce or require the enforcement of any security in connection with any Liabilities;
- (f) the making of any demand against the Issuer in relation to Liabilities or in relation to any guarantee, indemnity or other assurance against loss in respect of any Liabilities or exercising any right to require the Issuer to acquire any Liability;
- (g) the exercise of any right of set-off against the Issuer in respect of any Liabilities;
- (h) the suing for, commencing or joining any legal or arbitration proceedings against the Issuer to recover any Liabilities;
- (i) the entering into any composition, assignment or arrangement with the Issuer; or
- (j) petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) in respect of the Issuer or any suspension of payments or moratorium of any indebtedness of the Issuer, or any analogous procedure or step in any jurisdiction.

**Equal Ranking Obligations** means any obligation in relation to claims of any unsecured, subordinated creditor of the Issuer, or claims of any holder of a preference share in the capital of the Issuer, which claims are expressed to rank equally with the Issuer's obligations under the Notes.

**Event of Default** means the occurrence of any of the following events:

- (k) the Winding Up of the Issuer and it becoming obliged to redeem the Notes under Condition 5.2 (Winding Up); or
- (l) a default by the Issuer under the Note Trust Deed or these Terms of Issue in respect of its payment obligations or the performance of any of its other obligations,

which in either case is not remedied within 5 Business Days of receiving notice to do so from the Note Trustee.

**Face Value** means A\$100 per Note.

**First Instalment Amount** means A\$50 per Note.

**Holder** means in relation to any Note, a person whose name is for the time being registered in the Register as the holder of that Note.

**Holder Resolution** means

- (m) a resolution passed at a meeting of Holders duly called and held under the Meeting Provisions:

- (i) by more than 50% of the persons voting on a show of hands (unless subparagraph (ii) applies); or
- (ii) if a poll is duly demanded, then by a majority consisting of more than 50% of the votes cast; or
- (n) if the meeting is by postal ballot or written resolution, then by Holders representing (in aggregate) more than 50% of the Invested Amount of all of the Outstanding Notes.

**Immediately Available Funds** means a payment in cash, by bank cheque the drawer of which is an Australian bank, a telegraphic transfer of cleared funds or a direct credit of cleared funds.

**Interest Payment Date** means, in relation to a Note:

- (o) 30 June 2015 and thereafter each 30 June and 31 December until the Note is converted or repaid; and
- (p) the earlier of:
  - (i) the relevant Conversion Date for that Note;
  - (ii) Redemption Date for that Note; or
  - (iii) the Maturity Date for that Note,
 whether or not interest is paid on that date.

**Interest Period** means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date provided that:

- (q) the first Interest Period begins on and includes the Issue Date; and
- (r) the final Interest Period ends on but excludes the Maturity Date (or, if later, the date on which the Notes are actually redeemed).

**Interest Rate** means 2.5% per annum.

**Invested Amount** means an amount equal to the Face Value or, if the Second Instalment Amount has not been paid as required by Condition 1.3 (including where it has not been paid because the Second Instalment Date has not yet occurred), the First Instalment Amount.

**Issue Date** means, in relation to a Note, the issue date specified in the Register.

**Issuer** means Energy World Corporation Ltd (ABN 34 009 124 994).

**Junior Ranking Obligations** means:

- (s) any obligation in relation to claims of any unsecured, subordinated creditor of the Issuer which claims are expressed to rank after the Issuer's obligations in respect of the Notes; and
- (t) all Ordinary Shares.

**Liabilities** means all present and future liabilities at any time of the Issuer to any Holder or the Note Trustee under or in connection with the Note Trust Deed, these Terms of Issue or

any Note, both actual and contingent and whether incurred solely or jointly or in any other capacity.

**Maturity Date** means 31 December 2018.

**Meeting Provisions** means the provisions for meetings of the Holders set out in Schedule 2 of the Note Trust Deed.

**Monthly Conversion Date** means the last Business Day of each calendar month.

**Note Trust Deed** means the trust deed dated on or about 14 May 2015 between the Issuer the Note Trustee as amended from time to time.

**Note Trustee** means Australian Executor Trustees Limited (ABN 84 007 869 794) or any other person appointed as Note Trustee pursuant to the Note Trust Deed.

**Notes** means the convertible, subordinated and unsecured notes issued or to be issued by the Issuer on these Terms of Issue.

**Ordinary Share** means an ordinary share of the Issuer or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer.

**Ordinary Dividend** means a regular interim or final dividend paid by the Issuer to holders of Ordinary Shares in an amount not exceeding:

- (u) in the case of an interim dividend, 75% of the Issuer's net profit after tax (pre-Abnormal Items) for the first half of the financial year in respect of which it is paid, as shown in the Issuer's financial statements for that financial half year; or
- (v) in the case of any final dividend, in aggregate with any interim dividend paid in respect of the same financial year, 75% of the Issuer's net profit after tax (pre-Abnormal Items) for the financial year in respect of which it is paid, as shown in its financial statements for that financial year.

**Outstanding** means in relation to a Note means the Note has not been redeemed or Converted or otherwise cancelled.

**Prospectus** means the Prospectus issued by the Issuer in accordance with Corporations Act in respect of the issue of the Notes.

**Record Date** means in relation to an Interest Period, 5pm on the date that is 8 calendar days before the Interest Payment Date for that Interest Period.

**Redemption Amount** means, in respect of any Note, the Invested Amount and any Unpaid Amount in respect of the Note on its Redemption Date.

**Redemption Date** means in respect of any Note, the date for redemption of that Note in accordance with these Terms of Issue.

**Redemption Notice** means a notice provided by the Issuer in accordance with Condition 5.2.

**Register** means the register of Holders established and maintained in accordance with the Note Trust Deed.



**Registry** means Computershare Investor Services Pty Limited (ABN 48 078 279 277) or such other person appointed by the Issuer to maintain the Register on the Issuer's behalf from time to time.

**Second Instalment Amount** means A\$50 per Note.

**Second Instalment Date** means the date falling 6 months after the Issue Date, or if that date is not a Business Day, the immediately following Business Day.

**Senior Ranking Obligations** means any obligation in relation to claims of any creditors (including subordinated creditors) of the Issuer, other than the Note Trustee (in respect of the principal of and interest payable on the Notes), the Holders, the holders of Equal Ranking Obligations and the holders of Junior Ranking Obligations.

**Special Resolution** means

- (w) a resolution passed at a meeting of the Holders duly called and held under the Meeting Provisions:
  - (i) by at least 75% of the persons voting on a show of hands (unless subparagraph (ii) applies); or
  - (ii) if a poll is duly demanded, then by a majority consisting of at least 75% of the votes cast; or
- (x) a resolution passed by postal ballot or written resolution by Holders representing (in aggregate) at least 75% of the Invested Amount of all of the Outstanding Notes.

**Tax** means any tax, levy, impost, deduction, charge or withholding or duty (including stamp duty and transaction duty) imposed by any authority together with any related interest, penalties and expenses in connection with them.

**Terms of Issue** means these terms and conditions of issue.

**Unpaid Amount** means any amount payable by the Issuer in respect of a Note which is not paid on the day on which it is due and payable under these Terms of Issue.

**VWAP** means, for any period, the volume weighted average price for trading in Ordinary Shares during that period the calculation of which shall be determined by the Issuer in good faith.

**Winding Up** means a winding up, other than in circumstances where a winding up order is made by a court of competent jurisdiction and that order is successfully appealed or permanently stayed within 30 days of that order. The term **wound up** has a corresponding meaning.

## Meetings of Holders

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### 1 Notice of Meeting

- (a) A Meeting may be convened by:
  - (i) the Issuer;
  - (ii) the Note Trustee; or
  - (iii) the Issuer at the request of Holders of at least 10% of the aggregate of the principal amount of all Notes Outstanding,by giving at least 21 days' notice in writing (28 days' notice for a Special Resolution) of any Meeting to the Note Trustee, the Issuer and the Holders by the party convening the Meeting.
- (b) If a Holder does not receive notice, the Meeting is still valid.
- (c) The party convening the Meeting must notify the Note Trustee, the Issuer and Holders (as the case requires) in writing of:
  - (i) the place, day and time of the Meeting; and
  - (ii) the nature of the business to be transacted.
- (d) If either the Issuer or the Note Trustee omits to give notice to the other of them under paragraph 1(c) or if the other of them does not receive notice, the Meeting is invalid unless the person who did not receive notice waives the notice requirement.
- (e) The Issuer must comply with the requirements of the Corporations Act when calling meetings.

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### 2 Who may attend and address Meeting

Each Holder is entitled to attend and vote at any Meeting or any rescheduled Meeting (which was adjourned pursuant to paragraph 3(c)). The Note Trustee, the Issuer, any person invited by any of them and the Issuer's auditor is entitled to attend and address a Meeting or rescheduled Meeting of Holders.

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### 3 Quorum

- (a) No business may be transacted at any Meeting, except the election of a chairperson and the adjournment of the meeting, unless a quorum of Holders is present at the time when the Meeting proceeds to business.
- (b) A quorum for any Meeting is at least 2 persons holding or representing by attorney, representative or proxy at least 10% of the Notes.
- (c) If a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting must be adjourned as the chair directs.

- (d) At a rescheduled Meeting (which was adjourned pursuant to paragraph 3(c)) the Holders with at least 5% of the Notes who are present either in person or by proxy constitute a quorum and are entitled to pass the resolution.

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#### **4 Chair**

- (a) Subject to the Corporations Act, a nominee of the Note Trustee (if any) may preside as chair at a Meeting of Holders.
- (b) If the Note Trustee does not appoint a person to be chairperson of a meeting, or the person does not appear within 15 minutes from the time appointed for the Meeting or is unwilling to act, the Holders present must elect one of their number to preside as chair.
- (c) The chair:
- (i) need not be a Holder; and
  - (ii) may be an officer or employee of the Issuer or the Note Trustee.

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#### **5 Voting**

- (a) Subject to Holders being entitled to vote, any question submitted to a Meeting must be decided in the first instance by a show of hands, but a poll will be taken in any case where:
- (i) it is required by this deed or by law that the question be decided by a majority which is to be measured by a percentage of the votes cast by those present; or
  - (ii) either before or immediately after any question is put to a show of hands a poll is demanded by the chair of the Meeting, the Note Trustee, the Issuer, or at least one or more Holders, present personally or by proxy, representative or attorney, holding or representing by proxy, representative or attorney at least 5% of the Notes.
- (b) In the case of equality of votes, the chair of a Meeting of Holders has a casting vote in addition to his votes (if any) as a Holder both on a show of hands and on a poll.

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#### **6 Votes**

At a Meeting:

- (a) on a show of hands each Holder present personally or by proxy, attorney or representative with the right to vote at that Meeting has one vote; and
- (b) on a poll each Holder present personally or by proxy, attorney or representative with a right to vote at that Meeting is entitled to one vote for each Note.

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#### **7 Voting by Joint Holders**

- (a) If Notes are held jointly, the most senior Holder's vote either in person or by proxy is accepted to the exclusion of the other Joint Holders.

- (b) The most senior Holder is the person whose name appears first on the Register.

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## **8 Voting by corporation**

- (a) A corporation who is a Holder may vote through a representative authorised in writing.
- (b) The corporation's representative is regarded as a Holder and has the same rights as a Holder.

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## **9 Voting by person of unsound mind**

If a Holder is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, the Holder's committee or Note Trustee or other person who properly has the management of the Holder's estate may exercise any rights of the Holder in relation to a Meeting of Holders as if the committee, Note Trustee or other person were the Holder.

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## **10 Objection to voter's qualification**

- (a) An objection may be raised to the qualification of a voter only at the Meeting where the vote objected to is given or tendered.
- (b) An objection must be referred to the chair whose decision is final.
- (c) The chair may consult with any representative of the Issuer and the Note Trustee present at the Meeting.
- (d) A vote allowed at a Meeting is valid for all purposes.

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## **11 Proxies**

A Holder is entitled to appoint another person as his proxy to attend and vote at a Meeting. Any person including a Holder may act as a proxy, and that proxy has the same rights as the appointor to vote whether on a show of hands, to speak, and be reckoned in the quorum.

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## **12 Proxy instrument**

- (a) If the appointer of a proxy is an individual, the instrument of appointment must be in writing and signed by the appointer or the appointer's attorney authorised in writing.
- (b) If the appointer of a proxy is a corporation, the instrument of appointment must be:
- (i) under its common seal; or
  - (ii) under the hand of an officer or attorney who has been authorised by the corporation.

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**13 Voting authority to be deposited with Issuer**

- (a) The instrument appointing a proxy or a facsimile copy of it and the original or certified copy of the power of attorney or authority under which it is signed or a facsimile copy of it must be deposited with the Issuer (or the Note Trustee if it is the party convening the Meeting) at least 48 hours, or any shorter period determined by the Issuer from time to time, before the time appointed for the Meeting at which the proxy proposes to vote. The original of any facsimile instrument provided under this paragraph 13(a) must be deposited with the Issuer before the time appointed for the Meeting.
- (b) If paragraph 13(a) is not complied with, the proxy is invalid.
- (c) An instrument appointing a proxy is only valid for 12 months from its execution date.

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**14 Effect of death or insanity on vote under proxy**

- (a) A vote given under an instrument of proxy is valid even though the principal is insane at the time, has died or has revoked the proxy or the authority under which the proxy was executed.
- (b) Paragraph 14(a) does not apply if the Issuer has notice in writing of the death, insanity or revocation before the Meeting at which the proxy is to be used.

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**15 Adjournments**

The chair may, by Holder Resolution, adjourn a Meeting

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**16 Declaration by chair of voting**

Unless a poll has been demanded, a declaration by the chair that a resolution has been carried or lost by a particular majority is conclusive evidence of that fact.

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**17 Demand for a poll and manner of poll**

- (a) A poll is to be conducted as directed by the chair at the Meeting or any adjournment of the Meeting.
- (b) The demand for a poll may be withdrawn by the person who demanded it.
- (c) The demand for a poll does not discontinue the Meeting except to decide the question for which the poll is demanded.
- (d) The result of the poll is regarded as the resolution of the Meeting.

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**18 Poll on election of chair or question of adjournment**

A poll demanded on the election of a chair or on a question of adjournment must be taken forthwith.

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**19 Effect of resolution**

A resolution passed at a Meeting of Holders held in accordance with this deed is binding upon all the Holders.

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**20 Minutes**

- (a) The chair must ensure that minutes of proceedings at every Meeting of Holders are taken and entered in a minute book provided by the Issuer.
- (b) The signature by the chair of minutes of a Meeting is conclusive evidence of the matters stated in the minutes.
- (c) Unless there is proof to the contrary a minuted Meeting is regarded as properly held and a resolution passed at the Meeting is regarded as properly passed.

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**21 Resolution by postal ballot**

- (a) Despite the other provisions in this schedule, a Holder Resolution or Special Resolution may be passed without any meeting or previous notice being required by a written resolution of the Holders holding the relevant proportion of Notes by completing, signing and returning copies of such written resolution and any such written resolution is effective on presentation to the Issuer and the Note Trustee.
- (b) In respect of such a resolution each Holder is entitled to have one vote for each Note held.

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**22 Powers**

- (a) Without derogating from the powers conferred on the Note Trustee by this deed, a Meeting of Holders may exercise the following powers by Special Resolution:
  - (i) power to authorise the Note Trustee to take or to refrain from taking any action which may be taken by the Note Trustee if such action is required by the Terms of Issue or the Note Trust Deed to be taken only by Special Resolution;
  - (ii) power to give a direction to the Note Trustee as to or authorise, ratify or confirm anything done by the Note Trustee in respect of the performance or exercise of any of the duties, rights, powers and remedies of the Note Trustee under or relating to this deed or the Notes;
  - (iii) power to sanction the release by the Note Trustee of the Issuer from any obligation under the Terms of Issue or this deed either unconditionally or upon such conditions as the Note Trustee may arrange with the Issuer;
  - (iv) power to sanction agreement by the Note Trustee to any modification or compromise of any of the rights of all the Holders against the Issuer, including any amendment of the Terms of Issue or the Note Trust Deed;
  - (v) power to authorise the Note Trustee to agree to the postponement of the repayment of the principal in respect of any part of the Notes beyond their due dates and to the suspension or postponement of the payment of interest on any part of the Notes;

- (vi) power to authorise the Note Trustee to sanction on behalf of all the Holders any scheme for reconstruction of the Issuer or for the amalgamation of the Issuer with any other corporation;
  - (vii) power to authorise the Note Trustee to accept on behalf of the Holders any other property or securities instead of any part of the Holder's rights and in particular any debt securities of the Issuer; and
  - (viii) power to give any release or waiver in respect of anything done or omitted by the Issuer or the Note Trustee or any breach or default by the Issuer.
- (b) Without derogating from the powers conferred on the Note Trustee by the Note Trust Deed, a Meeting of Holders may, by Holder Resolution, do anything for which a Special Resolution is not required.

# Entitlement and Acceptance Form

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# Corporate directory

## Board of Directors

**Mr Stewart Elliott**, Chairman  
**Mr Brian Allen**, Executive Director  
**Mr Ian Jordan**, Executive Director  
**Mr Graham Elliott**, Executive Director  
**Mr James Dewar**, Non-executive Independent Director  
**Dr Brian Littlechild**, Non-executive Independent Director  
**Mr Bruce Macfarlane**, Non-executive Independent Director  
**Mr Michael O'Neill**, Non-executive Independent Director  
**Mr Kanad Singh Virk**, Non-executive Independent Director  
**Mr Gregory Karpinski**, Alternate Director

## Registered office

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9A, Seaforth Crescent  
Seaforth, New South Wales 2092  
Australia  
Telephone: + 61 2 9247 6888  
[www.energyworldcorp.com](http://www.energyworldcorp.com)

## Australian legal adviser

Johnson Winter & Slattery  
Level 25, 20 Bond Street  
Sydney, New South Wales 2000  
Australia  
Telephone: + 61 2 8274 9555  
[www.jws.com.au](http://www.jws.com.au)

## Auditor

Ernst & Young Australia  
680 George Street  
Sydney, New South Wales 2000  
Australia  
[www.ey.com](http://www.ey.com)

## Note Trustee

Australian Executor Trustees Limited  
Level 22, 207 Kent Street  
Sydney, New South Wales 2000  
Australia  
[www.aetlimited.com.au](http://www.aetlimited.com.au)

## Management team

**Mr Stewart Elliott**, Managing Director and CEO  
**Mr Brian Allen**, Finance Director  
**Mr Ian Jordan**, Company Secretary  
**Mr Graham Elliott**, Executive Director

## Hong Kong address

Suite 08, 34<sup>th</sup> Floor  
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## Hong Kong, Singapore, United Kingdom and United States legal adviser

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88 Queensway  
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[www.hoganlovells.com](http://www.hoganlovells.com)

## Share Registry

Computershare Investor Services Pty Ltd  
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452 Johnston Street  
Abbotsford, Victoria 3067  
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[www.computershare.com](http://www.computershare.com)

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