

# Offer Document

ORH Limited

ABN 51 077 398 826

In relation to a non-renounceable pro rata offer to Eligible Shareholders on the basis of 2 New Shares for every 1 Existing Share held on the Record Date, at an issue price of \$0.001 per New Share to raise up to \$2,620,395 (the **Offer**)

**ASX Code: ORH**



## Important Notice

This Offer is pursuant to section 708AA of the Corporations Act and does not require disclosure under a disclosure document.

This Offer Document is not a prospectus. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding the New Shares offered by this Offer Document.

This Offer Document provides important information to assist investors in deciding whether or not to invest in the Company and should be read in its entirety. If you are in any doubt as to how to deal with this document, please consult your professional adviser.

## **Important Information**

This offer document is dated 28 July 2015

### **No Prospectus**

This Offer Document is not a prospectus. It does not contain all of the information that an investor would find in a prospectus.

### **Speculative**

It is important that Eligible Shareholders read this Offer Document in its entirety before deciding to invest so that they may make an informed assessment of the effect of the Offer on the Company and the rights attaching to the New Shares (and Top-up Shares) offered by this Offer Document. An investment in the Company must be considered highly speculative. Refer to Section 3 of this Offer Document for details relating to risks involved with an investment in the Company. Eligible Shareholders may only apply for New Shares on an Entitlement and Acceptance Form.

### **Foreign Jurisdictions**

This Offer Document does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. The distribution of this Offer Document in jurisdictions outside Australia may be restricted by law and any person who comes into possession of this Offer Document should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Please refer to section 1.15 for further information.

### **Disclaimer of representations**

No person is authorised to provide any information or to make any representation in connection with the Offer described in this Offer Document that is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company or any other person in connection with the Offers.

### **Privacy**

The Entitlement and Acceptance Form accompanying this Offer Document requires you to provide information that may be personal information for the purposes of the *Privacy Act 1988* (Cth). The Company (and the Share Registry on its behalf) may collect, hold and use that personal information in order to assess your application, service your needs as an investor in the Company, provide facilities and services that you request or that are connected with your

investment in the Company and carry out appropriate administration. You may request access to your personal information held by the Company or the Share Registry by contacting the Company Secretary.

### **Definitions**

Certain abbreviations and other defined terms are used throughout this Offer Document. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in Section 4 of this Offer Document.

### **Enquiries**

If you have any questions please call Louisa Martino (Company Secretary) on (612) 8823 3179 or the Share Registry on (618) 9389 8033. Alternatively, consult your broker or other professional advisor.

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## Corporate Directory

### Directors

Mr Domenic Martino (Non Exec. Chairman)  
Mr Jamie Detata (Exec. Director)  
Mr Kobi Tsaban (Exec. Director)  
Mr Boelio Muliadi (Non Exec. Director)

### Company Secretary

Ms Louisa Martino

### Chief Financial Officer

Mr Kobi Tsaban

### Registered Office

Level 5, 56 Pitt Street  
Sydney NSW 2000

### Share Registry

Advanced Share Registry Services  
110 Stirling Highway  
Nedlands WA 6009

### Principal Place of Business

225 Great Eastern Highway  
Belmont WA 6104

### Solicitors to the Offer

ClarkeKann Lawyers  
Level 4,  
9 Castlereagh Street  
Sydney NSW 2000

Website: [www.orh.net.au](http://www.orh.net.au)

## Offer Summary

Number of Shares on issue prior to the Offer	1,310,197,254
Entitlement	2 New Shares for every 1 Share held as at the Record Date
Offer Price per New Share	\$0.001
Maximum proceeds of the Offer*	\$2,620,395
Maximum number of New Shares offered by this Offer Document	2,620,394,508
Record Date	5 August 2015
Offer opens	7 August 2015
Offer closes	19 August 2015

\* Excluding costs of the Offer.

## Chairman's Letter

Dear Eligible Shareholder,

### Non-renounceable Rights Issue

On behalf of ORH Limited (*ORH* or the *Company*), I am pleased to invite you to participate in the non-renounceable offer to Eligible Shareholders. The Offer is seeking to raise up to \$2,620,395 on the basis of an offer to Existing Shareholders of 2 New Shares for every 1 Share held as at the Record Date at a subscription price of 0.1 cents (\$0.001) per New Share. Shareholders who have applied to take up all their rights to New Shares may also apply for Top-up Shares at the Issue Price.

The funds raised by the Offer will provide the means for the Company to expand its product portfolio to specifically enter new industries (transport, logistics and industrial business) and to provide working capital for the Company.

Under the Offer, Existing Shareholders are able to purchase additional fully paid ordinary shares in the Company (ranking equally with existing fully paid ordinary shares) without brokerage costs.

Before you make your investment you are asked to read this Offer Document in its entirety and to seek professional advice.

On behalf of the Board I invite you to consider the information provided in this Offer Document and encourage you to participate in the Offer.

Yours faithfully



Domenic Martino

Chairman

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## 1 DETAILS OF THE OFFER

### 1.1 The Offer

This Offer Document invites Eligible Shareholders to participate in a non-renounceable offer of 2,620,395 New Shares. Each Eligible Shareholder is being offered 2 New Shares for every 1 Share held at 5.00pm (AWST) on the Record Date (being 5 August 2015). The Offer Price is 0.1 cents (\$0.001) per New Share, and the issue of New Shares pursuant to this Offer will raise up to \$2,620,395 before costs of the Offer.

Applications for New Shares under this Offer Document must be made on an Entitlement and Acceptance Form. You should read this Offer Document in full before deciding to accept your Entitlement or subscribe for New Shares. Applicants should also read the instructions on the Entitlement and Acceptance Form before applying for New Shares.

### 1.2 Indicative Timetable

Announcement of Offer, Appendix 3B, cleansing notice and Offer Document lodged with ASX	28 July 2015
Notice sent to security holders	30 July 2015
“Ex” Date (date from which the securities commence trading without the entitlement to participate in the Offer)	31 July 2015
Record Date (for determining entitlements to participate in the Offer)	5 August 2015
Offer Document sent to Shareholders with Entitlement and Acceptance Form and announcement of issue of the Offer Document	7 August 2015
Offer opens	7 August 2015
Closing Date for Offer	19 August 2015
Securities quoted on a deferred settlement basis	20 August 2015
Company to notify ASX of under subscriptions	24 August 2015
Issue of New Shares pursuant to the Offer and deferred settlement trading ends. Company to confirm to ASX Appendix 3B	26 August 2015
Trading on ASX of New Shares	27 August 2015

*\* These dates are indicative only and subject to change. Subject to the Corporations Act, the ASX Listing Rules and other applicable laws, the Company reserves the right to change any of these dates without notice. This may include extending the Offer, closing the Offer early or accepting late Applications, either generally or in particular cases. You are encouraged to submit your Entitlement and Acceptance Form as soon as possible.*

### 1.3 Acceptances

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period.

Instructions for accepting your Entitlement are set out in section 2.2 and on the Entitlement and Acceptance Form that accompanies this Offer Document.

#### 1.4 Record Date and Entitlement

Eligible Shareholders will be entitled to subscribe for 2 New Shares for every Share held by them at 5.00pm (AWST) on the Record Date (being 5 August 2015).

The number of New Shares to which you are entitled is shown on the personalised Entitlement and Acceptance Form that accompanies this Offer Document. Eligible Shareholders may subscribe for all, part or none of their Entitlement.

#### 1.5 Use of Funds

The Offer will raise up to \$2,620,395 before costs of the Offer. Assuming full subscription, it is currently expected that the funds raised from the Offer will be applied as follows:

Indicative Use of Funds	Allocated Funds
General Working Capital	\$1,820,395
Expansion of product portfolio to specifically enter new industries (transport, logistics and industrial business)	\$750,000
Costs of the Offer	\$50,000
<b>Total</b>	<b>\$2,620,395</b>

The Company's actual allocation of funds may change depending on the circumstances in which its business develops and operates. The Company will provide details of its actual expenditure in its periodic reports and as otherwise required by the ASX Listing Rules.

#### 1.6 Effect on Capital Structure

The securities on issue as at the date of this Offer Document and following the Offer will be as follows:

Detail	Number
Issued Shares at the date of this Offer Document	1,310,197,254
New Shares to be issued under the Offer	2,620,394,508
<b>Total Shares following the Offer</b>	<b>3,930,591,762</b>
Unlisted options (exercise price of \$0.01, expiry 5/11/2018)	67,000,000

*Note: The number of New Shares to be issued assumes that the Offer is fully subscribed, and is subject to rounding.*

#### 1.7 Trading Rights

The rights of the New Shares are non-renounceable. This means that Eligible Shareholders cannot transfer or dispose of their rights and there will be no trading of rights on ASX.

## **1.8 Rights Issue Notice**

The Company has lodged with ASX a notice in accordance with section 708AA of the Corporations Act that sets out, amongst other information, the effect of the Offer on the control of the Company, taking into account the identity and current shareholdings. This notice may be reviewed on the Company's announcements on ASX.

## **1.9 Dilution**

Eligible Shareholders who take up their Entitlement in full will not have their percentage holding in the Company diluted as a result of the Offer. Eligible Shareholders who do not take up their Entitlement in full will have their percentage holding in the Company diluted as a result of the Offer.

## **1.10 Not a prospectus**

In accordance with section 708AA of the Corporations Act, this Offer is being made without a prospectus. This Offer Document is not a prospectus nor does it contain all of the information that an investor would find in a prospectus.

## **1.11 Continuous Disclosure and Documents available for inspection**

The Company is a "disclosing entity" for the purposes of Part 1.2A of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to ASX any information that it is or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company. The Company's announcements are available free of charge on the ASX website or on request to the Company.

## **1.12 Application money held in trust**

Application Monies will be held in trust in a subscription account until allotment. The subscription account will be established and kept by the Company on behalf of the Applicants until allotment of the New Shares to the Applicants. In the event that an Applicant is not issued with New Shares in full satisfaction of the Application Monies provided, the relevant Application Monies will be refunded without interest.

## **1.13 Allotment**

Allotment of New Shares will take place as soon as practicable after the Closing Date. The Company, irrespective of when the allotment of New Shares takes place, will retain any interest earned on the application monies.

It is the responsibility of Applicants to confirm the number of New Shares allotted to them prior to trading in the securities. Applicants who sell New Shares before they receive notification of the number of securities allocated to them do so at their own risk.

If an Entitlement and Acceptance Form is not completed correctly, or if the accompanying payment of the Application Monies is for the wrong amount, it may still be treated as a valid Application. The Directors' decision whether to treat the Application as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However,



an Applicant will not be treated as having applied for more New Shares than is indicated by the sum of the cheque for the Application Monies.

#### **1.14 Eligible Shareholders**

An Eligible Shareholder is a person who:

- Is registered as a holder of Shares on the Record Date; and
- Has a registered address in Australia, New Zealand, British Virgin Islands, China, Singapore, or is otherwise eligible under all applicable securities laws to receive an offer of Shares under the Offer.

Please refer to section 1.15 for the treatment of foreign Shareholders.

A Shareholder who is not an Eligible Shareholder is an Ineligible Shareholder.

The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Offer to Ineligible Shareholders, having regard to:

- The small number of Ineligible Shareholders;
- The small number and value of the Shares which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- The cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, the Offer is not being extended to any Shareholders outside Australia, New Zealand, British Virgin Islands, China or Singapore unless that Shareholder would be eligible under all applicable securities laws to receive an offer of, and be issued, Shares under the Offer.

Where this Offer Document has been dispatched to an Ineligible Shareholder and where that jurisdiction's law, code or legislation prohibits or restricts in any way the making of an Offer, this Offer Document is provided for information purposes only.

The Company has appointed a foreign holder nominee under section 615 of the Corporations Act who will deal with the Shares that Ineligible Shareholders would otherwise be entitled to. Please see section 1.16 for further information.

#### **1.15 Foreign Shareholders**

This Offer (including the Offer Document and Entitlement and Acceptance Form) does not constitute an offer of, or invitation to subscribe for securities in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Offer Document in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Offer Document should seek their own advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Where this Offer Document is available to persons domiciled in a country other than Australia, and where that country's securities code or legislation requires registration, this Offer Document is provided for information purposes only. No action has been taken to register or qualify this Offer Document or to otherwise permit a public offering of New Shares outside Australia.

It is the responsibility of non-Australian resident investors to obtain all necessary approvals for applying for New Shares pursuant to this Offer Document. The return of a completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation and warranty by the Applicant that all approvals necessary in the jurisdiction in which the Applicant resides, have been obtained.

The distribution of this Offer Document in jurisdictions outside of Australia may be restricted by law and anyone who receives this Offer Document should seek advice on and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The Offer has not been, and will not be, registered under *the United States Securities Act of 1933* and is not being made in the United States or to persons resident in the United States.

No action has been taken to register or qualify the Shares or the Offer, or otherwise permit a public offering of Shares, in any jurisdiction outside Australia. Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

#### **British Virgin Islands**

The New Shares may not be offered in the British Virgin Islands unless the Company or the person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. The New Shares may be offered to British Virgin Islands business companies from outside the British Virgin Islands without restriction.

#### **China**

The information in this document does not constitute a public offer of the New Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The New Shares may not be offered or sold directly or indirectly in the People's Republic of China to legal or natural persons other than directly to "qualified domestic institutional investors".

#### **New Zealand**

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of Shares is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand)*.

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

#### **Singapore**

This document and any other materials relating to the New Shares 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 New Shares may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to

persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the *Securities and Futures Act, Chapter 289* of Singapore (SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of Shares. In the event that you are not such a Shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

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

#### **1.16 Appointment of foreign holder nominee**

The Company has appointed Symmetry Group Pty Ltd ACN 159 449 368 (AFSL 426385) (Nominee) as its foreign holder nominee for the purposes of section 615 of the Corporations act.

Pursuant to the arrangement with the Nominee, the Nominee will subscribe for Shares which Ineligible Shareholders would otherwise be entitled to if they were eligible to participate in the Offer (Nominee Shares). The Nominee will then sell the Nominee Shares and remit the net proceeds from the sale of the Nominee Shares (if any) to the Ineligible Shareholders in proportion to their respective shareholdings in accordance with this section 1.16.

The Nominee will have absolute and sole discretion to determine the timing and price at which the Nominee Shares are sold and the manner of any such sale. Any interest earned on the proceeds of the sale of the Nominee Shares will firstly be applied against expenses of the sale, including brokerage, and any balance will form part of the proceeds payable to the Ineligible Shareholders (if any).

The Company will forward the proceeds of the sale of the Nominee Shares (if any) as soon as reasonably practicable to the Ineligible Shareholders in proportion to their respective shareholdings, after deducting the subscription price, brokerage commission and other expenses. If the net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds may be retained by the Company.

Despite the Nominee being required to sell the Nominee Shares, Ineligible Shareholders may nevertheless receive no proceeds if the subscription price and costs of the sale are greater than the sale proceeds.

The Company will pay the Nominee a fee of \$2,000 plus GST for its services as the foreign nominee holder.

Neither the Company nor the Nominee takes any responsibility for the outcome of the sale of the Nominee Shares.

#### **1.17 Beneficial holders, nominees, trustees and custodians**

The foreign selling restrictions under the Offer summarised above apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are

nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia, New Zealand, British Virgin Islands, China or Singapore are responsible for ensuring that applying for New Shares does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

#### **1.18 CHESS and issuer sponsored holdings**

The Company participates in the security transfer system known as CHESS. ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. Under CHESS, Applicants will not receive a share certificate but will be issued a statement of holding of shares.

If you are broker sponsored, and you take up all or part of your Entitlement, ASX Settlement Pty Ltd will send you a CHESS holding statement. The CHESS holding statement will set out the number of New Shares issued to you under this Offer Document and provide details of your holder identification number and the participant identification number of the sponsor. If you are registered on the issuer sponsored sub-register, and you take up all or part of your Entitlement, your statement will be despatched by the Share Registry and will contain the number of New Shares issued to you under this Offer Document and a security holder reference number.

A CHESS statement or issuer-sponsored statement will routinely be sent to security holders at the end of any calendar month during which the balance of their security holding changes. Security holders may request a statement at any other time. However, a fee may be charged for additional statements.

If investors have enquiries about CHESS, they should contact their broker or ASX.

#### **1.19 Taxation Implications**

Eligible Shareholders should be aware that there may be taxation liabilities arising from the subscription for New Shares and the sale of those New Shares. For this reason, it is very important that Eligible Shareholders consult their own taxation or other advisers in relation to the taxation laws and regulations applicable to their personal circumstances. The Company and its officers accept no liability or responsibility in respect of any tax consequences connected with an investment in the New Shares or the sale of those New Shares.

#### **1.20 Rights attaching to shares**

The New Shares will be issued fully paid and will rank equally with the Existing Shares of the Company.

### 1.21 Effect on control

Section 606 of the Corporations Act provides that a person must not acquire a relevant interest in issued voting shares in a listed company if that person's or someone else's voting power in the company:

- 1) Increases from 20% or less to above 20%; or
- 2) Increases by an amount, if that person's voting power is between 20% and 90%.

(the **Section 606 Prohibition**).

Section 611 of the Corporations Act sets out a number of exemptions to the Section 606 Prohibition. In particular, section 611 of the Corporations Act provides that an increase to a person's voting power which results from that person accepting a pro-rata entitlement issue (such as this Offer) is exempt from Section 606 Prohibition.

### 1.22 Privacy Statement

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or through the Share Registry). The Company collects, holds and uses such information to assess your Application, to service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you.

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

You can access, correct and update the personal information which is held about you. If you wish to do so please contact the Share Registry at the relevant contact numbers set out in this Offer Document.

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

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## 2 ACTION REQUIRED BY ELIGIBLE SHAREHOLDERS

### 2.1 What you may do

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. You may do any one of the following:

- (a) subscribe for some or all of your Entitlement (see section 2.2); and
- (b) subscribe for all your Entitlement, and if you wish, apply for additional shares (**Top-up Shares**) under the Top-up Facility (see section 2.3); or
- (c) allow all or part of your Entitlement to lapse (see section 2.4).

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

If you wish to take up all or some of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form. If you wish to take up some of your Entitlement and allow the balance to lapse, when completing the accompanying Entitlement and Acceptance Form, indicate the number of New Shares you wish to accept.

Send your completed Entitlement and Acceptance Form (together with your cheque or BPAY confirmation for the amount applicable to the number of New Shares you have subscribed for) to reach the Company's share registry in accordance with section 2.5.

## **2.3 To apply for Top-up Shares**

Eligible Shareholders may, in addition to their Entitlement, apply for Top-up Shares regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. There is no guarantee you will receive the amount of Top-up Shares applied for, if any. The pool of Top-up Shares will be limited to the number of New Shares that relate to the Entitlement that have not been accepted under the Rights Issue.

The Company will allocate Top-up Shares as follows:

- (a) firstly, to Eligible Shareholders with less than a marketable parcel (to the extent required for them to each have a marketable parcel); and
- (b) then, at the Directors' discretion, subject to no person acquiring a voting power of 20% or more in the Company following the allocation of Top-up Shares.

The Directors reserve the right at their absolute discretion to reject any application for Top-up Shares or to issue a lesser number of Top-up Shares than that applied for, and it is an express term that applicants for Top-up Shares will be bound to accept a lesser number of Top-up Shares allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the Closing Date.

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

If you decide not to take up any of your Entitlement, you are not required to take any action and your Entitlement will automatically lapse on the Closing Date. Any New Shares not taken up by you may be issued under the Top-up Facility or form part of the Shortfall.

## **2.5 Payment for New Shares**

You can apply for Shares by utilising the following payment options; BPAY, cheque, bank draft or money order.

Your cheque, bank draft or money order should be made payable to **ORH LIMITED - SHARE SUBSCRIPTION ACCOUNT** in Australian currency and crossed "Not Negotiable". Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your Application being rejected. Complete cheque details in the boxes provided.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Entitlement and Acceptance Form. Cash will not be accepted. A receipt for payment will not be forwarded.

If the amount you pay is insufficient to pay for the number of Shares you apply for, you will be taken to have applied for such lower number of Shares as that amount will pay for, or your application will be rejected.

If the amount you pay is more than the amount payable for your full Entitlement, and you have not applied for additional Shares in excess of your full Entitlement, you will be taken to have applied for your full Entitlement only and any excess paid above the amount payable for your full Entitlement will be returned to you as soon as practicable following the close of the Offer.

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the Entitlement and Acceptance Form however you are encouraged to return the form to Advanced Share Registry Ltd for reconciliation purposes.

You may send or fax your completed Entitlement and Acceptance Form (together with your cheque or BPAY confirmation for the amount applicable to the number of New Shares you have subscribed for) to reach the Company by no later than 5pm (AWST) on the Closing Date.

***By Mail***

ORH Limited  
C/- Advanced Share Registry Ltd  
PO Box 1156, Nedlands  
Western Australia 6909

Or

110 Stirling Hwy  
Nedlands  
Western Australia 6009

***By Facsimile***

Facsimile to (61) (08) 9262 3723.

The Offer Price of \$0.001 per New Share is payable in full on acceptance of your Entitlement (whether in whole or part). No brokerage or stamp duty is payable on the issue of New Shares.

The Company reserves the right to vary the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore urged to lodge their Entitlement and Acceptance Form as soon as possible.

## **2.6 Shortfall**

Any Shares not applied for under the Offer (including after the completion of the Top-up Facility) are Shortfall Shares. Subject to the terms set out below, the Directors reserve the

right to issue any Shortfall Shares at their discretion within 3 months after the Closing Date. The issue price of the Shortfall Shares will not be less than the Issue Price.

## **2.7 Queries**

If you have any queries concerning the Offer, your existing holding of Shares, or any part of this Offer Document, please contact Advanced Share Registry or the Company Secretary (refer to Section 5 of this Offer Document for contact details).

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## **3 INVESTMENT AND BUSINESS RISK FACTORS**

An investment in the New Shares should be regarded as highly speculative and is a decision of the same type of risks that are associated with any share market investment. In addition, there are a number of business risks that are specific to an investment in the Company. Before deciding to invest in the Company, Applicants should read this Offer Document in its entirety and consider the risk factors that could affect the operating and financial performance of the Company.

Eligible Shareholders should be aware that the market price of the New Shares may be influenced by many unpredictable factors and that subscribing for New Shares involves various risks. The occurrence of any of the following risks could have a material adverse effect on the Company's business, results of operations, financial condition and/or future prospects and in such circumstances the market price of the New Shares could decline and investors could lose part or all of their investment. While some of the risks can be minimised by the use of safeguards and appropriate systems, some are outside the control of the Company. The value of the Company's securities on ASX may rise and fall depending on factors beyond the control of the Company.

The New Shares offered pursuant to this Offer Document are considered speculative due to the present stage of development of the Company and the impact of various economic factors outside the control of the Company upon the market and the risks inherent in the industry. This Offer Document carries no assurance with respect to the return of capital or price at which the New Shares will trade.

This Section identifies certain, but not all, risks associated with an investment in the Company. Additional risks and uncertainties not presently known to the Company or the Directors, or that the Company or the Directors currently deem immaterial may also adversely affect the Company's business or operations. Prior to making an investment decision, you should carefully consider the following risk factors (which are listed in no particular order of importance) as well as the other information in this Offer Document.

### **3.1 Company and industry risks**

The risks outlined below are specific to the Company's operations and to the industry in which the Company operates.

#### **(a) Fluctuating revenue and future profitability**

The Company's financial performance and profitability is primarily dependent upon generating revenue from the manufacture, sale and service of specialist service, water carting and other trucks. There is a variety of factors which influence sales, including the level of activity in the mining and construction sectors (which is both



cyclical and very volatile) and competition from other manufacturers and sellers of specialist trucks (including foreign manufactured trucks). Both of these factors are outside the Company's control.

(b) Warranty risk

The Company's products are sold with a one year warranty. Most of the parts included in the products are covered by a third party warranty. The potential for failure of components is always present and there is a risk that the Company may be subject to warranty claims which may expose it to additional costs, although this exposure is limited due to the third party warranties. The Company manages this risk through appropriate quality controls during the manufacturing process.

(c) Working capital requirements

Manufacturing involves uneven revenue streams and a long lead time during which time trade liabilities and costs are incurred in designing and manufacturing products. As a result, the Company often has limited or no working capital surplus.

(d) Funding risk

If the Company requires access to further funding for expansion or at any stage in the future, it may be adversely affected in a material way if, for any reason, access to that funding is not available either at all or on acceptable terms and conditions. There can be no assurance that additional funds will be available for expansion or other purposes. If additional funds should be raised by issuing equity securities, this might result in dilution to the then shareholders. The pricing of future share issues will also depend upon the results of the Company's activities, market factors, investor demand for shares and the need for capital by either debt or equity capital raisings.

(e) Acquiring new product lines

The Company may consider acquisitions and transactions, including distributions agreements, which may complement its existing business. There is a risk that, if any transactions are entered into, the objectives of the transaction may not be met, and in doing so causing the Company loss.

(f) Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

(g) Reliance on the mining industry

The amount of capital expenditure allocated to machinery and equipment by companies in the mining industry is a major determinant of the Company's success. A company's decision to invest in new machinery is contingent on a variety of factors, including demand conditions in downstream markets, the age of existing equipment, the cost of new equipment, taxation rates and allowances, and

technological advancements in new equipment. There is a risk that if the growth of the mining industry slows down this will adversely affect the number of trucks sold by the Company.

(h) Reliance on key personnel

The Company is managed by a small executive team headed by Mr Jamie Detata. To successfully operate and grow, the Company will need to retain its existing management team and attract new personnel consistent with its growth needs. There is a risk that this may not occur.

(i) Share price and liquidity

There is little volume traded of the Company's shares and there is no ready market price. As a consequence investors may be unable to readily exit or realise their investment. There is a risk that the Shares may not trade at a level equal to the Offer issue price. Furthermore, the Company will have a relatively small market capitalisation and potentially the market for its Shares may be illiquid.

(j) Exchange rate

Exchange rates affect the price of competing imports and the price of imported components. There is a risk that changes in the exchange rate of the Australian dollar will effect the price of manufacturing water carting and other trucks and the competition from other suppliers.

### 3.2 General investment risks

The risks outlined below are some of the general risks that may affect an investment in the Company.

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of a company. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

(b) Economic risk

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

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## 4 GLOSSARY

In this Offer Document the following terms and abbreviations have the following meanings unless otherwise stated:

<b>\$, A\$ or Dollars</b>	Australian dollars unless otherwise stated.
<b>Applicant</b>	a person who submits a valid Entitlement and Acceptance Form pursuant to this Offer Document.
<b>Application</b>	a valid application made on an Entitlement and Acceptance Form to subscribe for New Shares under the Offer.
<b>ASIC</b>	the Australian Securities & Investments Commission.
<b>ASX</b>	the ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
<b>AWST</b>	Western Standard Time, Western Australia.
<b>Board</b>	the board of Directors.
<b>CHESS</b>	means the Clearing House Electronic Subregister System.
<b>Closing Date</b>	the date set out in section 1.2
<b>Company or ORH</b>	ORH Limited (ABN 51 077 398 826).
<b>Constitution</b>	the constitution of the Company.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	a director of the Company.
<b>Eligible Shareholders</b>	a Shareholder as at the Record Date with a registered address in Australia, New Zealand, British Virgin Islands, China, Singapore or is otherwise eligible under all applicable securities laws to receive an offer of Shares under the Offer.
<b>Entitlement</b>	a Shareholder's entitlement to subscribe for New Shares offered by this Offer Document.
<b>Entitlement and Acceptance Form</b>	the personalised entitlement and acceptance form attached to this Offer Document.
<b>Existing Share</b>	a Share issued as at 5pm (AWST) on the Record Date.
<b>Group or ORH Group</b>	ORH and its current wholly owned subsidiary ORH Engineering (Aust) Pty Ltd.
<b>GST</b>	Goods and Services Tax.
<b>Ineligible Shareholder</b>	A Shareholder who is not an Eligible Shareholder.
<b>Listing Rules</b>	the listing rules of the ASX.
<b>New Shares</b>	Shares offered to Eligible Shareholders under this Offer Document.
<b>Offer</b>	the non-renounceable entitlement issue made to Eligible Shareholders under this Offer Document.

<b>Offer Document</b>	this document.
<b>Offer Price</b>	0.1 cents in respect of the subscription for each New Share under this Offer Document.
<b>Official List</b>	the official list of the ASX.
<b>Record Date</b>	the date set out in section 1.2.
<b>Share</b>	a fully paid ordinary share in the Company.
<b>Share Registry</b>	Advanced Share Registry Limited (ABN 14 127 175 946).
<b>Shareholder</b>	the registered holder of Shares in the Company.
<b>Shortfall Shares</b>	New Shares not applied for under the Offer.
<b>Top-up Facility</b>	the facility described in section 2.3 of this Offer Document under which Eligible Shareholders may apply for Top-up Shares in excess of their Entitlement.
<b>Top-up Shares</b>	means the New Shares available under the Top-up Facility.
<b>US person</b>	has the meaning given to that term in Regulation S under the US Securities Act.

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## 5 ENQUIRES

Enquiries in relation to the Offer should be directed to the Share Registry or the Company's Company Secretary, Ms Louisa Martino:

Address	Telephone / Facsimile
<b><i>Advanced Share Registry</i></b>	
110 Stirling Hwy Nedlands Western Australia 6009	Telephone: +61 8 9389 8033 Facsimile: +61 8 9262 3723
<b><i>Company Secretary</i></b>	
Level 5, 56 Pitt Street Sydney NSW 2000	Telephone: +61 2 8823 3179 Facsimile: +61 2 8823 3188

You can also contact your stockbroker or professional advisor with any queries in relation to the Offer.