BIRON APPAREL LIMITED
(TO BE RENAMED "WINGARA AG LTD")

PROSPECTUS

For an offer of up to 25,000,000 Shares at an issue price of $0.20 per Share to raise up to $5,000,000 (**Public Offer**).

The Public Offer will include a priority offer of a total of 2,500,000 Shares to existing Shareholders holding less than a Marketable Parcel of Shares to top up their shareholding to a Marketable Parcel.

This Prospectus also contains an offer of:

(a) 20,000,000 Shares to the Elect Vendors;

(b) 10,000,000 Shares to the Superion Vendors; and

(c) 4,800,000 Shares to the Converting Loan Lenders,

(together, **Secondary Offers**).

The Public Offer and the Secondary Offers are scheduled to close at 5:00pm (WST) on 15 December 2015 unless extended or withdrawn.

Biron Apparel Limited
ACN 009 087 469

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. **The Shares offered by this Prospectus should be considered highly speculative.**

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1. CORPORATE DIRECTORY

Directors^

Mr Christopher Botica (Non-Executive Chairman)
Mr George Karafotias (Non-Executive Director)
Mr Peter Parthimos (Non-Executive Director)

Proposed Directors

Mr Gavin Xing (Executive Chairman)
Mr Eric Jiang (Non-Executive Director)
Mr James Everist (Non-Executive Director)

Company Secretary^

Mr George Karafotias

Proposed Company Secretary

Mr Neal Shoobert

ASX Code

BIC

Proposed ASX Code

WNR

Legal Advisors

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

Lead Manager

JB Advisory Pty Ltd
Level 4, 20 Loftus Street
SYDNEY NSW 2000
Corporate authorised Representative of
BR Securities Australia Pty Ltd
AFSL 456663

Registered Office

Company

Level 17, 449 St Kilda Road
MELBOURNE VIC 3004

Telephone: + 61 3 *9866 7889*
Facsimile: +61 3 9866 5859
Email: admin@bironapparel.com.au
Website: www.bironapparel.com.au

Share Registry*

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
PERTH WA 6000

Telephone (Australia): +61 1300 850 505
Facsimile: +61 8 9323 2033

Company Auditor

Rothsay Chartered Accountants
Level 1, Lincoln House, 4 Ventnor Avenue
WEST PERTH WA 6005

Investigating Accountant

Rothsay Consulting Services Pty Ltd
Level 1, Lincoln House, 4 Ventnor Avenue
WEST PERTH WA 6005

^ Each of the Directors and the Company Secretary will resign upon successful completion of the Acquisitions and before the Company is re-instated to trading on the ASX.

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

2. IMPORTANT NOTICE

This Prospectus is dated 26 November 2015 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No person is authorised to give information or to make any representation in connection with the Offers, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

2.1 Re-compliance Prospectus

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

2.2 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Shares under this Prospectus.

2.3 Expiry Date

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

2.4 Forwarding-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and its management.

Although the Company believes that the expectations reflected in the forward looking statements included in this Prospectus are reasonable, none of the Company, its Directors, Proposed Directors or officers, or any person named in this Prospectus, can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will prove to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

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

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 9 of this Prospectus.

2.5 Privacy statement

By completing and returning an Application Form, you will be providing personal information directly or indirectly to the Company, the Share Registry, the Lead Manager and related bodies corporate, agents, contractors and third party service providers of these parties (**Collecting Parties**). The Collecting Parties collect, hold and will use that information to assess your Application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

By submitting an Application Form, you authorise the Company to disclose any personal information contained in your Application Form (**Personal Information**) to the Collecting Parties where necessary, for any purpose in connection with an Offer, including processing your acceptance of an Offer and complying with applicable laws, the ASX Listing Rules, the ASX Settlement Operating Rules and any requirements imposed by any Public Authority.

If you do not provide the information required in the Application Form, the Company may not be able to accept or process your acceptance of an Offer.

If the Offers are successfully completed, your Personal Information may also be used from time to time and disclosed to persons inspecting the register of Shareholders, including bidders for your securities in the context of takeovers, Public Authorities, authorised securities brokers, print service providers, mail houses and the Share Registry.

Any disclosure of Personal Information made for the above purposes will be on a confidential basis and in accordance with the Privacy Act 1988 (Cth) and all other legal requirements. If obliged to do so by law or any Public Authority, Personal Information collected from you will be passed on to third parties strictly in accordance with legal requirements. Once your Personal Information is no longer required, it will be destroyed or de-identified. As at the date of this Prospectus, the Company does not anticipate that Personal Information will be disclosed to any overseas recipient.

Subject to certain exemptions under law, you may have access to Personal Information that the Collecting Parties hold about you and seek correction of such information. Access and correction requests, and any other queries regarding this privacy statement, must be made in writing to the Share Registry at the address set out in the Corporate Directory in Section 1 of this Prospectus. A fee may be charged for access.

2.6 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.bironapparel.com.au if you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

There is no facility for the Offers to be accepted electronically or by applying online. Shares will not be issued under the electronic version of the Prospectus. The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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

2.7 Defined terms

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 18 of this Prospectus.

2.8 Time

All references to time in this Prospectus are references to Australian Western Standard Time.

2.9 Consolidation

Unless otherwise stated, all references to Shares in this Prospectus are on a post-Consolidation basis.

At the Company's General Meeting, Shareholders approved the consolidation of the Company's existing Shares on issue on a 1 for 50 basis.

2.10 Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Shares. There are risks associated with an investment in the Company and the Shares offered under this Prospectus must be regarded as a speculative investment. The Shares offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to Section 9 of this Prospectus for details relating to risk factors.

2.11 Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown those photographs endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this prospectus are illustrative only and may not be drawn to scale.

2.12 Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers, please call the Company Secretary on +61 3 9866 7889.

3. KEY DATES

Indicative timetable*

Top Up Offer Record Date	26 November 2015
Lodgement of Prospectus with the ASIC	26 November 2015
Opening Date of the Offers	26 November 2015
Closing Date of the Offers	15 December 2015
Issue of Shares under the Offers and Completion of the Acquisitions	4 January 2016
Despatch of holding statements	6 January 2016
Re-compliance with Chapters 1 and 2 of the ASX Listing Rules	6 January 2016
Re-quotation of Shares (including Shares issued under the Offers) on ASX	9 January 2016

** The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with any of the Offers at any time before the issue of Shares to Applicants.*

4. CHAIRMAN'S LETTER

Dear Investor,

On behalf of the Directors of Biron Apparel Limited (to be renamed Wingara Ag Ltd) (**Company**), I am delighted to invite you to participate in the Public Offer for an issue of up to 25,000,000 Shares at an issue price of $0.20 per Share to raise up to $5,000,000 with a minimum of $3,500,000 (**Public Offer**).

If you are a Shareholder holding less than a $2,000 worth of Shares (**Marketable Parcel**) (being less than 10,000 Shares), you are invited to subscribe for that number of Shares that would increase your holding to a Marketable Parcel under the Public Offer (**Top Up Offer**). Up to 2,500,000 Shares are available under the Top Up Offer and priority in respect of those Shares will be given to the existing Shareholders holding less than a Marketable Parcel over all other Applicants to the Public Offer.

To the extent that the number of Shares applied for under the Top Up Offer is less than 2,500,000, the remaining Shares shall form part of a general offer to the public.

On 15 May 2015, the Company announced that it had entered into a heads of agreement with the shareholders of Elect Performance Group Pty Ltd (**Elect**) and Elect under which the Company agreed to acquire 100% of the issued capital of Elect. The Company paid Elect a refundable deposit of $200,000 on 26 May 2015.

On 31 August 2015, the Company entered into a heads of agreement with the shareholders of Superion Property Pty Ltd (**Superion**) and Superion under which the Company agreed to acquire 100% of the issued capital of Superion.

Completion of the acquisitions of Elect and Superion is subject to various conditions described more fully in Section 15 of the Prospectus.

The funds raised from the Public Offer will be primarily used to expand Elect's present hay export business through the increased purchase of cut hay, the funding of increased production costs from upscaling the hay processing operations and for general working capital purposes.

The proposed acquisitions of Elect and Superion described further in the Prospectus signify an important transforming event that will see the Company focus its business activities on the development of the Elect agricultural business.

An investment in the Company involves a number of risks and must be considered speculative. The Public Offer represents an opportunity to participate in the development of Elect. I encourage you to read the Prospectus carefully and seek professional advice if required before making an investment decision.

Yours sincerely

Christopher Botica
Chairman
Biron Apparel Limited

5. INVESTMENT OVERVIEW

This Section is a summary only and not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

The Shares offered by this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares.

Item	Summary	Further information
A. Company		
Who is the issuer of this Prospectus?	Biron Apparel Limited (ACN 009 087 469) (ASX:BIC), to be renamed "Wingara Ag Ltd" (ASX:WNR).	
Who is the Company?	The Company was incorporated on 1 March 1984 and has been suspended from trading on ASX since 15 June 2006. Most recently, the Company has operated as a fashion retail company. The Company entered into a Deed of Company Arrangement with its creditors dated 8 November 2010 (**DOCA**). The DOCA was subsequently amended on 14 April 2011 and fully effectuated on 8 September 2011, and the Company was subsequently returned to its directors of that time. Since this date, the directors of the Company have being seeking opportunities for the Company and have raised funds during this period to carry out due diligence and for the continuing administration of the Company. The Directors have proposed that the Company change its activities and enter the agriculture industry through the acquisition of two agribusiness companies, Elect and Superion.	Sections 6.1 and 8.1
Why is the Company required to re-comply with Chapters 1 and 2 of the ASX Listing Rules?	The Company is required to re-comply with Chapters 1 & 2 of the ASX Listing Rules to give effect to a change in the nature and scale of the Company's activities as a result of the Acquisitions. The Company will remain suspended from trading and will not be reinstated until the Company has satisfied the conditions of the Acquisitions including re-compliance with Chapters 1 and 2 of the ASX Listing Rules.	Section 6.6
B. The Proposed Acquisitions of Elect and Superion		
What are the proposed Acquisitions?	On 5 May 2015, the Company entered into the Elect Agreement with the Elect Vendors to acquire 100% of the issued capital of Elect	Section 6.2

Item	Summary	Further information
	and on 26 May 2015, the Company paid a refundable deposit of $200,000 to Elect. In addition, on 31 August 2015, the Company entered into the Superion Agreement with the Superion Vendors to acquire 100% of the issued capital of Superion. The terms of the Elect Agreement and the Superion Agreement are summarised in Sections 15.1 and 15.2.	
What are the key terms of the Acquisition of Elect?	Subject to the satisfaction of various conditions precedent, the Company agreed to acquire 100% of the shares in Elect in consideration for the issue of 20 million Shares to the Elect Vendors. Refer to Section 15.1 for the key terms of the Elect Agreement and other conditions precedent of the Elect Agreement that must be satisfied or waived by 31 December 2015 for Completion to occur.	Section 15.1
What are the key terms of the Acquisition of Superion?	Subject to the satisfaction of various conditions precedent, the Company agreed to acquire 100% of the shares in Superion in consideration for the issue of 10 million Shares to the Superion Vendors. Refer to Section 15.2 for the key terms of the Elect Agreement and other conditions precedent of the Superion Agreement that must be satisfied or waived by 31 December 2015 for Completion to occur.	Section 15.2
How will the Acquisitions be implemented?	At the Company's General Meeting held on 23 November 2015, Shareholders approved resolutions relating to the change in the nature and scale of the Company's activities, as well as resolutions required for Completion of the Acquisitions and completion of the Offers. The Company proposes to change its name to "Wingara Ag Ltd" on Completion of the Acquisitions, which in the Directors' and Proposed Directors' opinion will be better suited to the Company's new strategic direction.	Sections 6.6 and 6.7
Who is Elect?	Elect is the 100% owner of the JC Tanloden business (**JCT**) which was formally owned by Wisma Enterprise Pty Ltd (**Wisma**). Elect acquired all of JCT'S operating assets on 23 February 2015 on a going concern basis. JCT specialises in the processing, packaging and transportation of hay products (mainly oaten, wheaten and straw) for export into the	Section 8.2

Item	Summary	Further information
	established hay markets of South Korea, Japan and Taiwan and the emerging market of China. Elect has entered into a lease of the land upon which JCT operates. This lease has a six year term from 23 February 2015, with the option to renew for an additional four years. This lease agreement is summarised in Section 15.5. JCT has an operating history of over 15 years in regional Victoria and Elect continues to operate its hay processing plant in Bendigo, regional Victoria.	
Who is Superion?	Superion was established with the intention of commencing a hay processing business in Western Australia. Superion does not currently have any operating businesses, however, it has an option to lease land near Geraldton, Western Australia with the intention of building a hay processing plant in 2016, subject to the successful completion of the Acquisitions, the Offers and the completion of a favourable feasibility study.	Section 8.8
C. Business Model		
What are the key business strategies of the Company?	Upon Completion of the Acquisitions, completion of the Offers and the re-instatement of the Company on the ASX, the Company intends to focus its business activities on the operation of the current business of Elect, and the growth and development of that business through increased production and export sales of hay. In addition, the Company will assess the opportunities to grow the footprint of the hay export business and other agriculture businesses into Western Australia, potentially utilising the option to lease a property secured by Superion. The Company plans to leverage off some of the competitive advantages and experience that Elect (and JCT) has developed and established over the past 15 years, including the processing and exporting of quality hay products, the established and growing customer base of the business, the export license/registration held by Elect which allows hay to be exported into Asia including the emerging market of China, and the reputation of Elect (and JCT).	Section 8.6
How will the Company generate	The Company will generate income through the sale and export of processed hay to its customers located in Asia.	Sections 8.2 – 8.4

Item	Summary	Further information
income?	The sales team will consult with the existing and potential customers in its already established export markets of South Korea, Japan and Taiwan and the emerging markets of China and Vietnam to establish their estimated processed hay requirements for at least the coming year, including potential pricing. The Company will then secure and purchase the cut hay from hay growers (which are predominantly located in Victoria) before production commences. The hay growers transport the cut hay in large bales to the processing plant for testing and storing for processing. The bales are cut and pressed to the sizes required by the customers. The sales team finalises the delivery terms of the processed hay and then the logistics team organises the export of the hay through the Port of Melbourne to various Asian destination.	
What is the hay used for?	Oaten hay constitutes the major proportion of hay products produced by Elect with the remainder being wheaten hay or wheaten straw. Oaten hay is mostly used as a feed source for dairy cattle for its boost in the increased milk production in cows. It is also used in cattle feedlots.	Section 8.2
What are the key dependencies of the Company's objectives and strategies?	The key factors that the Company will depend on to meet its objectives are: • ongoing demand in the established and emerging Asian markets for processed hay; • sufficient cut hay available at the right price for purchase and processing to meet demand; • a sufficient operating margin to ensure sustainability of the Company; • additional investment in operation processes to improve efficiency and the expansion of the Company; and • there being no material adverse changes to policies and laws relating to the export of hay.	Section 8.7
D. Key Investment Highlights and Key Risks		
What are the key investment highlights?	The Directors and Proposed Directors are of the view that the Acquisitions provide the Company economic exposure to the growth potential of the animal feed sector of agribusiness, and an investment in the Company provides the following list of key	Section 6.3

Item	Summary	Further information
	highlights: • by completing the Acquisitions, the Company will enter into the expanding agricultural industry where JCT is an established operation that generates revenues; • Elect acts as a niche supplier to a number of large Asian dairy farms as JCT is able to provide the flexibility that some other larger suppliers find it difficult to provide with regard to packaging, delivery schedule and size of orders; • the Company will be managed by directors, officers and management with significant experience in the agricultural and commodities industries with a view to guide the Company to be a successful player in that industry; • the demand for hay has been growing in Asia; • JCT includes an established supply chain that can be explored for growth opportunities; • the Company may expand its hay exporting operations to increase its revenues; and • related opportunities in agriculture to export agriculture based products into the emerging Asian market.	
What are the key risks of an investment in the Company?	The business, assets and operations of the Company, including after Completion of the Acquisitions, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the Shares of the Company. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited. Based on the information available, a non-exhaustive list of the key risk factors affecting the Company are summarised below and are described further in Section 9:	Section 9

Item	Summary	Further information
	Historical non-compliance with the Corporations Act and ASX Listing Rules The Company has historically breached a number of ASX Listing Rules and provisions of the Corporations Act including in relation to the issue of Shares without approval, failure to prepare financial reports, failure to hold annual general meetings each financial year and in respect of the issue of Shares to a related party. Notwithstanding that the Company, under the control of the existing Directors, has been forthright in bringing these breaches to the attention of the ASX and ASIC, limited action has been undertaken against the Company as at the date of this Prospectus. The Company cannot guarantee that ASIC will not take enforcement action against the Company in respect of the past breaches outlined above and the other breaches of the Corporations Act. The appointment of new board, Executive Chairman as set out in Section 10.2, management and company secretary as set out in Section 10.3 with experience in managing ASX listed companies will minimise the risk that the Company will breach the Corporations Act and ASX Listing Rules going forward. **Loss of export licence / registration** The export license is considered to be an important advantage to JCT. JCT has an established export license which is a key barrier to many hay businesses exporting to Asia as there are rigorous requirements that must be satisfied before an export license is granted, and the continual audits and process to maintain the license are onerous. If Elect was to lose this export license (for example, as a result of a change in government or breach of conditions), this would severely affect the viability of JCT. JCT will continue to strengthen its administration and processes and procedure to mitigate the risk of a breach of conditions. **Supply of cut hay** Hay processing is reliant on the purchase and continual supply of quality cut hay at a competitive price. There is a risk that there is not enough supply of cut hay from the hay growers required to produce the processed hay needed to meet the sales targets and	

Item	Summary	Further information
	existing contracts of Elect. This risk may have an adverse effect to the Company's business, reputation, financial performance and results of operations. The supply of cut hay may become difficult to obtain due to a number of factors such as a reduction of hay grown locally because of weather (droughts or floods), fire, pests and other agriculture risks, change of crops grown, and the sale of cut hay to competitors, price, disputes with hay growers, and a reduced quality of hay grown. To help mitigate the risks, Elect has engaged closely with hay growers and works with them to manage the amount and quality of hay to grow each year, whilst continually looking to broaden its supplier base. **Demand for hay as a preferred animal feed** The future success of the Company will be heavily reliant on the sustained and potential growth of demand for processed hay as a preferred animal feed source from Australia. There is a risk that demand for processed hay from Australia may decrease for reasons outside the control of the Company. This may adversely affect the Company's revenue and financial performance in the future. To help mitigate this risk, the sales team of JCT consults with the existing and potential customers to establish their estimated processed hay requirements for at least the coming year. If possible, representatives of JCT will also try to negotiate firm contracts with its customers during this time. This allows the Company to estimate in advance the amount of cut hay that it will require in the future. **Business Strategy Execution and Implementation** The Company's success will depend on its ability to successfully execute its business strategy and plans, and the successful implementation of its growth strategies to meet the Company objectives. The Company's future growth, profitability, cashfows and financial health depend on management to execute and implement the business strategy that will be dependent on several factors as outlined in Section 9. **Competition** The export hay business' competitive environment could change and the size of the market could be affected by increased production from existing suppliers or the	

Item	Summary	Further information
	entrance of new producers of oaten hay. There is no assurance that the Company will be able to compete effectively in the export hay business the future. This may adversely affect the Company's results and financial performance in the future. However, this risk is mitigated by the fact that Elect acts as a niche supplier to a number of large Asian dairy farms as a result of its ability to provide flexibility that other hay suppliers find difficult to provide.	
E. Directors and Key Management Personnel		
Who are the Existing Directors and the Proposed Directors?	It is intended that the Board will comprise the following upon Completion: • Mr Gavin Xing; • Mr James Everist; and • Mr Eric Jiang. It is currently intended that each of the Existing Directors, being Messers George Karafotias, Peter Parthimos and Christopher Botica will retire upon Completion. Additional Board and management resources may be considered as appropriate as JCT develops. The profiles of each of the Existing Directors and Proposed Directors are set out in Section 10.2 and Section 10.4. Details of the personal interests of each of the above individuals are set out in Section 10.5.	Sections 10.2, 10.4 and 10.5
Who are the proposed Senior Management?	Following Completion, it is expected that the following people will be senior management of the Company: • Ms Kellie Barker; • Ms Yuko Ozeki; • Mr Neal Shoobert; • Mr John Chegwidden; and • Mr Ben Callanan. The profiles of each of the proposed senior managers are set out in Section 10.3.	Section 10.3
F. Financial Information		
What is the financial outlook for the Company?	The Consolidated Pro-forma historical financial performance income statement for the years ending 30 June 2014 and 2015 and Pro-forma historical consolidated balance sheet for the Biron Group as at 30 June 2015 (which assumes completion of the Acquisitions) is set out in the Financial Information in Section 11 and Investigating Accountant's Report in Section 12.	Sections 11 and 12

<table>
<tr><th>Item</th><th>Summary</th><th>Further information</th></tr>
<tr><td>What is the Historical Financial Performance of Biron Group for 2014 and 2015?</td><td>The Summary of the Consolidated Pro-forma Historical Financial Performance of the Biron Group included in this Prospectus is intended to present potential investors with information to assist them in understanding what the underlying historical financial performance of the Company would have been had the Company owned Elect, Superion and JCT since July 2013.

The basis of the preparation of the Pro-forma Historical information is outlined in Section11, and should be read in conjunction with the further details in this section and the Investigating Accountant's Report in Section 12.

<table>
<tr><th colspan="3">SUMMARY OF THE CONSOLIDATED PRO-FORMA HISTORICAL FINANCIAL PERFORMANCE</th></tr>
<tr><th></th><th>FY 2015
$000</th><th>FY 2014
$000</th></tr>
<tr><td>REVENUE</td><td>8,071</td><td>6,579</td></tr>
<tr><td>GROSS PROFIT</td><td>4,406</td><td>4,101</td></tr>
<tr><td>Gross Profit Margin</td><td>55%</td><td>62%</td></tr>
<tr><td>EBITDA</td><td>1,815</td><td>973</td></tr>
<tr><td>EBITDA Margin</td><td>22%</td><td>15%</td></tr>
<tr><td>NPAT</td><td>790</td><td>201</td></tr>
<tr><td>NPAT Margin</td><td>10%</td><td>3%</td></tr>
</table></td><td>Sections 11 and 12</td></tr>
<tr><td>What is the key financial information for the Company?</td><td>Refer to the Section 11 and the Investigating Accountant's Report in Section 12 for an outline and discussion in respect of the key financial information of the Company in connection with the Acquisitions.

Investors should note that past performance is not a guide to future performance.</td><td>Sections 11 and 12</td></tr>
<tr><td>Does the Company have sufficient funds for its activities?</td><td>The funding for the Company's short to medium term activities will be generated from a combination of the money raised under the Public Offer, existing cash reserves of the Company, Elect and Superion and revenues of JCT. Refer to Section 9 which provides a summary of the financial risks.</td><td>Section 7.7</td></tr>
<tr><td colspan="3">G. Offers</td></tr>
<tr><td>What is being offered and what is the purpose of the</td><td>The Public Offer is an offer of up to 25,000,000 Shares at an issue price of $0.20 per Share to raise $5,000,000 with a minimum subscription of 17,500,000 Shares to raise $3,500,000. The</td><td>Section 7.1</td></tr>
</table>

Item	Summary	Further information
Public Offer?	Public Offer is not underwritten. The Public Offer includes a priority offer of a total of 2,500,000 Shares to existing Shareholders holding less than a Marketable Parcel of Shares to top up their shareholding to a Marketable Parcel (**Top Up Offer**). The purpose of the Public Offer is to position the Company to seek to achieve the objectives and strategies set out in Section 8 and to meet the requirements of the ASX and satisfy Chapters 1 and 2 of the ASX Listing Rules. The purpose of the Offers is also to allow the Board to implement the Company's strategy to invest into the agricultural industry initially through the acquisition and expansion of JCT. On completion of the minimum raising of $3,500,000 under the Public Offer, the Board believes the Company will have sufficient working capital to achieve its planned production. The Company intends to apply funds raised from the Public Offer following reinstatement of the Company to quotation on the official list of ASX in the manner set out in the table in Section 7.7.	
What is being offered and what are the purposes of the Secondary Offers?	This Prospectus also contains an offer of: (a) 20,000,000 Shares to the Elect Vendors pursuant to the Elect Offer; (b) 10,000,000 Shares to the Superion Vendors pursuant to the Superion Offer; and (c) 4,800,000 Shares to the Converting Loan Lenders pursuant to the Converting Loan Offer, (together, the **Secondary Offers**). The purpose of the Secondary Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued under the Secondary Offers. The Secondary Offers are made to the Elect Vendors, Superion Vendors and Converting Loan Lenders respectively (or their nominees). You should not complete an Application Form in relation to the Secondary Offers unless specifically directed to do so by the Company.	Sections 7.2 – 7.5

Item	Summary	Further information
What will the Company's capital structure look like after completion of the Offers and the Acquisitions?	The Company's capital structure on a post-Completion basis is set out in Section 8.11.	Section 8.11
Will I be guaranteed a minimum allocation under the Public Offer?	No, the Company is not in a position to guarantee a minimum application of Shares under the Public Offer. However, up to 2,500,000 Shares will be issued in priority to Top Up Shareholders to top up their holdings to a Marketable Parcel under the Top Up Offer.	Section 7.11
What are the terms of the Shares offered under the Offers?	A summary of the material rights and liabilities attaching to the Shares offered under the Offers is set out in Section 16.2.	Section 16.2
Will any Shares be subject to escrow?	Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, certain Shares (including those issued under the Elect Offer, Superion Offer and Converting Loan Offer) on issue may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.	Section 8.13
Will Shares be quoted?	The Company will make an application to ASX for quotation of all Shares to be issued under the Public Offer.	Section 7.12
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in Section 3.	Section 3
What is the minimum investment size under the Offers?	The minimum investment size under the Top Up Offer will be that number of Shares required to increase a Top Up Shareholder's total shareholding in the Company to 10,000 Shares. In all other cases, Applications under the Public Offer must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of $200 worth of Shares (1,000 Shares).	Section 7.1(b)

Item	Summary	Further information
H. Use of proceeds		
How will the proceeds of the Public Offer be used?	Following completion of the Offers, the Company plans to use the proceeds from the Public Offer to upscale Elect's hay business.	Section 7.7
I. Additional information		
Is there any brokerage, commission or stamp duty payable by applicants?	No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offers.	Section 7.8
What are the tax implications of investing in Shares?	Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares issued under this Prospectus. The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.	Section 7.8
Where can I find more information?	• By speaking to your sharebroker, solicitor, accountant or other independent professional adviser. • By reviewing the Company's public announcements, which are accessible from ASX's website at http://www.asx.com.au under the ASX code "BIC". • By contacting the Company Secretary on +61 3 9866 7889. • By contacting the Share Registry on +61 1300 850 505.	

6. TRANSACTION OVERVIEW

6.1 The Company

The Company was incorporated on 1 March 1984 and has been suspended from trading on ASX since 15 June 2006. Most recently, the Company has been a fashion retail company.

The Company was placed into administration on 14 July 2010, with Giovanni (John) Carrello appointed as the Administrator to the Company. During the period of 14 July 2010 until 8 September 2011, the Company was controlled by the Administrator. Pursuant to Section 437C of the Corporations Act, during the period of the administration, the powers of the Company's officers were suspended.

The Company entered into the DOCA. The DOCA was subsequently amended on 14 April 2011 and was fully effectuated on 8 September 2011.

After 8 September 2011, the Company was returned to the then Directors, George Karafotias, Vincent Ferraloro and Peter Angelakos.

Biron raised $347,500 in funds during the 2011/12 year to allow the Company to operate, pay outstanding liabilities and carry out due diligence on potential transactions. The Directors considered a number of business proposals and opportunities from 2012, and on 5 May 2015, Biron executed the Elect Agreement to acquire Elect. The Company subsequently entered into the Superion Agreement to acquire Superion on 31 August 2015.

In 2015, the Company raised $100,000 to pay outstanding liabilities, and a further $105,000 was converted to Shares to settle outstanding creditors, directors' fees and liabilities, and $12,500 was converted to Shares to settle a corporate advisory mandate liability pursuant to approval obtained at a Shareholder meeting held on 27 January 2015. Biron subsequently raised $587,500 pursuant to Converting Loan Agreements to fund the deposit for the acquisition of Elect, associated acquisition costs, contribution to re-listing costs and other ongoing costs associated with operating Biron.

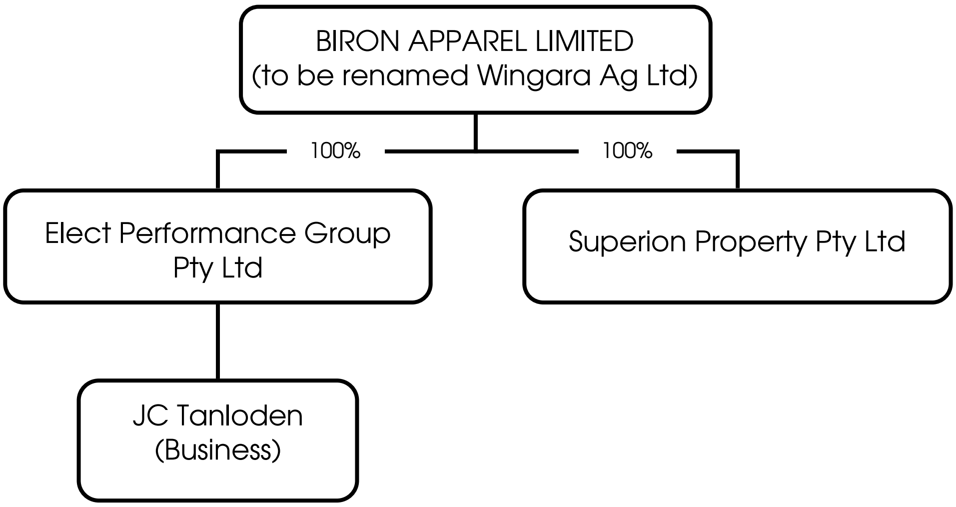
6.2 The Acquisitions

As announced on 15 May 2015, the Company entered into a heads of agreement with shareholders of Elect (**Elect Vendors**) and Elect under which the Company agreed to acquire 100% of the issued capital of Elect (**Elect Agreement**). The Company paid a refundable deposit of $200,000 on 26 May 2015. The terms of the Elect Agreement are summarised in Section 15.1.

On 31 August 2015, the Company entered into a heads of agreement with the shareholders of Superion (**Superion Vendors**) and Superion under which the Company agreed to acquire 100% of the issued capital of Superion (**Superion Agreement**). The terms of the Superion Agreement are summarised in Section 15.2.

Upon Completion of the Acquisitions, the Company will focus on developing JCT. A more detailed summary of Elect, Superion and the proposed business of the Company following Completion is set out in Section 8.

The diagram below is the proposed corporate structure based on completion showing Elect and Superion becoming wholly owned subsidiaries of the Company and Elect continuing to own 100% of JCT,



6.3 Key investment highlights

The Company considers the new investment strategy and Acquisitions will provide an economic exposure to the growth potential in the animal feed sector of the expanding agriculture industry in Australia.

The Existing Directors and Proposed Directors are of the view that key highlights of an investment in the Company include:

(a) if the Acquisitions are completed, the Company will be entering into the agricultural industry (and specifically the animal feed sector) through Elect's already operating and revenue producing agribusiness, the JCT export hay business;

(b) potential expansion of the export hay business into Western Australia which has a close proximity to the Asian markets;

(c) Elect acts as a niche supplier to a number of large of Asian dairy farms as JCT is able to provide the flexibility that some other larger suppliers find difficult with regard to packaging, delivery schedule and size of orders;

(d) Elect has an established export license/registration which can be a key barrier to potential businesses that are considering export to Asia as there are rigorous requirements that must be satisfied before an export license is granted;

(e) at present, the Company does not have any substantive operations. Following the Acquisitions, Shareholders will have the opportunity to participate in the possible benefits associated with holding Shares in a new listed agribusiness company with operating assets, revenues and cash flows;

(f) the Public Offer will inject required funds into the Company which will enable it to pursue its planned business strategies;

(g) exposure to benefits from the acquired expertise and the future growth potential of an established platform in export hay and animal feed sector of agribusiness;

(h) the presence of an already established supply chain that can be explored for growth opportunities; and

(i) the Company will be managed by directors, officers, key management and supported by consultants with experience in the agricultural industry that hold the necessary skills with a view to guiding the Company to be a significant player in the agribusiness industry.

6.4 Key Risks

A summary of the key risks is set out in Section 5 above and a more detailed description of risks is set out in Section 9 below.

6.5 Business Summary

Upon completion of the Acquisitions, completion of the Offers and the re-instatement of the Company on the ASX, the Company intends initially to focus its business activities on the operation of JCT, and the potential growth and development of that business. JCT presently specialises in processing, packaging and exporting of hay products into the Asian markets. JCT has an operating experience of over 15 years in regional Victoria and Elect continues to operate its export hay processing plant close to Bendigo, Victoria. The Company will also assess the opportunities to grow the footprint of the business into Western Australia and potentially exercising the Option to Lease secured by Superion.

Please refer to Section 8 for a more detailed summary of Elect and the Company's proposed business following Completion of the Acquisition.

6.6 Suspension and Re-admission to ASX

As the Company was previously a fashion retail company, the Acquisitions, if successfully completed, will represent a significant change in the nature and scale of the Company's operations to an agribusiness company.

ASX has indicated that this change in the nature and scale of the Company's activities will require:

(a) the approval of Shareholders (which was obtained on 23 November 2015 at the General Meeting); and

(b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

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

(a) the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders;

(b) the Company must satisfy the "assets test" as set out in ASX Listing Rule 1.3; and

(c) the issue price of Shares must be at least 20 cents and the exercise price of options must be at least 20 cents.

Upon completion of the Offers, the Company expects to satisfy the above requirements.

Applicants should be aware that ASX will not re-admit or admit any Shares to Official Quotation until the Company re-complies with Chapters 1 and 2 of the

Listing Rules and is re-admitted by ASX to the Official List. In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Offers and will repay all Application monies received by it in connection with this Prospectus (without interest).

6.7 Change of Name

It is proposed that, the Company will change its name to "Wingara Ag Ltd" on Completion of the Acquisitions, which in the Company's opinion will be better suited to the Company's new strategic direction.

An overview of the Company's business following Completion of the Acquisitions is set out in Section 8.

7. DETAILS OF THE OFFERS

7.1 Offers

The Company is inviting applications under the Public Offer for up to 25,000,000 Shares at an issue price of $0.20 per Share to raise up to $5,000,000, with a minimum subscription of $3,500,000.

The Public Offer is open to any person with a registered address in Australia.

The Public Offer includes a priority offer of a total of 2,500,000 Shares to existing Shareholders with a registered address in Australia holding less than a Marketable Parcel of Shares as at the Top Up Offer Record Date to top up their shareholding to a Marketable Parcel.

All Shares issued under this Prospectus will be fully paid and will rank equally with all other Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 16.2.

The Company obtained Shareholder approval at the General Meeting for a consolidation of its existing Shares on a 1 for 50 basis (**Consolidation**). All Shares issued pursuant to the Offers will be issued on a post-Consolidation basis.

(a) **Minimum subscription**

The Public Offer is subject to the Company receiving Valid Applications for at least 17,500,000 Shares to raise at least $3,500,000 (**Minimum Subscription**).

If the Minimum Subscription has not been raised within 4 months after the date of this Prospectus, the Company will not issue any Shares and will repay all Application monies for the Shares applied for under the Public Offer within the timeframe prescribed under the Corporations Act, without interest.

The Public Offer is not underwritten.

(b) **Minimum application amount**

The minimum investment size under the Top Up Offer will be that number of Shares required to increase a Top Up Shareholder's total shareholding in the Company to 10,000 Shares.

In all other cases, Applications under the Public Offer must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of $200 worth of Shares (1,000 Shares).

(c) **Eligible participants**

To participate in the Public Offer, you must be a resident of Australia. See Section 7.14 for further details.

7.2 Top Up Offer

This Prospectus contains a priority offer of a total of 2,500,000 Shares to Top Up Shareholders to top up their shareholding to increase their holding to a value of at least $2,000 (based on a Share price of 20 cents per Share). Top Up Shareholders will be entitled to subscribe for that number of Shares required to increase the Top Up Shareholder's total shareholding in the Company to 10,000 Shares, being a Marketable Parcel (**Entitlement**). Top Up Shareholders will receive a personalised Application Form setting out their Entitlement.

The Company will accept Applications from Top Up Shareholders up to their Entitlement and the Company will issue up to 2,500,000 Shares to Top Up Shareholders in priority to the allocation of Shares under the Public Offer.

To the extent that less than the total number of 2,500,000 Shares offered under the Top Up Offer are applied for, those shortfall Shares will be available for subscription to all investors (including both existing Shareholders and external investors) who shall be treated equally in the allocation of shortfall Shares.

7.3 Elect Offer

This Prospectus includes the offer of 20,000,000 Shares to be issued to the Elect Vendors (or their nominee(s)) pursuant to the Elect Agreement in consideration for the acquisition by the Company of the entire issued capital of Elect (**Elect Offer**). The material terms and conditions of the Elect Agreement are summarised at Section 15.1 of this Prospectus.

Only the Elect Vendors (or their nominee(s)) may accept the Elect Offer. A personalised Application Form in relation to the Elect Offer will be issued to the Elect Vendors together with a copy of this Prospectus.

All Shares issued under the Elect Offer will be issued as restricted securities and will be restricted from trading for a period of up to 24 months from the date of Official Quotation. Please refer to Section 8.13 for a summary of the likely escrow position.

7.4 Superion Offer

This Prospectus includes the offer of 10,000,000 Shares to be issued to the Superion Vendors (or their nominees) pursuant to the Superion Agreement in consideration for the acquisition by the Company of the entire issued capital of Superion (**Superion Offer**). The material terms and conditions of the Superion Agreement are summarised at Section 15.2 of this Prospectus.

Only the Superion Vendors (or their nominee(s)) may accept the Superion Offer. A personalised Application Form in relation to the Superion Offer will be issued to the Superion Vendors together with a copy of this Prospectus.

All Shares issued under the Superion Offer will be issued as restricted securities and will be restricted from trading for a period of up to 24 months from the date of Official Quotation. Please refer to Section 8.13 for a summary of the likely escrow position.

7.5 Converting Loan Offer

Outstanding monies under the Converting Loan Agreements will automatically convert into Shares at a deemed issue price of:

(a) $0.10 in relation to the Converting Loan Agreement in respect of loans to the Company of $50,000; and

(b) $0.125 in relation of the Converting Loan Agreement in respect of loans to the Company of $537,500.

The material terms of the Converting Loan Agreements are summarised at Section 15.3 of this Prospectus.

As a result of the Company's obligations pursuant to the Converting Loan Agreements, this Prospectus includes a separate offer of Shares to the Converting Loan Lenders (or their nominee(s)) (**Converting Loan Offer**). Upon the issue of the Shares to the Converting Loan Lenders, the Company will be fully and finally released from all obligations under the Converting Loan Agreements.

Only the Converting Loan Lenders (or their nominee(s)) may accept the Converting Loan Offer. A personalised Application Form in relation to the Converting Loan Offer will be issued to the Converting Loan Lenders together with a copy of this Prospectus.

All Shares issued under the Converting Loan Offer will be issued as restricted securities and will be restricted from trading for a period of up to 24 months from the date of Official Quotation. Please refer to Section 8.13 for a summary of the likely escrow position.

Application for quotation of the Shares issued under the Converting Loan Offer will be made to ASX no later than 7 days after the date of this Prospectus. See Section 7.12 for further details.

7.6 Purposes of the Offers

The primary purposes of the Public Offer are to:

(a) assist the Company to meet the re-admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules (see Section 6.6 for further details);

(b) provide the Company with additional funding to invest in the agricultural industry initially through the acquisition and expansion of the Elect export hay business and provide the Company with further working capital; and

(c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Public Offer by retail investors or the sale of any Shares issued under the Public Offers.

The Company intends to apply the funds raised under the Public Offer along with its current cash reserves in the manner detailed in Section 7.7.

The purpose of the Secondary Offer is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued under the Secondary Offers.

7.7 Use of Funds

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves post-Acquisitions, following re-admission to the Official List of the ASX (for the purpose of satisfying ASX's requirements for re-listing following a significant change to the nature and scale of the Company's activities) as follows:

Funds available	Minimum Subscription ($3,500,000)	Percentage of Funds (%)	Maximum Subscription ($5,000,000)	Percentage of Funds (%)
Existing cash reserves of the Company[1]	$100,000	3%	$100,000	2%
Funds raised from the Public Offer	$3,500,000	97%	$5,000,000	98%
Total	**$3,600,000**	**100%**	**$5,100,000**	**100%**
Allocation of funds	**Total**	**Percentage of Funds (%)**	**Total**	**Percentage of Funds (%)**
Lead Manager Fees	$280,000	7.8%	$400,000	7.8%
Expenses associated with the Offers and the Acquisitions[2]	$300,000	8.3%	$305,000	6.0%
Repayment of liabilities of both Elect and Biron	$200,000	5.6%	$200,000	3.9%
Purchase of Cut Hay	$1,000,000	27.8%	$2,000,000	39.3%
Logistics & Freight	$250,000	6.9%	$250,000	4.9%
Administration	$500,000	13.9%	$500,000	9.8%
Sales & Marketing	$150,000	4.2%	$245,000	4.8%
Feasibility study WA Operation	$200,000	5.5%	$200,000	3.9%
Working capital	$720,000	20.0%	$1,000,000	19.6%
TOTAL	**$3,600,000**	**100%**	**$5,100,000**	**100%**

Notes

1. These funds represent existing cash held by the Company at or around the date of this Prospectus. The Company expects to incur costs within the ordinary course of its business which may diminish this amount prior to completion of the Acquisitions.

2. Refer to the table below for the itemised costs of the expenses associated with the Acquisitions:

Estimated Costs of Acquisitions	Proposed minimum Public Offer ($3,500,000)	Proposed maximum Public Offer ($5,000,000)
ASX Fees	68,000	68,000
ASIC Fees	7,000	7,000
Legal, Accounting and Due Diligence Expenses	200,000	200,000
Shareholder Meeting / Share Registry Costs	5,000	10,000
Printing	10,000	10,000
Miscellaneous	10,000	10,000
TOTAL	**$300,000**	**$305,000**

In the event the Company raises more than the minimum subscription of $3,500,000 but less than the full subscription of $5,000,000, the additional funds raised will be first applied towards the purchase of cut hay, then towards sales & marketing and then working capital.

The above table is a statement of current intentions as of the date of lodgement of this Prospectus with the ASIC. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

Actual expenditure may differ significantly from the above estimates due to a change in market conditions, the development of new opportunities and other factors (including the risk factors outlined in Section 9).

The Board believes that the funds raised from the Public Offer, combined with existing funds, will provide the Company with sufficient working capital at anticipated expenditure levels to achieve its objectives set out in this Prospectus.

7.8 Taxation

The acquisition and disposal of Shares will have tax consequences which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential Applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

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

No brokerage, commission or duty is payable by Applications on the acquisition of Shares under the Offers.

7.9 Applications

Applications for Shares under the Offers must be made using the relevant Application Form.

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

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**, which is currently scheduled to occur on 15 December 2015.

Applications under the Public Offer must be accompanied by payment in full in Australian currency by cheque, direct debit or BPAY® in accordance with the instructions set out in the Application Form.

Where no issue is made under the Public Offer, Application monies will be refunded (without interest) to the Applicants as soon as practicable after the Closing Date.

Participation in the Secondary Offers is personal and personalised Application Forms in relation to the Secondary Offers will be issued to the relevant participants together with a copy of this Prospectus.

The Company reserves the right to close the Offers early.

If you require assistance in completing an Application Form, please contact the Share Registry on +61 1300 850 505.

7.10 Lead Manager

The Company has appointed JB Advisory as the Lead Manager to the Public Offer. JB Advisory will receive a fundraising fee of 8% plus GST of the total amount raised under the Public Offer. In addition, the Company will pay all reasonable expenses incurred by JB Advisory to complete the services under the Mandate. A summary of the terms of the Mandate is set out in Section 15.4.

7.11 Issues of Securities and Allocation Policy

(a) **General**

Subject to the Minimum Subscription and Completion being achieved, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date and in accordance with the timetable set out in Section 3.

(b) **Public Offer**

The allocation of Shares under the Public Offer will be determined by the existing Directors and the Proposed Directors in conjunction with the Lead Manager in their absolute discretion.

There is no guaranteed allocation of Shares under the Public Offer. However, Company will issue up to 2,500,000 Shares to Top Up Shareholders to enable those Shareholders to hold a Marketable Parcel in priority to all other Applications. This will occur on an equitable basis between Top Up Shareholders and will be subject to ASX's minimum shareholders spread requirement (see Section 6.6).

Subject to the treatment of Applications under the Top Up Offer, the Board reserves the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus Application monies will be refunded (without interest) to the Applicant as soon as practicable after the Closing Date.

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

(c) **Secondary Offers**

Each of the Secondary Offers is a personal offer to the Elect Vendors, Superion Vendors and the Converting Loan Lenders respectively (or their nominee(s)). As such, Shares offered under those Secondary Offers will be allocated and issued to those parties (or their respective nominee(s)) only.

Subject to Minimum Subscription and the conditions precedent under the Elect Agreement and Superion Agreement being satisfied or waived, allocations under the Secondary Offers are guaranteed.

(d) **Acceptance of Applications**

A completed Application Form is an offer by you to the Company to apply for the amount of Shares specified in the Application Form on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and the Application Form. To the extent permitted by law, an Application by an Applicant is irrevocable.

An Application may be accepted in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on allocation of Shares to that successful Applicant.

(e) **Defects in Applications**

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an Application as valid, or how to construe, amend or complete it, will be final.

(f) **Interest**

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

7.12 Quotation of Shares

The Company will apply for Official Quotation of all Shares issued under the Public Offer within 7 days after the date of this Prospectus. However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List (see Section 6.6). As such, the Shares may not be able to be traded for some time after the close of the Offers.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of this Prospectus, or such period as varied by the ASIC, or if ASX otherwise rejects the Company's application for re-admission to the Official List (see Section 6.6), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest. In those circumstances the Company will not proceed with the Acquisitions.

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

7.13 Clearing House Electronic Sub-Register System and Issuer Sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHESS. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with holding statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The holding statements will also advise holders of their Holder Identification Number (if the holder is broker sponsored) or Security Holder Reference Number (if the holder is issuer sponsored) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Shares can be transferred without having to rely upon paper documentation. Further, monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month. Shareholders may request a holding statement at any other time, however a charge may be made for such additional statements.

7.14 Applicants outside Australia

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

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

If you are outside Australia it is your responsibility to ensure compliance with all laws of any country relevant to, and obtain all necessary approvals for, the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that there has been no breach of any such laws and all relevant approvals have been obtained.

Where this Prospectus has been dispatched to persons in jurisdictions outside of Australia, in which the securities legislation or regulation requires registration or any analogous treatment, this Prospectus is provided for information purposes only. This Prospectus has not been and will not be registered under any such legislation or regulation or in any such jurisdiction.

7.15 Enquiries

If you have any queries in relation to the Offers, please contact the Company Secretary on +61 3 9866 7889.

8. COMPANY OVERVIEW

8.1 Business Overview

As detailed in Section 6, the Company has most recently operated as a fashion retail company, however, the Company has been suspended from trading on ASX since 15 June 2006 and has had limited business operations since that time.

On 5 May 2015, the Company entered into the Elect Agreement to acquire 100% of the issued capital of Elect. A summary of the material terms of the Elect Agreement is set out in Section 15.1.

In addition, on 31 August 2015 the Company entered into the Superion Agreement to acquire 100% of the issued capital in Superion. A summary of the material terms of the Superion Agreement is set out in Section 15.2.

8.2 Elect

Elect was incorporated on 12 February 2004.

On 23 February 2015, Elect acquired the plant and equipment, intangible assets and inventory of the JCT hay export business operation owned by Wisma. Elect also entered into a lease of the land where the plant operates from. The lease has a six year term from 23 February 2015 and an option to renew the term for an additional four years.

As detailed in Section 6.3, JCT specialises in processing, packaging and export of hay products predominately into Asian markets. JCT has an operating history of over 15 years in regional Victoria and Elect continues to operate its hay processing plant close to Bendigo, Victoria. The Bendigo region is a central location to many of the hay growers and suppliers in the South-Eastern region of Australia with good road transport access to the Port of Melbourne.

A summary of present business model of Elect is as follows:

(a) The sales team of JCT consults with the existing and potential customers to establish their estimated processed hay requirements for at least the coming year, also in respect of potential pricing. The customers generally do not sign long term contracts as they are generally unsure of their long term feed requirements. This along with the quality and quantity of processed hay available each season will have an influence on the size of orders and pricing. Once the estimated sales are estimated, the proposed production levels are determined and this allows the processing management to calculate the estimated cut hay that will be required for this production and the timing needed to receive the cut hay.

(b) JCT then needs to source, secure and purchase the cut hay from the hay growers before production commences. The amount of hay grown by hay growers changes each year depending on forecast pricing of the hay and competing cereal crops, and is affected by seasonal weather conditions during growing time. JCT currently purchases most of its hay on contract and some spot from approximately 30 hay growers (in Victoria), with a present database of over 200 hay growing farmers in rural Victoria and New South Wales (**NSW**) that can supply the cut hay for processing.

Gavin Xing inspecting freshly cut hay with local hay grower

The hay growers transport the cut hay to the Bendigo processing plant for testing (for example, testing for dampness, sugar, fibre and nutrients), grading and certification for quality and export requirements and then the cut hay is stored for processing. The cut hay is kept at the onsite storage facility which has the capacity of approximately 10,000 tonnes of hay. The balance of the cut hay is stored on farms and is delivered to the Bendigo plant throughout the year as needed.

Delivery of cut hay from the hay grower to the onsite storage facility

(c) The cut hay is then cut and pressed into solid bales, loaded into containers and fumigated before being inspected to meet export standards.

Bales being Compressed

Processed hay packed ready for export

(d) The sales team finalises the sales contract and pricing of the processed hay with the customers. The logistics team then organises the export of the hay through the port of Melbourne to the Asian destination.

(e) The earlier that representatives of JCT can consult with the hay growers and potentially negotiate forward purchase contracts for the cut hay, the more likely it will be that the hay growers can plan their cropping programs and ensure more certain production of hay.

Oaten hay constitutes the major proportion of hay products produced by Elect with the remainder being wheaten hay or wheaten straw. Oaten hay is mostly used as a feed source for dairy cattle for its boost in the increased milk production in cows. It is also used in cattle feedlots. This is a strong factor underlying the demand for oaten hay in the emerging China market, and also the established Asian market where there is typically no access to this type of hay domestically. Elect acts as a niche supplier to a number of large Asian dairy farms, as the business is able to provide the flexibility that some other larger suppliers find difficult with regard to packaging, delivery schedule and size of orders.

Elect has established relationships with a number of large hay importers throughout Asia (predominantly South Korea, Japan and Taiwan). Accordingly, the Directors are of the view that JCT is well positioned to capitalise on the growing demand for oaten hay from the emerging China market and the Asian region.

The business has an established export license/registration which can be a key barrier to potential businesses that are considering export to Asia as there are rigorous requirements that must be satisfied before an export license is granted. The business also has clients based in countries such as South Korea, Japan, China and Taiwan. Generally speaking, the risk in the hay passes to the purchaser upon the loading of the hay onto the ship, therefore, any risk associated with the transport of hay is borne by the purchaser. In addition, Elect maintains insurance policies to mitigate this risk.

8.3 Export license/registration

Elect's established export license/registration was renewed on 20 March 2015 to reflect the transfer of the JCT business to Elect. The export license/ registration is a key requirement to exporting hay (especially to South Korea, Japan, Taiwan and China) as there are rigorous requirements that must be satisfied before an export license/registration is granted. The Export license/registration will continue whilst Elect is compliant with all of the export regulations and rules, and the inspections and audits are successfully completed and passed, and all appropriate fees at the time are paid.

To export hay Elect is required to be listed as an "export registered establishment" by the Department of Agriculture, Fisheries and Forestry (**DAFF**), which then allows Elect to apply for import permits to the various countries that it intends to export hay to. To obtain a certificate of registration of an export registered establishment and be eligible to export hay, the Department of Agriculture Plant Exports (**DAPE**) will assess the business's processing systems and facilities and advise the appropriated departments and organisations of the suitability of the business to export hay prior to the commencement of any hay exports.

The Australian quarantine and inspection services department (**AQIS**) then provides inspection and export certification for the hay exported.

To export to China a further registration is required by the General Administration of Quality Supervision, Inspection and Quarantine (**AQSIQ**), a department in China, before the issue of a China import permit to allow a company to export hay into China. China's import permit requires a more rigorous application process be followed which Elect has passed and received. All export certification issued for hay exported to China includes additional information in relation to the export registered establishment as a requirement of the approval by AQSIQ. Once Elect was recommended by the DAFF and DAPE for AQSIQ registration Elect received its registration for export of hay into China. Elect was subject to a stringent on-site inspection and audit by AQSIQ officials as part of the registration process.

To comply with and maintain the export license/registration and import permits, Elect is required to have an annual audit and inspection, and pay an annual fee. Elect may be subjected to an audit or inspection at the election of DAFF & AQSIQ at any time. The most recent audit and inspection was successfully completed in July 2015. DAFF, DAPE and AQSIQ publish extensive relevant information on the processes to registration, documentation required, conditions and their fees on their websites.

8.4 Direction of the Company

If the Company successfully completes the Acquisitions, it is the current intention of the Board to initially focus its business activities on the operation of the current business of Elect, including the growth of that business through growth in client base and facilities.

The Company plans to change its name to "Wingara Ag Ltd" to reflect the new direction of the Company and its investment in the agricultural industry. In addition, the Company will look into opportunities to grow the footprint of the business in Victoria and into Western Australia and potentially utilising the option to lease a property secured by Superion. The Directors consider that there is an opportunity worth taking advantage of with entering into the expanding Australian and Asian agriculture industry through the acquisition of Elect and Superion with their contacts, networks, management and experience in agriculture.

(a) Proposed increased personnel

The Company and Elect have also identified the need to increase personnel for the sourcing, securing, purchase and logistics of the cut hay from the hay growers, and the need for increasing the sales and marketing personnel along with administration personnel to potentially increase sales contracts into Asia, and increased logistics management for these sales. The Company will look to appoint an Asian sale manager and develop a sales & marketing department to manage the sales and logistics into the growing Asian market and in particular the emerging market of China.

Elect will also need to increase its production operational workforce as Elect's production of hay increases to allow the plant to operate for longer hours. Elect has an experienced local team that presently operates the Bendigo hay processing plant.

The Company has identified that Elect has a management team with experience in commodity sales and business development in Asia, with the present Managing Director of Elect, Gavin Xing, having a commodities and financing background and fluency in Chinese which is expected to allow future growth in the sale of agriculture products into Asia and in particular China.

The Company will also look to develop a business development team to seek, and assess any potential agriculture opportunities that may be presented to the Company.

(b) **Proposed growing and production of cut hay**

Superion will also assess the opportunities for leasing farming land, contract farming, share farming or entering joint ventures for the growing of hay to provide some of the cut hay into the new production plants in Western Australia.

The significant cash cost of any upscale in the business is the increase in the purchase of cut hay required. Cut hay comes from the local hay growers, who cut, bale and store the grown hay generally during the months of September to March each year, depending on where the hay is located and deliver to the hay processing plant over the following year.

A considerable amount of the cut hay required has already been sourced from the local Victorian hay growing farmers for the 2016 production year based on Elect's existing customers' projected processed hay requirements for the 2016 year. The new funds available will allow Elect to purchase additional cut oaten hay from the local growers.

The Company is planning a continual steady growth in the production of quality hay products for the Asian markets. This includes the addition of other hay products and grain feed products.

8.5 Industry overview

Oaten hay is the primary fodder product that Australian producers are exporting. Typically lucerne (or alfalfa) is the most widely exported fodder commodity worldwide, thus providing Australian export fodder an important point of differentiation. Australia does export other fodder products such as wheaten hay, barley hay, cereal straw, lucerne, vetch and rhodes grass, however in total this would usually represent less than 20% of total exports.

Australia has had a relatively steady export hay market over the past decade, with Japan the key customer. Japan continues to be a valued customer for Australian hay but China has emerged as an important and exciting new market for Australian fodder. Growth in the demand for Australian oaten hay has seen exports to China more than double each year from 2012 without any signs of slowing. This growth in Chinese demand for fodder represents the first significant opportunity for expansion of Australian hay exports in over a decade.

(a) **Opportunities in export hay for grain growers**

The majority of Australia's export hay is produced in Western Australia and South Australia, with Victoria being the third largest exporting state. In recent years the total Australian export tonnages have exceeded 700,000 tonnes of hay and straw with a total 811,666 tonnes being exported 2013.

(b) **Victoria**

Victoria's share of the export hay market in recent years has been around 120,000 tonnes, however in 2013 and 2014 this figure was in excess of 150,000 tonnes exported. Much of the growth in Victorian exports has come from existing exporters and growers, however there has been an increase in the number of hay export facilities in Victoria in recent years, and a number of additional facilities are planned in the near future.

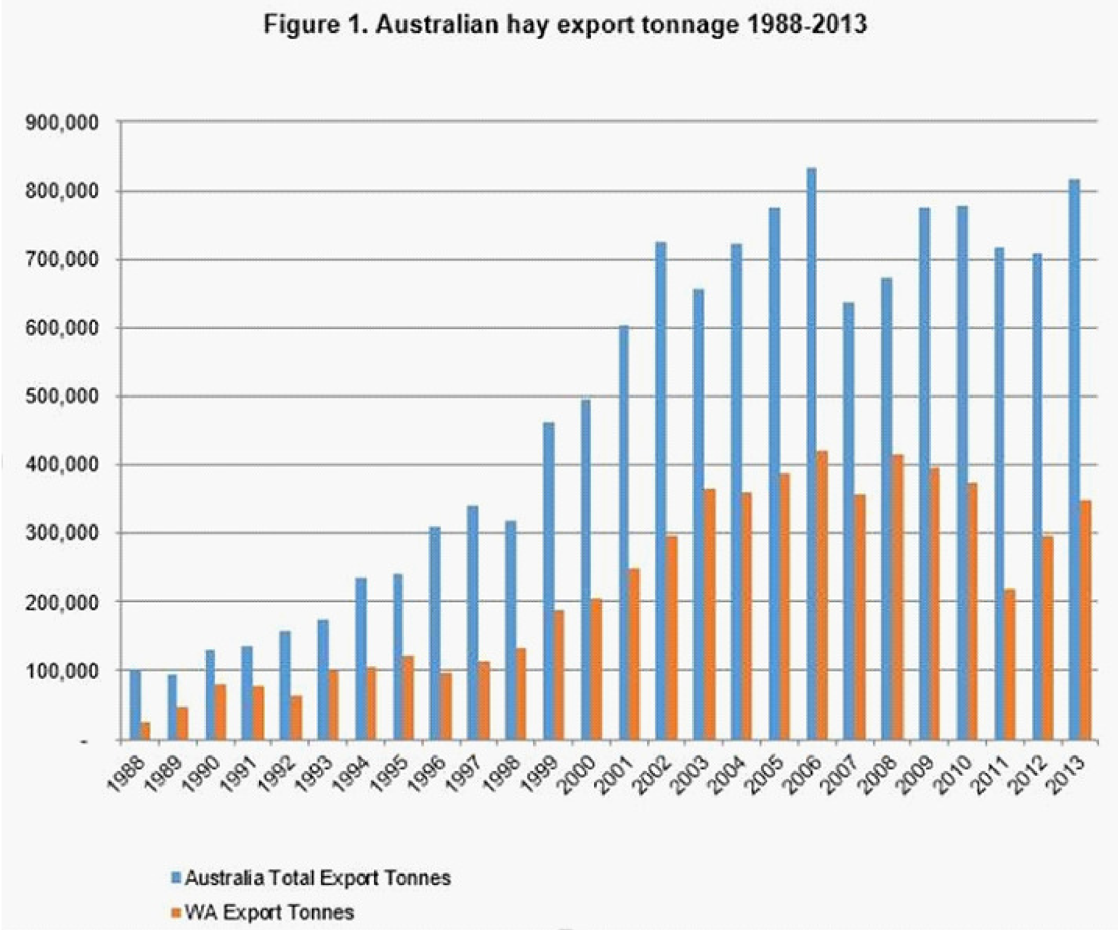
Given the opportunities for growth of Victoria's hay exports, there are a number of key factors that Victorian grain growers could consider. It is generally accepted that adding hay to cropping rotations can deliver substantial benefits including managing resistant weeds, reducing exposure to environmental events such as frost, and enabling growers to diversify their business without making major changes. Victoria also has a key advantage over WA and SA when it comes to hay production; and that is the close proximity of the dairy industry. Having such a large alternate market provides greater flexibility to Victorian hay producers in managing seasonal variations in both price and hay quality.

Victoria's share of this is in recent years has been around 120,000 tonnes, however in 2013 and 2014 this figure was in excess of 150,000 tonnes exported. Much of the growth in Victorian exports has come from existing exporters and growers, however there has been an increase in the number of hay export facilities in Victoria in recent years, and a number of additional facilities are planned in the near future.

(c) **Western Australia**

Since 1998 WA has produced over 40% of Australia's export hay, with the exception of 2011 where crop failures saw WA exports account for 31% of National hay exports. This is driven by a consistent ability to deliver high quality cereal hay to overseas markets. WA's climate is a key factor here, providing weather that typically gives a good window for curing hay. Another key factor that has seen the WA growers focus on producing top quality export hay is the limited secondary markets for hay (i.e. domestic dairy and beef producers). This has seen growers and contractors develop skills and experience in producing high quality cereal hay. While climate is a key contributing factor to hay quality the planning and timing put in place by the grower is a defining factor in identifying consistent producers of top quality hay.

Being the largest exporting state WA also has the largest number of facilities accredited to process and export hay. The majority of these plants are within a 2 hour drive of Perth, giving not only efficient transport access to port, but also sees most farmers being within a reasonable distance of at least one export facility.



Source: https://www.grdc.com.au/Research-and-Development/GRDC-Update-Papers/2015/02/Export-oaten-hay-opportunity-for-grain-growers

(d) **Australia's key fodder markets**

Over the past 25 years Australia has exported hay to well over 50 countries however the bulk of exports are taken by a small number of markets in Asia. There are also opportunities to expand into other markets such as the Middle East, and potentially India, however these are not yet markets of significance for the Australian export hay industry.

The following gives an outline of Australia's key export markets.

(i) **Japan**

The Australian export fodder industry was founded on trading to the Japanese market and to this day is Australia's biggest and therefore most important customer. Typically the Japanese market takes high quality oaten hay for the beef and dairy market. This market also has historically been viewed as placing a high level of importance on subjective assessments of quality such as smell and colour, although objective analysis is also important to Japanese customers.

- 2011 – 494,903 tonnes
- 2012 – 449,117 tonnes
- 2013 – 512,600 tonnes

- 2014 – 443,619 tonnes to the end of November 2014

Japan is generally regarded as a mature market; very consistent and stable but with limited opportunities for growth. In recent years there have been a number of challenges for Australian exporters in Japan including declining beef and dairy cow numbers and the devaluation of the Japanese Yen.

(ii) **Korea**

Korea has been a good market for Australian hay in recent years that has both grown in value and provided a good alternate market to Japan. This market has a strong focus on the dairy industry and typically takes lower price, mid quality hay.

- 2011 – 125,477 tonnes
- 2012 – 168,371 tonnes
- 2013 – 157,794 tonnes
- 2014 – 160,134 tonnes to the end of November 2014

(iii) **Taiwan**

Taiwan is a mature and well educated market for Australian hay with preference for high quality hay, both oaten and wheaten, with high analysis results. Again the key customer is the dairy industry.

- 2011 – 40,345 tonnes
- 2012 – 37,444 tonnes
- 2013 – 46,228 tonnes
- 2014 – 46,601 tonnes to the end of November 2014

(iv) **China**

Currently China is emerging as an important customer for the Australian export fodder industry. Small volumes of Australian fodder have been exported to China as far back as 1995, however it was not until 2009 that the current market started to evolve. This has led to the current situation where exporters have started focusing on China as a key hay market.

Demand for fodder in China is being driven by growth in the demand for dairy products. In recent years there has been a large increase in the consumption of animal protein by the growing Chinese middle class, which has triggered a growth in domestic dairy production which has more than tripled since 2000. This has seen a large investment in modern dairy farms, many in the 5,000-10,000 head capacity range, and they have a strong focus on production and efficiency of scale. These new large dairies are the key customers for imported fodder.

To put the demand for fodder in China in perspective, in 2014 over 600,000 tonnes of Alfalfa was imported from the US. Imports of Australian oaten hay are much more modest but have shown consistent growth in recent years.

- 2011 – 13,836 tonnes
- 2012 – 18,000 tonnes
- 2013 – 46,000 tonnes
- 2014 – 114,000 tonnes to the end of November 2014

Early indications of the 2015 demand for fodder in China point towards continued growth in demand for Australian fodder.

8.6 Business Strategies for the Company

The Company has adopted the following strategies for its proposed business model:

(a) upscaling and increasing production at Elect's present hay business;

(b) targeting a further increase in the amount of processed hay sales post Completion;

(c) engaging a new sales and market team of Elect to negotiate potential sales and marketing contracts to Asia for the future growth of the Company;

(d) completing a feasibility study on developing a hay processing business in Western Australia;

(e) sourcing and engaging new management and operation personnel that are experienced in the processing and export of hay;

(f) developing an experienced business development team within the agribusiness space; and

(g) assessing other agribusiness opportunities that are presented to the Company, in particular animal feed opportunities.

The above business strategies will be consistently reviewed and amended by the Board to ensure it meets the main objective of maximising Shareholder returns.

8.7 Key Dependencies of the Business Strategies

The implementation of the Company's business strategies is dependent on the Company's ability to successfully negotiate, sell and export available processed hay to its potential customers. Initially, this is dependent on the Company successfully acquiring Elect and implementing and growing JCT. In the longer term, the Company's business model will be dependent on the ability of Elect to continually source enough suitable cut hay and have sufficient processing capacity to process this hay to meet the proposed increase in customers and orders from the Asian market. The Company's ability to grow the footprint of the business into Western Australia and potentially utilising the option to lease a property secured by Superion and their networks and contacts will play a role in the Company successfully achieving its goals under the proposed business strategy.

The Board have identified significant opportunities to expand and grow JCT to further capitalise on the increasing demand of processed hay from the Asian markets and in particular the emerging market in China. Please also refer to the risk factors facing the Company set out in Section 9 below.

The other key factors that the Company will depend on to meet its objectives are:

(a) the continued availability and commitment of its Board, key management, and key consultants, especially their ability to adopt appropriate strategies and risk management policies to minimise risks and maximise returns to Shareholders;

(b) ongoing demand in Asia for processed hay;

(c) ongoing supply of suitable quality and priced cut hay for processing;

(d) access to the continual required capital to meet the Company's growth and expansion plans; and

(e) no material adverse change to the local and foreign government policies and laws that relate to the export licenses/registration held by Elect or Elect's ability to export hay to Asia.

8.8 Superion

Superion was incorporated on 15 November 2013 and currently does not have any operating businesses. Superion was established with the intention of investing into the agribusiness industry and in particular the animal feed sector, firstly in Western Australia and then expanding to other Australian states. Superion has identified a suitable property to potentially lease and build an animal feed operation such as a hay processing plant. Superion has put in place an option to lease land near Geraldton, Western Australia with the intention of building a processing plant in 2016, subject to the successful completion of the Acquisitions, the Offers and completion of a favourable feasibility study.

The completion of the property lease is subject to a number of conditions, which include confirmation by the ASX that the Company is re-instated to trading on the ASX and its suspension lifted, before a formal lease agreement is entered into by the parties after the Company is re-instated to trading on the ASX.

Superion is also considering the lease of farming land, contract farming, share farming or entering joint ventures for the growing of hay to provide some of the cut hay into the new production plant. Superion also has the future intention of leasing suitable farming land, contract farming, share farming or entering joint ventures on which suitable other agricultural products that could be grown and then on sold to Asia.

Superion previously held a real estate license in Victoria and is in the process of re applying for a license in Victoria. It is planned to reapply for these licenses that will allow better access to the purchase and leasing of farming land.

The director and management of Superion have experience in the agriculture industry and working in Asian markets, experience in the financial management of agriculture projects and have an extensive agriculture network and contacts base.

8.9 Funding

The funding for the Company's business objectives following re-admission to the Official List of ASX will be met by the offer of Shares pursuant to the Public Offer under this Prospectus and by the Company's existing cash reserves (see Section 7.7 for further details). As and when further funds are required, either for existing or future developments, the Company will consider both raising additional capital from the issue of securities and/or from debt funding.

8.10 Dividend Policy

It is anticipated that, post- Completion of the Acquisitions, the Company will focus on the development of JCT. The Company does not expect to declare any dividends during this period.

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

8.11 Capital Structure

The expected capital structure of the Company following completion of the Offers and all related matters (assuming full subscription of the Public Offer) will be as follows:

Pre Consolidation		**Minimum Subscription**	**Maximum Subscription**
Share[1]	**Performance Shares**[2]	**Shares**	**Shares**
Existing number on issue	11,333,333	413,294,170	413,294,170
Post Consolidation			
Number on issue	226,667	8,265,883	8,265,883
Converting Loan Offer[4]	-	4,800,000	4,800,000
Public Offer[5]	-	17,500,000	25,000,000
Elect Offer[6]	-	20,000,000	20,000,000
Superion Offer[7]	-	10,000,000	10,000,000
TOTAL SHARES	**226, 667**	**60,565,883**	**68,065,883**

Notes

1. The rights attaching to the Shares are summarised in Section 16.2 of this Prospectus.

2. The rights attaching to the Performance Shares are summarised in Section 16.3 of this Prospectus.

3. Assumes no further securities are issued prior to completion of the Acquisitions, other than as set out in the table.

4. Details of the issue of Shares to the Converting Loan Lenders (or their nominee(s)) pursuant to the Converting Loan Offer are provided in Section 7.5.

5. Details of the issue of Shares pursuant to the Public Offer are provided in Sections 7.1 and 7.2.

6. Details of the issue of Shares to the Elect Vendors (or their nominee(s)) pursuant to the Elect Offer are provided in Section 7.3.

7. Details of the issue of Shares to the Superion Vendors (or their nominee(s)) pursuant to the Superion Offer are provided in Section 7.4.

8.12 Substantial Shareholders

As at the date of this Prospectus, the following Shareholders hold a relevant interest of 5% or more of the total number of Shares on issue:

Shareholder	Shares	%
Yuen Soon Jueng & Joen Hing Jenny ATF <CW & CA Super Fund A/C>	1,000,000	12.10
NICU Investments Pty Limited	800,000	9.68
Velentino Nominees Pty Ltd ATF <Colby Family A/C>	800,000	9.68
Evergreen MM& SS Pty Ltd	600,000	7.26
BCPC Properties Pty Ltd	450,000	5.44

On completion of the Consolidation and the Offers (assuming full subscription under the Public Offer), the following Shareholder is expected to hold a relevant interest of 5% or more of the total number of Shares on issue:

Shareholder	Shares	%
Gavin Xing[1]	20,000,000	29.6%

Notes

1. Gavin Xing will hold a relevant interest in 20,000,000 Shares comprising 10,000,000 Shares held by him directly and 10,000,000 Shares held by a related party, Kellie Anne Barker.

8.13 Restricted Securities

Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, certain Shares on issue (including the Shares issued pursuant to the Elect Offer, Superion Offer and Converting Loan Offer) may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

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

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Company's listed securities being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

8.14 Top 20 Shareholders

The Company will announce to the ASX details of its top 20 Shareholders following completion of the Offers and prior to the Shares re-commencing trading on ASX.

JCT Processing and storage Victoria

9. RISK FACTORS

9.1 Risk factors

An investment in the Company carries risk including those risks specific to the Company, those broader risks which affect the environment which the Company operates in, and those more general risks associated with investing in the share market. Many of these risks are outside the control of the Company, its Directors and officers. Consequently, the Shares offered under this Prospectus carry no guarantee in respect of profitability, dividends or return of capital. Neither the Company nor its Directors nor any party associated with the preparation of this Prospectus warrants that any specific objective of the Company will be achieved.

In addition, to the extent that statements in this Prospectus constitute forward looking statements, these statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward looking statements. Although the Company believes that the expectations reflected in the forward looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievements, or that historic results will be repeated.

You should consider whether the Shares offered by this Prospectus are a suitable investment, having regard to your own individual investment objectives or financial circumstances. The risk factors set out below list highlight the more significant and material risks, however, the list is not exhaustive. Consequently, investors should read this Prospectus in its entirety and consider the following risk factors and, if necessary, consult their accountant, financial advisor, stockbroker, lawyer or other professional advisor prior to making an investment in the Company

Other less significant or less probable factors may also impact financial performance, financial position or cash flow of the Company should any or all of these risk factors materialise, the value of the Shares of the Company may be adversely affected.

Potential investors in Biron need to be made aware that if the Acquisitions of Elect and Superion are completed, the Company will be changing the nature and scale of its activities and will be subject to additional or increased risks arising from Elect and/or Superion and the industry that they are in, parties contracted or associated with Elect and/or Superion and the Elect Agreement and/or Superion Agreement. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company.

(a) **Specific risk relating to the Company's past operations**

The Company was placed into administration on 14 July 2010, with Giovanni (John) Carrello appointed as the Administrator. During the period in which the Company was controlled by the Administrator, various parcels of Shares were issued to individuals and companies following the administrator's mistaken belief that he was not obliged to seek Shareholder approval for the issues. Following the return of the Company to its then directors, further parcels of Shares were issued under the mistaken belief that the Company did not require Shareholder approval. In addition, the Company previously breached various Listing Rules including Listing Rule 4.2A and 4.5 in relation to failure to lodge half yearly and annual financial reports and Listing Rule 3.10 in relation to the issue of securities without notifying ASX or lodging an Appendix 3B.

The Company has also breached various provisions of the Corporations Act including the obligation to prepare financial report, hold annual general meetings and seek Shareholder approval for the issue of securities to related parties of the Company.

Notwithstanding that the Company, under the control of the existing Directors, has been forthright in bringing these breaches to the attention of the ASX and ASIC, limited action has been undertaken against the Company as at the date of this Prospectus. However, none of the Proposed Directors of the company were directors during the time that the breaches of the Corporations Act and the ASX Listing Rules occurred and the current directors of the Company will retire on Completion. In addition, the Company has since rectified a number of the past breaches of the Corporations Act and the ASX Listing Rules, including by having its outstanding financial reports audited, holding outstanding general meetings and rectifying the issues of Shares that occurred without Shareholder approval.

The Company cannot guarantee that ASIC will not take enforcement action against the Company in respect of the past breaches outlined above and the other breaches of the Corporations Act.

The proposed appointment of a new board and Executive Chairman as set out in Section 10.2, new management and company secretary as set out in Section 10.3 with experience managing ASX listed companies, along with the appointment of new corporate advisors on Completion will minimise the risk that the Company will continue to breach the Corporations Act or the ASX Listing Rules going forward.

(b) **Risks relating to the Change in Nature and Scale of Activities**

(i) **Re-Quotation of Shares on ASX**

The Acquisitions constitute a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the official list of ASX.

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. This may mean that the Acquisitions will not be completed as a condition precedent to both the Elect Agreement and the Superion Agreement will not be met. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the ASX Listing Rules.

(ii) **Dilution Risk**

The Company currently has 413,294,170 pre-Consolidation Shares on issue that will be reduced to 8,265,883 following completion of the Consolidation. At Completion, the Company proposes to issue:

(A) 20,000,000 Shares to the Elect Vendors;

(B) 10,000,000 Shares to the Superion Vendors;

(C) 4,800,000 Shares to the Converting Loan Lenders; and

(D) Shares to raise at least $3,500,000 and up to $5,000,000 as part of the Capital Raising.

On issue of the Shares to the Elect Vendors and the Superion Vendors, the maximum subscription of Shares under the Capital Raising of $5,000,000 at an issue price of $0.20 per Share and Shares on conversion of all Converting Loan Agreements:

(A) the existing Shareholders will retain approximately 12% of the Company's issued Share capital;

(B) the Elect Vendors, Superion Vendors and Converting Loan Lenders will hold approximately 51% of the Company's issued Share capital; and

(C) the investors under the Capital Raising will hold approximately 37% of the Company's issued Share capital.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the development of the Businesses.

(iii) **Liquidity Risk**

On Completion, the Company proposes to issue Shares to the Elect Vendors, the Superion Vendors and to the Converting Loan Lenders. The Directors understand that ASX may treat these securities as restricted securities in accordance with Chapter 9 of the ASX Listing Rules.

Based on the post-Offers capital structure (assuming no further Shares are issued), the Shares to be issued to the Elect Vendors and the Superion Vendors and Shares issued to Converting Loan Lenders will equate to approximately 51% of the issued Share capital on an undiluted basis (assuming maximum subscription under the Capital Raising). This could be considered an increased liquidity risk as a large portion of issued capital may not be able to be traded freely for a period of time.

There is no guarantee that an active market in the Shares will develop on relisting or that the price of the Shares will increase on the recommencement of trading. There may be relatively few buyers or sellers of Shares on the ASX at any particular time.

(iv) **Contractual and Completion Risk**

Completion of the Elect Agreement and the Superion Agreement is subject to the fulfilment of certain conditions precedent.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Elect and Superion Agreements. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

As further described in Section 11.6, Elect has entered into various loans pursuant to which it has an obligation to repay ANZ, JC Tanloden Pty Ltd and Gavin Xing and Kellie-Anne Barker. As at 30 June 2015, Gavin Xing and Kellie-Anne Barker provided a shareholder loan of $995,511 to Elect which is repayable to Gavin Xing and Kellie-Anne Barker at call. This amount may change prior to Completion, however, there is a risk that Gavin Xing and Kellie-Anne Barker will call for repayment of their shareholder loan a relatively short period following Completion. However, as at the date of this Prospectus, Gavin Xing and Kellie-Anne Barker have not provided any indication that they intend to request repayment of their shareholder loan in the short term following Completion.

On Completion, the Company will need to restructure and refinance and/or repay all or part of the existing debt facilities with ANZ. The final balance of these loans will not be determined until Completion due to their operational nature, drawdowns that may occur prior to Completion, the accrual or payment of interest and repayments made by Elect prior to Completion (refer Sections 11.6 and 15.7). The Company may not be able to restructure, refinance or repay these debt facilities on Completion due to unforeseen economic circumstances, and changes in the banking policies or lending requirements, and security risks. This may cause Completion to be delayed or unable to complete without the Elect Vendors' assistance.

(c) **Specific risks relating to the Elect and Superion's current and proposed operations**

There are also a number of specific risks associated with Elect and Superion and their Businesses which each of Elect and Superion have sought to mitigate but which may nevertheless adversely affect the Businesses. Many of the risks discussed are common to the agricultural business sector and Elect and Superion are already exposed to them. However, some of them will be new or greater in potential impact than currently exist in Elect and Superion. These risks include, but are not limited to the following:

(d) **Agricultural & Production Risks**

(i) **Fire**

Like many agricultural projects, there is a risk of fire over the dry months, although Elect and Superion have not experienced any significantly damaging wildfires.

(ii) **Climate**

Climate will have some effect on the amount of hay available for purchase locally, if there is adverse weather then the Company may need to pay more per tonne of hay to purchase the cut hay. This may restrict the amount of production.

Other climate-related risks include drought, frost, hailstorm, flooding and long term climate change. The occurrence of such events has the potential to be detrimental to the survival of the hay crops and may affect the amount of production and the success of the Businesses.

(e) **Operating and management risk**

(i) **Business Strategy Execution Risk**

The Company's success will depend on its ability to successfully execute its business strategy and plans, and the successful implementation of its growth strategies to meet the Company objectives.

The future growth, profitability, asset accumulation and cash flow depend on management's ability to deliver and execute the business strategy, which will be dependant of several factors including:

- successfully increasing the purchase quantity and quality of cut hay;
- efficiently increase the production of export-quality hay from the present underutilised production plant;
- continuing to expand and grow the potential customer base and distribution channels;
- implement the expansion plans into other States successfully;
- effectively manage capital investment and working capital to improve the generation of cashflow; and
- developing and attaining a quality management, sales, production, administration and logistics teams to help deliver profitable results.

There can be no assurances that the Company can successfully achieve any or all of its objectives in a suitable time frame. The failure of the Company to successfully execute and implement its business strategies could have an adverse effect on the

Company's business, financial performance and results of operations.

(ii) **Other Physical Risks**

Other local hay producers may aggressively buy local cut hay which will reduce the availability of cut hay and reduce the production of hay from Elect, and it also may increase the price of the cut hay.

The hay processing plant may have physical production issues such as mechanical breakdowns that may affect performance of the production of hay.

The Company is reliant on logistics and if there is an adverse effect in logistics such as strikes, government intervention etc this may affect production and delivery.

Elect and Superion manage these risks through good operating practices such as maintaining sufficient spare parts, continual mechanical maintenance and preventative inspections. The Company has a number of logistic firms that it engages for land transportation and shipping to mitigate some of the logistic risk. The Company also has built a strong relationship with the local farmers to reduce the risk of competitive buying.

(iii) **Lease of Property Bendigo**

Elect has signed a long term lease with the landowners in Bendigo to operate the hay processing business. The initial lease is for 6 years with an extension of 4 years. At the end of the period if the landowners decide to not renew the lease JCT will be required to move to a new property that would possibly be an extra expense. As the lease is for a reasonable period, the risk is mitigated, along with JCT considering other possible processing sites. If Elect is unable to meet all of its lease obligations and liabilities this may be a threat to the continuation of JCT. In addition, Elect is given the opportunity to acquire the land the subject of the lease if the landlord wishes to sell the land during the term of the lease before that land is offered to a third party.

(iv) **Export License**

The export license is considered to be an important advantage to JCT. Elect has an established export license which is a key barrier to many hay businesses exporting to Asia as there are rigorous requirements that must be satisfied before an export license is granted, and the continual audits and process to maintain the licenses are onerous. If Elect was to lose this export license (for example as a result of a change in government or legislation, breaches of conditions or the failure at audit level) or it became much easier to obtain the license due to government changes, this would severely affect the viability of JCT. JCT will continue to strengthen its administration, processes and procedure to mitigate the risk of a breach of conditions.

(v) **Limited operating history**

Elect acquired the JCT in February 2015 so Elect therefore has limited operating history as a Company. JCT has been operating for over 15 years and all of the experienced staff have remained with the business. Elect's limited operating history may not provide a meaningful basis for investors to evaluate the business, financial performance and prospects of the Company post-Acquisitions. Accordingly, investors should not rely on financial performance information for any prior periods as an indication of future performance. Investors should consider Elect's business and prospects in light of the risks, uncertainties, expenses and challenges that the business may face as an early-stage business. Going forward, the Company may not be successful in addressing the risks and uncertainties that may arise and which may materially and adversely affect Elect's business prospects.

Elect's ability to achieve its objectives depends on the ability of Elect's nominee directors and officers to implement the proposed business plans and to respond in a timely and appropriate manner to any unforeseen circumstances.

(vi) **No current business - Superion**

Superion was incorporated on 15 November 2013 and currently does not have any operating businesses. Superion was established with the intention of investing into the agribusiness industry and in particular the animal feed sector, firstly in Western Australia and then will consider expanding to other Australian states. Superion has entered into the Option to Lease in respect of land near Geraldton, Western Australia with the intention of building a processing plant in 2016, subject to the successful completion of the Acquisitions, the Offers and completion of a favourable feasibility study. No assurances can be given that Superion will achieve commercial viability through the successful completion of the hay processing plant or that it will exercise the Option to Lease the property near Geraldton.

(vii) **Employee/Staff Risk**

There is a risk that, where there is a turnover of staff who have knowledge of the Businesses' processes, that knowledge will be lost in the event that those staff resign or retire. This involves the risk that those staff will have information in respect of Elect's intellectual property which has a commercial value to Elect and Superion as well as an opportunity cost for replacement of those staff and subsequent training.

This risk is mitigated as Elect and Superion have historically had low levels of staff turnover and employ mostly local employees. The hay production operation does not have a lot of skilled labour requirements. The hay business does not have a high degree of intellectual knowledge that would be lost if any employee resigned or retired.

(viii) **Reliance on major Customers**

JCT has operated over 15 years and has an established and consistent customer list for the purchases of its processed hay. A small number of customers makes up the biggest percentage of hay revenue of JCT. This is a risk to the sales of the business if anyone or a number of these significant customers cease to buy the process hay or significantly reduces that amount of process hay that they purchase. To mitigate this risk, Elect has continued to increase the customer base in Asia to reduce the effects of the loss of sales from any existing customers.

(ix) **Reputation Risk**

The reputation of JCT is a key advantage of the Company. The value associated with this reputation could be adversely affected by a number of factors, including failing to provide customers with the quality of product they expect, contamination or recall issues, late and untimely deliveries, disputes or litigation with third parties, employees, suppliers or customers, or adverse media coverage (including social media) or other circumstances including those beyond the direct control of the Company. Elect's hay is a product which may be subject to contamination or product recall issues, which could have a material adverse effect on the performance, and hence on the financial performance of the Company. The Company employs a number of measures to minimise the risks in these areas including strict controls over the purchased hay and the continual testing of the hay during the purchasing, storage and processing stages.

(f) **Market risk**

(i) **Competition**

The size of the hay market can be affected by over supply or the entrance of new producers of oaten hay. The initial investment requirement, export license, quarantine process, and establishment of customer base create a barrier to easy entry into the market. There is a risk that the government relaxes the conditions to obtaining the export license.

There is no assurance that the Company will be able to compete effectively with existing and new competitors in the future. Increased competition in the industry may reduce sales and selling prices and profit margins and may adversely affect the Company's performance. There is also the risk that a competitor could market new hay types or animal feed products in a way that creates extensive competition for the Company. This may adversely affect the Company's financial performance and potentially impact Shareholder returns.

(ii) **Insufficient Supply of cut hay**

Hay processing is reliant on the purchase and continual supply of quality cut hay at a competitive price. There is a risk that there is not enough supply of cut hay from the hay growers required to produce the processed hay needed to meet the sales targets and existing contracts of Elect. The supply of cut hay may become difficult to obtain due to a number of factors such as a reduction of hay grown locally because of weather (such as droughts or floods), pests, other agriculture risks, change of the type of crops grown, the sale by hay growers of cut hay to competitors, price, disputes with hay growers, and a reduced quality of hay grown. To mitigate the risks, Elect has engaged closely with the local hay growers and works with the hay growers to manage the amount and quality of hay to grown each year. Elect continues to broaden its supply base so not to be too reliant on any one supplier. The Company is evaluating the possibility of establishing a hay producing plant in other states to help mitigate the supply risk. The Company is also looking at becoming more involved in the production of the cut hay through leasing and growing hay, joint farming arrangement and share farming.

(iii) **Reduced Demand for the Company's hay from Asia**

The future success of the Company will be heavily reliant on the sustained and potential growth of demand for Australian and in particular the Company's processed hay as one of the preferred animal feed sources in Asia. There is a risk that demand for processed hay from Australia and the Company may decrease for reasons outside the control of the Company, including the introduction of new taxes in Asia on agricultural imports, aggressive selling by other Countries, Asian countries start growing animal feeds in competition, or there are new substitute animal feeds made available. This may adversely affect the Company's revenue and financial performance in the future.

To help mitigate this risk, the sales team of JCT consults with the existing and potential customers to establish their estimated processed hay requirements for, if possible, the coming year. If possible, representatives of JCT will also try to negotiate firm contracts with its customers during this time. This also allows the Company to estimate in advance the amount of cut hay that it will require in the future.

At present the demand for animal feed (such as hay) into the established and emerging Asian animal feed markets exceeds supply. However, if the supply of hay into these markets exceeds the demand for hay in the future, this could have a negative impact on the price and quantity of the hay sold by the Company, result in excess stock of hay (and therefore being liable to pay increased storage costs) and adversely affect the Company's revenue and financial performance in the future.

(iv) **Emerging markets risk**

Part of Elect's business strategy focuses on the growth of sales into the emerging markets of China and Vietnam that presently have a growing demand for animal feed with the increase in livestock numbers, the establishment and expansion of feedlots and dairies. If the demand slows in these emerging markets this will have an impact on the future growth opportunities of the

Company and reduce the achievability of some of the business strategies.

(g) **General Risks Relating to the Company**

(i) **Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and directors. There can be no assurance that there will be no detrimental impact on the performance of the Company or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner.

(ii) **Risk of High Volume of Share Sales**

If Completion occurs, the Company will have issued a significant number of new Shares to various parties. Some of the Elect Vendors or Superion Vendors and others that receive Shares as a result of the Acquisitions, conversion of the Converting Loan Agreements or the Capital Raising may not intend to continue to hold those Shares and may wish to sell them on ASX (subject to any applicable escrow period). There is a risk that an increase in the amount of people wanting to sell Shares may adversely impact on the market price of the Shares.

There can be no assurance that there will be, or continue to be, an active market for Shares or that the price of Shares will increase. As a result, Shareholders may, upon selling their Shares, receive a market price for their securities that is less than the price of Shares offered pursuant to the Capital Raising.

(iii) **Trading Price of Shares**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(iv) **Additional Requirements for Capital (Access to Debt/Equity)**

The capital requirements of the Company depend on numerous factors. Depending on the ability of the Company to generate income from its operations, the Company may require further financing in addition to amounts raised under the Capital Raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

There may be unforeseen expenditure risk that can affect the Company. The future growth of the Company is dependent on having adequate capital and funds available to fund its business strategy. It is currently expected that the proceeds from the Public Offer will provide sufficient funds to achieve its business strategies. This may not be the case as expenditure may need to be incurred that may not have being foreseen or taken into account in the preparation of this Prospectus.

Volatility in the financial markets could have a material adverse effect on the Company's ability to equity or debt fund its Businesses.

The Company's ability to raise additional funds will be subject to, among other things, factors beyond the control of the Company and its Directors, including cyclical factors affecting the economy and share markets generally. In addition, a deterioration in global financial markets could impact risk appetite among lending institutions which may impact the Company's ability to renew existing loan facilities or enter into new loan facilities.

The Directors can give no assurance that future funds can be raised by the Company on favourable terms, if at all.

(v) **Customer Credit Risk**

A sudden disruption in business conditions or a general economic downturn may adversely affect the financial strength of the Company's customers. The financial difficulties of a customer could cause the Company to reduce or cease business with a particular customer. The Company may also decide to assume more credit risk relating to the receivables from that customer. The Company's inability to collect receivables from one or a group of customers could have a material adverse effect on the Company's business, results of operations and financial condition. If a customer were to go into liquidation it could impact on the Company in a negative way.

(vi) **Litigation Risks**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

(vii) **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

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

(A) general economic outlook;

(B) interest rates and inflation rates;

(C) currency fluctuations;

(D) changes in investor sentiment toward particular market sectors;

(E) the demand for, and supply of, capital; and

(F) terrorism or other hostilities.

(viii) **Force Majeure**

The Company, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(ix) **Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, products, or businesses that are complementary to the Company's Business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

The Company will actively seek to complete various acquisitions including Elect and Superion which it believes may improve the underlying value of the Company and to the Company's further strategic goals. There are inherent risks with potential acquisitions including that the acquired assets do not fulfill the acquisition criteria. Furthermore, it might be the case that the acquisition requires significant improvement in order to increase yields. There are risks with undertaking improvements, including possible delays and cost overruns, which may negatively impact on the financial performance of the Company and potentially impact Shareholder returns.

(x) **Impairment of intangibles**

The Company proposes to complete the acquisitions of Elect and Superion. Accordingly, the Company will have an amount of intangible assets on its balance sheet relating to goodwill and identifiable intangible assets. Under the relevant accounting standards the Company is required to annually test for impairment all indefinite life intangible assets. If this annual testing revealed that some or all of its intangible assets are impaired to a level below their carrying value, the Company would be required to write down the value of those intangible assets. Such write downs could have a material adverse effect on the Company's financial position.

(xi) **Currency and foreign exchange rates Risk**

Unfavorable movements in the foreign exchange rates between the Australian dollar and the currencies of the Company's export markets may decrease profit margins or adversely affect the demand for hay or agricultural products in those export markets. Movements in exchange rates can also make products which compete with the Company's products in its export markets more competitive by creating cost advantage for other exporters which could have a material adverse impact on the financial performance and prospects of the Company. Foreign exchange rate movements can adversely impact the revenue that Elect and the Company generates from their international markets.

(xii) **Taxation changes**

There is a potential for further changes to Australian Taxation laws. Any Changes to the tax rates may have an effects on the possible returns to the Shareholders.

The Company may also be affected by taxation laws (duties & Taxes) in other countries in Asia as 100% of the Company's sales are into Asia, and the taxation laws (duties & taxes) in those countries may affect the returns on those sales.

The interpretation of taxation laws by the relevant (Australian or Asian) tax authorities may be contrary to the Company's views and result increased taxation liabilities. The Company uses external taxation advisors for advice on these taxation laws and their applications.

In addition, and investment into shares involves taxation considerations which may differ for each Shareholder, and each investor is encouraged to obtain professional taxation advice in connection to an investment into the Company.

(xiii) **Hedging Risk**

The Company will seek to manage its currency exposure by foreign currency hedging, but there is no guarantee that this will be sufficient to protect the Company's revenues in the event of foreign exchange fluctuations.

(xiv) **Changes to importation trade barriers**

The Company currently exports nearly 100% of the processed hay to various countries including Japan, China, Korea and Taiwan. Any adverse changes to trade tariffs or duties or the subsidisation of local producers or other exporters by a foreign government or the introduction of other import barriers, could make the Company's hay less competitive in those markets, which could have a material adverse impact on the financial performance and prospects of the Company.

(xv) **Leverage Risk**

The policy of the Company is to use debt, as required, to assist in purchasing assets, purchase cut hay or investments subject to a gearing range in the Company being no more than 20 to 30% (net debt/shareholders equity). If prevailing interest rates or other factors at the time of a refinancing result in higher interest rates on such refinancing the interest expense would increase, which could harm the operating results of the Company and its ability to pay dividends.

(xvi) **Implementation Risk**

The Completion of Acquisitions by the Company will normally be subject to customary conditions, including satisfaction of due diligence and vendor performance requirements. Any inability to complete the acquisitions or to complete within anticipated time frames, may harm the Company's financial results and ability to pay dividends. Any inability on the part of the management of the Company to implement the acquisitions effectively may similarly harm the Company's financial results and ability to pay dividends.

(xvii) **Political Risk**

The Company's ability to maintain its reputation is critical to the image of its business. The Company's reputation could be jeopardised if it fails to maintain high standards and integrity or if the Company, or the third parties with whom it does business, does not comply with regulations or accepted practices. Failure to comply with ethical, social, product, labour and environmental standards, or related political considerations, could also jeopardise the Company's reputation and potentially lead to various adverse consumer actions. Failure to comply with local laws and regulations in emerging economies, to maintain an effective system of internal controls or to provide accurate and timely financial information could also damage the Company's reputation.

(h) **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

10. BOARD, MANAGEMENT AND INTERESTS

10.1 Directors and Senior Management

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

(a) Mr Christopher Botica (Non-Executive Chairman);

(b) Mr George Karafotias (Non-Executive Director and Company Secretary); and

(c) Mr Peter Parthimos (Non-Executive Director).

It is proposed that upon Completion and before the Company is re-instated to trading on the ASX, each of the Company's existing Directors will resign and the following directors will be appointed to the Board:

(a) Mr Gavin Xing (Executive Chairman and Director);

(b) Mr James Everist (Non-Executive Director); and

(c) Mr Eric Jiang (Non-Executive Director).

L-R Neal Shoobert, James Everest, Gavin Xing, Ben Callanan

10.2 Proposed Directors

The profiles of each of the Proposed Directors following Completion are set out below:

(a) **Gavin Xing (Executive Chairman and Director)**

Mr Xing graduated in 1995 from Royal Melbourne Institute of Technology with a Bachelor degree in Accounting and Economics, then completing in 1998 a Graduate Diploma in Applied Finance and Investment from Security Institute of Australia and in 1999 a Master degree in Applied Finance from Macquarie University. Mr Xing has over 17 years of experience in investment banking, commodities and financing fields with a strong infrastructure, natural resources and commodities background. He held a number of sales, origination and structuring positions within Global Market Division at Deutsche Bank AG Asia from 2007 to 2013. These positions included: Director — Principal Finance (Hong Kong office), Head of Commodities Structuring, China (Beijing office) and Head of Origination — Commodities, Asia (Singapore office). Prior to this he was a Director of Project/ Infrastructure Finance with HSBC Asia and Vice President of Structured Finance for Sumitomo

Mitsui Banking Corporation from 2001 to 2007 in Hong Kong and Singapore. From 1996 to 2000, Mr Xing worked at the investment banking division at Deutsche Bank AG and ANZ in Melbourne, Australia with a focus on infrastructure investment and financing.

Mr Xing held the position of CEO and executive director of a publicly listed company in Hong Kong, Vision Fame International Holding Ltd with a market capitalisation of more than USD 400m from September 2013 to February 2015.

Mr Xing is presently the Managing Director of Elect, a position he has held since 10 July 2013. Mr Xing has not held any positions on ASX companies in the past 3 years. It is proposed that Mr Xing will become an executive director and the executive chairman of the Company. Mr Xing (along with his partner, Kellie-Anne Barker) will have an interest in 20 million Shares on re-listing as he is an Elect Vendor. Due to his executive role and number of Shares held, the current Directors consider Mr Xing will become a non-independent director of the Company.

(b) **James Everist (Non-Executive Director)**

Mr Everist graduated from Royal Melbourne Institute of Technology in 1989 with a Bachelor Degree in Business Transport majoring in Accounting. Mr Everist has 30 years' experience in resources and financial markets across corporate treasury, investment banking and private wealth management. He has held treasury positions with Aztec Mining, Normandy Mining and WMC Ltd and also held senior investment banking roles with Bell Commodities, Standard Chartered Bank (Mocatta) and Morgan Stanley Singapore specialising in precious and base metals. Mr Everist is Managing Director of his own consulting company and advises on forensic accounting, funds management, alternative investments and portfolio management for family offices, including six years (2009 – 2015) as Chief Investment Officer for Ottomin Investment Group. Mr Everist has not held any positions on any ASX companies in the past 3 years. Mr Everist will have an interest in 300,000 Shares on re-listing. The current Directors consider Mr Everist will become an independent director of the Company.

(c) **Eric Jiang (Non-Executive Director)**

Mr Jiang has a BComm degree and has over 15 years' experience in the financial services sector as a corporate consultant and advisor, holding senior executive and non-executive positions on several ASX listed companies. Mr Jiang has held executive positions within several financial advisory firms and has built a substantial financial advice practice. Mr Jiang has a strong background in China and Asia business and has committee positions on a number of China/Australia associations such as the Guangdong General Chamber of Commerce Australia Chapter and the Chinese Community Council Australia. In addition, Mr Jiang has developed broad expertise as a corporate advisor to ASX listed companies and is a director of two ASX listed companies.

Mr Jiang is presently an executive director on ASX-listed companies Perpetual Resources Limited (since 29 November 2011) and Connexion Media Limited (since March 2011), and was previously a non-executive director on Atech Holding Ltd. Mr Jiang, via a company which he controls, is a 20% shareholder of Superion and will therefore receive

Shares in consideration for transferring his shares in Superion to the Company. Mr Jiang is the sole director of Superion and is also a director and shareholder of Heyington Consulting Pty Ltd, a current shareholder of Biron. The current Directors consider Mr Jiang will become a non-independent director of the Company. Mr Jiang was also a director of ECSI Ltd when it went into external administration in June 2013 to prevent the company trading while insolvent. ECSI Ltd has since been recapitalised. The Directors and Proposed Directors (other than Mr Jiang) have considered the circumstances surrounding Mr Jiang's involvement in ECSI Ltd and are of the view that his involvement as a director of ECSI Ltd prior to ECSI Ltd being placed under external administration will in no way impact on his appointment and contribution as a Director of the Company.

10.3 Management

The profiles of the proposed Senior Management of the Company following Completion are set out below:

(a) **Ms Kellie Anne Barker (Chief Operating Officer - Elect)**, is an experienced administrator, and presently is responsible for the management of all the operations of Elect and JCT, including human resources, daily management accounting, Export license/registration requirement, contracts management and day to day administration operational matters. Ms Barker has a Bachelor of Arts with honours and has completed training in connection with the export license/registration and processes to export hay. Ms Barker is also an Elect Vendor and will receive Shares in consideration for transferring her shares in Elect to the Company. Mrs Barker (along with her partner, Gavin Xing) will have an interest in 20 million Shares on re-listing as she is an Elect Vendor.

(b) **Yuko Ozeki (Logistics and Marketing Manager – Elect),** has several years' experience working with trading and exporting companies and most recently Sumitomo, managing logistics to Asia and marketing products in Asia. Ms Ozeki speaks Japanese, and is responsible for the sales and marketing of hay to Asia and specifically the Japanese market and the logistics of delivering hay into these markets.

Elect also employs local operational management staff to manage the day to day processing of hay in Bendigo. The team has well over 30 years' combined working experience in the operations of a hay processing business, and have been employed by the business for several years.

(c) **Mr Neal Shoobert (Contract CFO & Company Secretary – Biron Group)** has over 30 years of experience as a qualified accountant, and is an accomplished financial and management consultant providing extensive experience in financial farm management, corporate advisory and consulting to a number of agribusinesses and farmers in Western Australia and has also provided governance, CFO, and company secretarial services for several ASX listed companies. Mr Shoobert, via a company which he controls, is a 20% shareholder of Superion and will therefore receive Shares in consideration for transferring his shares in Superion to the Company.

(d) **Mr John Chegwidden (Contract Business development and strategic planning – Biron Group)** has a business development consulting role, and has been providing business opportunities to Superion to enter the export hay industry, and other potential agriculture opportunities though his networks and contacts in rural Western Australia, and in particular, has been instrumental along with Mr Shoobert in discovering and negotiating the Option to Lease the farming land to potentially build a hay processing plant in Western Australia. Mr Chegwidden, via a company which he controls, is a 20% shareholder of Superion and will therefore receive Shares in consideration for transferring his shares in Superion to the Company.

Mr Chegwidden has come from a mining, agricultural and rural upbringing, with over 30 years' experience as an accountant, including managing his own chartered accounting practice (10 years based in rural Western Australia), providing advice in business development, corporate, management, accounting and taxation, and consulting to primary production (Agriculture and Farming), manufacturing, mining, and earthmoving operations. Mr Chegwidden has a strong knowledge of the Agriculture/Primary production sector and the mining and resources sector in Australia, with key competencies in business development, marketing and financial management in relation to junior ASX listed companies. Mr Chegwidden has consulted to a number of listed companies as to their future opportunities, ensuring compliance, networking and business development, providing business opportunities and negotiated with capital financiers and funders for these companies. One of the companies included the Kangaroo Island Plantation Timbers Ltd (formerly RuralAus Limited). Mr Chegwidden has also recently worked in Vietnam and China where he has been exposed to the agriculture and manufacturing industries in those countries. He is presently a director of ASX-listed Hazelwood Resources Limited and 3D Resources Limited, and has sat on several ASX listed and unlisted public company boards.

(e) **Mr Ben Callanan (Contract – Corporate finance, Company development and strategic planning – Biron Group)** has a business development and corporate finance role with Superion. Mr Callanan has been instrumental in the negotiation of the pending acquisition of Elect and Superion by Biron. Mr Callanan, via a company which he controls, is a 20% shareholder of Superion and will therefore receive Shares in consideration for transferring his shares in Superion to the Company. Mr Callanan through his associated company, JBA, also has a mandate with Biron for the Capital Raising to be undertaken, a summary of which is set out in Section 15.4.

Mr Callanan has over 20 years' experience in investment banking and corporate finance and has provided financing and funding solutions to a number of private and public companies. Mr Callanan has been involved in public company administration and promotion. Mr Callanan also has a strong network of rural and farming contacts in rural NSW.

10.4 Current Directors

The profiles of each of the current Directors are set out below:

(a) **Mr Christopher Botica (Non-Executive Chairman)**

Mr Botica has over 30 years' professional experience encompassing project and construction management on major multi-disciplinary projects. He held the position of General Manager of Kinhill's Western Australian operations for five years and during that time was a member of the Executive Committee of the Kinhill Group, at the time Australia's largest engineering consulting organisation (since taken over by KBR). Chris was also State Manager of PPK's consulting practice in Perth for 2 years. Since 1999, Mr Botica has operated his own business, Botica and Associates Pty Ltd, providing specialist consulting services in civil engineering, infrastructure design solutions, project management, commercial development and contract management, primarily to large commercial enterprises, medium and heavy industry, regional and statutory water authorities, the WA Department of Water and the WA Water Corporation. Mr Botica has not held any other ASX Company positions in the past 3 years.

(b) **Mr George Karafotias (Non-Executive Director and Company Secretary)**

Mr Karafotias is an accountant, holding a Bachelor of Commerce from the University of Adelaide. He has many years of experience as a business proprietor and has served as a director on the board of two other ASX-listed companies. In addition to his service as a director, Mr Karafotias also provides company secretarial services to another ASX-listed company. He also provides corporate advisory services to listed and unlisted companies, focusing on restructuring and refinancing. Mr Karafotias is currently serving on the board of Perpetual Resources Limited (Since 29 November 2011), and also Central Kimberley Diamonds Limited (since December 2011) and was a director of ATECH Ltd between February 2011 and August 2014 and Connexion Media Limited between March 2011 and August 2014. Mr Karafotias was a director of ECSI Ltd which went into external administration in June 2013 to prevent the company trading while insolvent. ECSI Ltd has since been recapitalised. The Directors (other than Mr Karafotias) have considered the circumstances surrounding Mr Karafotias' involvement in ECSI Ltd and are of the view that his involvement as a director of ECSI Ltd prior to ECSI Ltd being placed under external administration does not impact on his contribution as a Director of the Company.

(c) **Mr Peter Parthimos (Non-Executive Director)**

Mr Parthimos is a chartered accountant, with over 20 years' experience in providing accounting and corporate advice for ASX listed companies. Mr Parthimos has his own chartered accounting practise. Mr Parthimos has been an accountant for a number of ASX companies. Mr Parthimos is presently a director on Mi Media Ltd, a shareholder of Connexion Media Ltd. Mr Parthimos has not held any other ASX Company positions in the past 3 years. Mr Parthimos was a director of Torian Wireless Limited which went into external administration on 8 July 2011 to prevent the company trading while insolvent. The Directors (other than Mr Parthimos) have considered the circumstances surrounding Mr Parthimos' involvement in Torian Wireless Limited and are of the view that his involvement as a director of Torian Wireless Limited prior to Torian Wireless Limited being placed under external administration does not impact on his contribution as a Director of the Company.

10.5 The Company does not currently have any senior management.Personal Interests of Directors and Proposed Directors

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. Immediately prior to completion of the Offers, the Directors are expected to have relevant interests in Shares as set out in the table below:

Director	Shares
Directors	
Christopher Botica	60,000[1]
George Karafotias	Nil
Peter Parthimos	Nil

Details of the Directors' and Proposed Directors' relevant interest in the Shares of the Company upon completion of the Offers are set out in the table below:

Director	Remuneration for year ended 30 June 2014	Remuneration for year ended 30 June 2015	Proposed remuneration for current year	Shares
Directors				
Christopher Botica	Nil	$15,000	$3,000	60,000
George Karafotias	Nil	$14,700	$12,000	Nil
Peter Parthimos	Nil	Nil	$6,000	Nil
Proposed Directors				
Gavin Xing	N/A	N/A	$291,850	20,000,000
James Everist	N/A	N/A	$40,000	300,000
Eric Jiang	N/A	N/A	$40,000	2,268,000

The Company's Constitution provides that the remuneration of Non-Executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The Constitution provides that the aggregate remuneration for Non-Executive Directors may be varied by ordinary resolution of the Shareholders in general meeting. The current amount is fixed at $300,000. The Acquisitions will result in a total of $80,000 in remuneration of Non-Executive Directors. The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

10.6 Agreements with Directors

There are currently no Agreements between the Directors and the Company.

10.7 Deeds of indemnity, insurance and access

The Company has entered or will enter into a deed of indemnity, insurance and access with each of its Directors and will enter into deeds of indemnity, insurance and access on the same terms with each of the Proposed Directors upon their appointment. Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers in certain circumstances.

11. FINANCIAL INFORMATION

11.1 Basis of preparation and presentation of the Financial Information

Overview

The financial information for the Biron Group contained in this Section 11 includes:

Pro-forma historical financial information of the Biron Group:

- Pro-forma historical statements of net profit after income tax (**NPAT**) for the financial years ended 30 June 2015 and 30 June 2014; and
- the Pro-forma historical consolidated balance sheet for the Biron Group as at 30 June 2015.

(together, the Pro-forma Historical Financial Information).

Actual consolidated (statutory) historical financial information of the Biron Group:

- actual historical statements of net profit after income tax (**NPAT**) for the financial years ended 30 June 2015 and 30 June 2014; and
- the actual historical balance sheet for the Biron Group as at 30 June 2015.

(together, the Statutory Consolidated Financial Information).

The Pro-forma Historical Financial Information and Statutory Consolidated Financial Information are together referred to in this Prospectus as the **Financial Information**.

Also summarised in this section are:

- The basis of preparation of the Financial Information (refer Section 11.2);
- The Financial Information (refer Section 11.3);
- Management's discussion and analysis of the Pro-forma Financial Performance (refer Section 11.4);
- Lease commitments (refer Section 11.5);
- Summary of Bank & Financing facilities (refer Section 11.6);
- Segment Information (refer Section 11.7);
- The Company's dividend policy (refer Section 11.8);
- Reasons for no Financial Forecasts (refer Section 11.9); and
- Directors commentary on the future performance and outlook (refer Section 11.10).

All amounts disclosed in this Section 11 are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest $0.1 million.

11.2 Basis of preparation of the Financial Information

(a) Overview

Biron Shares have been suspended from trading on the Australian Securities Exchange ('ASX') since the Company encountered financial difficulties in 2006. The Company currently has no business operations.

On 15 May 2015, the Company announced it had entered into a Heads of Agreement to acquire 100% of the issued capital of Elect, which owns the hay processing business that trades as JCT. On 31 August 2015, the Company then entered into a Heads of Agreement to purchase Superion. Superion was established on 15 November 2013 with the intention of commencing a hay processing business and currently does not have any business operations.

The Pro-forma Historical Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding what the underlying historical financial performance of the Company would have been had the Company historically owned Elect, Superion and JCT.

Elect acquired the JCT business on 23 February 2015 from entities which had limited financial records and were not required to produce and did not produce statutory or audited financial statements.

The Pro-forma historical information has been derived from;

- the Company's audited financial information for the three financial years ended 30 June 2013, 30 June 2014 and 30 June 2015;
- the reviewed (due to no statutory or audited financial information being available or able to be produced) historical income statements for JCT business for the years ended 2014 and period ended 23 February 2015 (date of purchase by Elect);
- the audited financial information for Elect for the year ended 30 June 2015 (Elect commenced operating from 23 February 2015); and
- audited financial information for Superion for the financial years ended 30 June 2014 and 30 June 2015 (Superion did not operate during these years).

Due to the unavailability of reliable financial information prior to Elect owning JCT (and hence limited reliable financial information available to the Company in relation to these entities) has meant that the Company has been unable to provide three full financial years of audited historical financial information in relation to Elect or pro forma financial information in relation to the Biron Group. The financial information for JCT that was available to Elect and the Company for the year ended 30 June 2013 and prior was unaudited, incomplete, lacking supporting documentation and as such could not be relied upon to prepare statutory or audited financial statements or reviewed financial information that could be used for the purpose of preparing pro-forma financial information for this prospectus. The Company has therefore presented pro forma historical income statements for the twelve month periods ending 30 June 2014 and 30 June 2015.

The Financial Information included in this Section has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (**AAS**) adopted by the Australian Accounting Standards Board (**AASB**) and the Corporations Act.

The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

The significant accounting policies of the Company relevant to the Financial Information are set out in Section 13.

The Financial Information has been reviewed by Rothsay Consulting Services Pty Ltd (**Rothsay**), as described in its Investigating Accountant's Report in Section 12. Investors should note the scope and limitations of that report.

(b) **Basis of preparation of the Pro-forma Historical Financial Information**

The Pro-forma historical information has been derived from Biron's financial statements for the financial years ended 30 June 2013, 30 June 2014 and 30 June 2015. These financial statements have been audited by Rothsay, who has issued unqualified audit opinions in respect of these financial periods.

The following Pro-forma adjustments have been made:

- a consolidation of Elect, Superion and the business operations of JCT, as if Biron had acquired these entities and the JCT business on 1 July 2013. Biron will acquire a 100% interest in Elect for a consideration of 20,000,000 ordinary shares in Biron and a 100% interest in Superion for a consideration of 10,000,000 ordinary shares.
- the expected costs of operating Biron as a publicly listed company, if it had owned Elect, Superion and the JCT and been listed on the ASX since 1 July 2013;
- the restructuring costs associated with the acquisition of Superion and Elect that were expensed during the financial year ended 30 June 2015 have been re-allocated to the financial year ending 30 June 2014, to be consistent with the assumption that Superion, Elect and JCT were acquired on 1 July 2013.
- a depreciation expense had not previously been recorded in JCT's special purpose financial report. An adjustment has been recorded to apportion a full 12 months depreciation for the JCT business for the consolidated Group.
- the interest expense has been increased, on pro-forma basis, to reflect the full twelve months interest expense of the borrowings

that were required in order to complete the acquisition of JCT business from 1 July 2013.

- income tax expense adjustments reflective of the impact of the above pro forma adjustments.

- that $587,500 of current Converting Loan Agreements of the Company are converted to equity in accordance with the Converting Loan Offer.

- Proceeds of the Public Offer is as follows;

  - Minimum subscription $3.5 million (pre costs of the Public Offer)

  - Maximum subscription $5 million (pre costs of the Public Offer)

The historical financial information for the JCT business for the period between 23 February 2015 and 30 June 2015 has been derived from the audited accounts of Elect. These accounts were audited by William Buck Audit (Vic) Pty Ltd. Insufficient financial records are available to provided audited financial information in relation to the JCT business prior to 23 February 2015, being the date it was acquired by Elect.

(c) **Use of "non-IRFS" financial information**

Investors should be aware that certain financial data included in this Section is "non-IFRS financial information" under RG 230. The Company uses certain measures to manage and report on its business that are non-IFRS financial information that it believes provides useful information about the financial performance of the Biron Group. The principal non-IFRS financial information measures that are referred to in this Prospectus are as follows:

- Pro-forma Historical Information; and

- EBITDA is defined as earnings before finance costs, tax, depreciation and amortisation and business purchase transaction costs. Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation and amortisation and before finance costs and tax charges, which are significantly affected by the capital structure. As business purchase transaction costs are also not related to ongoing operating performance they are also excluded.

As it eliminates the non-cash charges for depreciation and amortisation, EBITDA is useful to help understand the cash generation potential of the business. However, it should not be considered as an alternative to cash flow from operations and investors should not consider EBITDA in isolation from, or as a substitute for, analysis of the Company's results of operations. Some of the limitations of EBITDA are that it does not reflect:

- the Group's cash or capital expenditure; and

- changes in the Group's working capital requirements;

The non-IFRS financial information should be considered as supplements to the historical EBITDA statement measures that have been presented in accordance with AAS and not as a replacement for them. As these non-IFRS financial measures are not based on AAS, they do not have standard definitions and the way the Group calculates these measures may differ from similarly titled measures used by other companies. Investors should therefore not place undue reliance on these non-IFRS financial measures.

11.3 Financial Information

(a) Consolidated Pro-forma Historical Financial Performance (Income Statements)

The following sets out the Pro-forma Historical Financial Performance (income statements) for the financial years ended 30 June 2015 and 30 June 2014.

	2015 $	2014 $
Revenue	8,071,478	6,579,418
Cost of sales	(3,665,037)	(2,478,201)
Gross profit	**4,406,441**	**4,101,217**
Direct costs	(1,922,517)	(1,690,335)
Gross profit after direct costs	**2,483,924**	**2,410,882**
Operating costs	(668,527)	(1,437,330)
EBITDA	**1,815,397**	**973,552**
Depreciation	(427,219)	(427,219)
EBIT	**1,388,178**	**546,333**
Interest expense	(258,961)	(258,961)
Profit before tax	**1,129,217**	**287,372**
Income tax expense	(338,765)	(86,212)
Net profit after tax (NPAT)	**790,452**	**201,160**

Notes:

1. A reconciliation between Pro-forma consolidated revenue and EBITDA and the underlying equivalent statutory or due diligence historical information is provided in Section 11.3(b) below.

2. Management commentary on the pro-forma historical financial results for the financial years ended 30 June 2015 and 30 June 2014 is included in at the Section 11.4(a).

(b) Statutory Historical Income Statements

The following sets out the statutory historical results of Biron Apparel Limited for the financial years ended 30 June 2015, 30 June 2014 and 30 June 2013.

	2015 $	2014 $	2013 $
Revenue	-	-	-
Gross profit	**-**	**-**	**-**
Operating expenses	(332,411)	(25,065)	-
EBITDA	**(332,411)**	**(25,065)**	**-**
Income tax expense	-	-	**-**
Net loss after tax from continuing operations	**(332,411)**	**(25,065)**	**-**
Loss from discontinued operations	-	-	(277,800)
Net loss after income tax for the year	**(332,411)**	**(25,065)**	**(277,800)**

(c) **Reconciliation of Pro-forma and statutory consolidated EBITDA results**

The following table further outlines how the how the pro-forma historical EBITDA statements have been compiled from:

- The audited statutory results of Biron;
- The unaudited financial records of the JCT business, prior to it being acquired by Elect on 23 February 2015;
- The audited financial records of the JCT business between 23 February 2015 and 30 June 2015 (i.e subsequent to it being acquired by Elect); and
- The pro-forma adjustments explained further in section 11.3(d).

For the year ended 30 June 2015

	Biron Apparel Limited (1 July 2014 to 30 June 2015 $ *Audited*	JCT Business - Pre-Elect Performance (1 July 2014 to 22 February 2015) $ *Reviewed*	JCT Business - Post-Elect Performance (23 February 2015 to 30 June 2015) $ *Audited*	Superion Property Pty Ltd (1 July 2014 to 30 June 2015) $ *Audited*	Pro-forma Adjustment $	Pro-forma $
Revenue	-	5,209,799	2,861,679	-	-	8,071,478
Cost of sales	-	(2,463,669)	(1,201,368)	-	-	(3,665,037)
Gross profit	**-**	**2,746,130**	**1,660,311**	**-**	**-**	**4,406,441**
Direct costs	-	(1,408,275)	(514,242)	-	-	(1,922,517)
Gross profit after direct costs	**-**	**1,337,855**	**1,146,069**	-	**-**	**2,483,924**
Operating expenses	(332,411)	(223,468)	(55,867)	(250)	(56,531)	(668,527)
EBITDA	**(332,411)**	**1,114,387**	**1,090,202**	**(250)**	**(56,531)**	**1,815,397**

For the year ended 30 June 2014

	Biron Apparel Limited (1 July 2013 to 30 June 2014) $ *Audited*	JCT Business - Pre-Elect Performance (1 July 2013 to 30 June 2014) $ *Reviewed*	JCT Business - Post-Elect Performance (1 July 2013 to 30 June 2014) $ *Audited*	Superion Property Pty Ltd (15 November 2013 to 30June 2014 $ *Audited*	Pro-forma Adjustment $	Pro-forma $
Revenue	-	6,579,418	-	-	-	6,579,418
Cost of sales	-	(2,478,201)	-	-	-	(2,478,201)
Gross profit	**-**	**4,101,217**	**-**	**-**	**-**	**4,101,217**
Direct costs	-	(1,690,335)	-	-	-	(1,690,335)
Gross profit after direct costs	**-**	**2,410,882**	**-**	**-**	**-**	**2,410,882**
Operating expenses	(25,065)	(665,022)	(250)	-	(746,993)	(1,437,330)
EBITDA	**(25,065)**	**1,745,860**	**(250)**	**-**	**(746,993)**	**973,552**

(d) **Reconciliation of Pro-forma and Statutory Consolidated Income Statements**

The following table further outlines how the how the pro-forma historical EBITDA statements have been compiled from:

- The audited statutory results of Biron;
- The unaudited financial records of the JCT business, prior to it being acquired by Elect on 23 February 2015;
- The audited financial records of the JCT business between 23 February 2015 and 30 June 2015 (i.e subsequent to it being acquired by Elect); and
- The pro-forma adjustments.

	Note	Revenue $	2015 EBITDA $	NPAT $	Revenue $	2014 EBIDTA $	NPAT $
Pro-forma		8,071,478	1,815,397	790,452	6,579,418	973,552	201,160
JCT (pre-Elect)		(5,209,799)	(1,114,387)	(1,114,387)	(6,579,418)	(1,745,860)	(1,745,860)
JCT (post-Elect)		(2,861,679)	(1,090,202)	(684,308)	-	-	-
Elect		-	-	-	-	250	250
Superion		-	250	250	-	-	-
Pro-forma adjustments							
Restructuring costs	1	-	(144,361)	(144,361)	-	144,361	144,361
Acquisition costs	2	-	(34,697)	(34,697)	-	34,697	34,697
Listing costs	3	-	235,589	235,589	-	567,935	567,935
Depreciation	4	-	-	285,593	-	-	427,219
Financing costs	5	-	-	177,479	-	-	258,961
Tax adjustments		-	-	155,979	-	-	86,212
Total of pro-forma adjustments		**-**	**56,531**	**675,582**	**-**	**746,993**	**1,519,385**
Statutory		**-**	**(332,411)**	**(332,411)**	**-**	**(25,065)**	**(25,065)**

Notes:

1. Restructuring costs: An adjustment has been made to exclude the restructuring costs associated with the acquisition of Superion and Elect that have been expensed during the financial year ended 30 June 2015 for the purpose of preparing the pro-forma consolidated income statements. These costs have been included in the pro-forma consolidated income statements in the financial year ended 30 June 2014 to reflect the financial performance of the Group should the acquisition had been completed and Biron had control over these entities during the financial year ending 30 June 2014. These costs primarily related to legal, accounting and other professional fees.

2. Acquisition costs: An adjustment to exclude the acquisition costs associated with the acquisition of JCT business that have been expensed during the financial period ended 30 June 2015 for the purpose of preparing the pro forma consolidated income statements. These costs have been included in the pro-forma consolidated income statements in the financial year ended 30 June 2014 to reflect the financial performance of the Group should the acquisition had been completed and Elect has control over these entities during the financial year of 30 June 2014. These costs primarily related to legal, accounting and due diligence costs.

3. Listing costs: Listing costs are taken to be that amount that would have been payable by the Group had it remained listed on ASX for the financial year ended 30 June 2015 and 30 June 2014. A proportion of these listing fees ($332,411) has been recorded in the Biron financial statements for the period ending 30 June 2015.

4. Depreciation: The historical depreciation has been increased, on pro-forma basis, to reflect the full twelve months depreciation as depreciation has not been recorded in JCT's special purpose financial statements. These special purpose financial statements do not fully comply with the Australian Accounting Standards.

5. Interest expense: The historical interest expense has been increased, on pro-forma basis, to reflect the full twelve months interest expense of the borrowings that were required in order to complete the acquisition of JCT business from 1 July 2013.

(e) Pro-forma historical consolidated balance sheet

Overview

Set out below is the audited and statutory consolidated and pro-forma consolidated historical balance sheet for the Biron Group as at 30 June 2015. The pro-forma historical consolidated balance sheet reflects the balance sheet of the Biron Group and the impact of the operating and capital structure that will be in place following completion of the Offers as if it was in place at 30 June 2015.

PROFORM BALANCE SHEET 30 June 2015	Note	Biron Apparel Limited Audited 30 June 2015 Pre proposed transactions $	Consolidation 30 June 2015 Proposed transactions $	Post proposed transactions and placement Minimum $3.5m $	Post proposed transactions and placement Maximum $5m $
Current Assets					
Cash and cash equivalents	2	51,687	719,974	3,739,974	5,114,974
Trade and other receivables		-	254,755	254,755	254,755
Other current assets		211,730	262,728	262,728	262,728
Inventory		-	1,225,072	1,225,072	1,225,072
Total current assets		263,417	2,462,529	5,482,529	6,857,529
Non-Current Assets					

Deferred tax asset		-	3,235	3,235	3,235
Plant & equipment		-	1,955,235	1,955,235	1,955,235
Intangible assets		-	1,816,075	1,816,075	1,816,075
Total non-current assets		-	3,774,545	3,774,545	3,774,545
Total Assets		**263,417**	**6,237,074**	**9,257,074**	**10,632,074**
Current Liabilities					
Trade and other payables		34,193	913,791	713,791	713,791
Borrowings	3	358,500	4,624,883	4,037,383	4,037,383
Revenue received in advance		-	57,254	57,254	57,254
Provisions for employee benefits		-	31,866	31,866	31,866
Current income tax payable		-	186,021	186,021	186,021
Total current liabilities		392,693	5,813,815	5,026,315	5,026,315
Non-Current Liabilities					
Borrowings	3	-	426,525	426,525	426,525
Total non-current liabilities		-	426,525	426,525	426,525
Total Liabilities		**392,693**	**6,240,340**	**5,452,840**	**5,425,840**
Net Assets		**(129,276)**	**(3,266)**	**3,804,234**	**5,179,234**
Shareholders' Equity					
Issued capital	4	26,396,500	3,653,179	8,113,179	9,613,179
Accumulated Losses	5	(26,525,776)	(3,656,445)	(4,308,945)	(4,433,945)
Total Equity		**(129,276)**	**(3,266)**	**3,804,234**	**5,179,234**

Notes:

1. Audited statutory balance sheet represents the audited 30 June 2015 balance sheet for Biron Apparel Limited.

2. The table below reconciles the cash and cash equivalents from historical statutory balance sheet to pro-forma Cash and Cash Equivalents based on minimum and maximum subscriptions.

	Post proposed transactions and placement Minimum $3.5m $	Post proposed transactions and placement Maximum $5m $
Cash and cash equivalents – Biron	51,687	51,687
Proceeds from Converting Loan Agreements post 30 June 2015	229,000	229,000
Other receipts	26,000	26,000
Acquisitions of Elect and Superion, net of costs	413,287	413,287
Cash and cash equivalents – consolidated	**719,974**	**719,974**
Capital raising	3,500,000	5,000,000
Brokerage and costs	(280,000)	(405,000)
Repayment of liabilities of both Elect and Biron	(200,000)	(200,000)
Pro-forma cash and cash equivalent	**3,739,974**	**5,114,974**

3. The table below reconciles the borrowings from historical statutory balance sheet to pro-forma borrowings based on minimum and maximum subscriptions.

	Post proposed transactions and placement Minimum $3.5m $	Post proposed transactions and placement Maximum $5m $
Borrowings/Converting Loan Agreement– Biron (Pre 30 June 2015)	358,500	358,500
Borrowings / Converting Loan Agreement (post 30 June 2015)	255,000	255,000
Net loan acquired from the purchases of Elect and Superion	4,437,908	4,437,908
Borrowings – consolidated	**5,051,408**	**5,051,408**
Conversion to equity of Converting Loan Agreements	(587,500)	(587,500)
Pro-forma borrowings	**4,463,908**	**4,463,908**

4. The table below reconciles the issued capital from historical statutory balance sheet to pro-forma issued capital based on, minimum and maximum subscriptions.

	Post proposed transactions and placement Minimum $3.5m $	Post proposed transactions and placement Maximum $5m $
Issued Capital – Biron	26,396,500	26,396,500
Share consolidation	(24,743,323)	(24,743,323)
Purchase of Superion	2,000,000	2,000,000
Purchase of Elect	2	2
Issued capital - consolidated	**3,653,179**	**3,653,179**
Issue of shares under the Prospectus	3,500,000	5,000,000
Conversion of Converting Loan Agreements to equity	960,000	960,000
Pro-forma issued capital	**8,113,179**	**9,613,179**

5. The table below reconciles the accumulated losses from historical statutory balance sheet to pro-forma accumulated losses based on, minimum and maximum subscriptions.

	Post proposed transactions and placement Minimum $3.5m $	Post proposed transactions and placement Maximum $5m $
Accumulated Losses – Biron	26,525,776	26,525,776
Share consolidation	(24,743,323)	(24,743,323)
Purchase of Elect and Superion	1,873,992	1,873,992
Accumulated losses – consolidated	**3,656,445**	**3,656,445**
Conversion to equity of Converting Loan Agreements – difference between fair value and written down value	372,500	372,500
Costs of associated with the Offers	280,000	405,000
Pro-forma accumulated losses	**4,308,945**	**4,433,945**

6. The impact of the Offers has been calculated as follows:

	Post proposed transactions and placement Minimum $3.5m $	Post proposed transactions and placement Maximum $5m $
Funds raised from the Public Offer	3,500,000	5,000,000
Allocation of funds	**Total $**	**Total $**
Offers fees	280,000	400,000
Expenses associated with the acquisitions	300,000	305,000
Purchase of cut hay	1,000,000	1,750,000
Logistics & freight	250,000	250,000
Administration	500,000	500,000
Sales & marketing	150,000	200,000
Repayment of liabilities of both Elect and Biron	200,000	200,000
Feasibility study WA operation	200,000	200,000
Working capital	620,000	1,195,000
TOTAL	**3,500,000**	**5,000,000**

(f) **Liquidity and capital resources**

Following completion of the Offers, the Company's principal source of funds will be cash flows from operations. The Company expects that it will have sufficient cash flow from operations to fund working capital and capital expenditure requirements to meet its stated objectives.

(g) **Pro-forma historical cash flow statements**

Due to the unavailability of reliable financial information available for Elect and Superion, there is limited historical financial information available to the Group in relation to these entities, in particular there is limited information available in relation to the historical statements of financial position for these entities. This has meant that the Company is unable to provide pro-forma historical cash flow statements for the Biron Group.

11.4 Management discussion and analysis of Pro-forma Historical Financial Performance

(a) Comparison of 2014 to 2015

The table below provides a summary of the pro forma historical operating and financial metrics for the years ended 30 June 2014 and 30 June 2015 as well as a comparison of performance between these two financial periods.

	2015 $	2014 $	Change %
Revenue	8,071,478	6,579,418	23%
Cost of sales	(3,665,037)	(2,478,201)	48%
Gross profit	**4,406,441**	**4,101,217**	
Gross profit margin	*55%*	*62%*	
Direct costs	(1,922,517)	(1,690,335)	14%
Gross profit after direct costs	**2,483,924**	**2,410,882**	
Gross profit after direct costs margin	*31%*	*37%*	
Operating costs	(668,527)	(1,437,330)	-53%
EBITDA	**1,815,397**	**973,552**	
EBITDA margin	*22%*	*15%*	
Depreciation	(427,219)	(427,219)	0%
EBIT	**1,388,178**	**546,333**	
EBIT margin	*17%*	*8%*	
Interest expense	(258,961)	(258,961)	0%
Profit before tax	**1,129,217**	**287,372**	
Income tax expense	(338,765)	(86,212)	293%
Net profit after tax (NPAT)	**790,452**	**201,160**	
NPAT margin	*10%*	*3%*	

JCT increased its tonnes of hay processed by approximately 13% from 2014 to 2015 on the back on increase purchases of cut hay. The 23% increase in revenue from 2014 ($6,579,418) to 2015 ($8,071,478) is a direct result of more cut hay being purchased for processing.

JCT exports 100% of its processed hay to Asia, where higher Australian dollar prices can be achieved relative to domestic hay market. Processed hay prices have remained relatively stable in Australian dollar terms as the overseas prices have adjusted for the declining Australian dollar exchange rates.

A key driver of revenue per tonne is often the quality/ grade of the hay sold, which is influenced by the amount of suitable cut hay available for purchase. The cut hay can be affected by seasonal and other agricultural factors.

Other than the purchase of the cut hay, the biggest cost for JCT is the logistics and freight costs. As hay has a reasonably light weight per tonne the cost of transport is relatively high per tonne.

One of the factors in the decrease in operating costs from 2014 to 2015 since Elect has acquired JCT has being management's focus on controlling the costs of production, logistics and overheads through better organisation and productivity efficiency's.

11.5 Lease commitments

For details of the significant lease commitments of the Biron Group, please refer to the discussion of major contracts in Section 15.5 of this Prospectus.

11.6 Summary of Bank and Finance Facilities

For details of the significant Bank and Finance facilities of the Group, please refer to the discussion of major contracts in Section 15 of this Prospectus.

The Converting Loan Agreements place by Biron amounting to $587,500 that will be converted to Shares in the Company (refer to Section 15.3).

The Group had the following Bank and Finance facilities in relation to the pro-forma borrowings (refer to Sections 15.7 and 15.8).

Lender	Term	Interest	Balance at 30 June 2015	Security	Description
Biron - Creditor Loan	Repayable at call	Nil	$26,000	Nil	Biron Creditor Loan - Payment of Biron Expense pre 30 June 2015.
ANZ – Commercial Bank	Annual Review	7.22% Variable	$1,545,000 (Facility Limit $2,420,000)	Fixed & Floating charged - Elect	Elect - commercial Bill (Revolving facility)
ANZ – Commercial Bank	3 Years (Matures 23 Feb 2018)	5.12% Fixed	$678,677 (Facility Limit $780,000)	Fixed & Floating charged - Elect	Elect -Asset Finance Loan
JC Tanloden Pty Ltd	12 months (Matures 20 Feb 2016)	5% Fixed	$1,218,720	Security interests registered against Elect in respect of all present and after acquired stock acquired by Elect and Guarantee provided by Gavin Xing & Kellie-Anne Barker	Elect - Vendor Finance
Gavin Xing & Kellie-Anne Barker	Repayable at call	Nil	$995,511	Nil	Elect - Shareholder Loan

The balance of the facilities may change at Completion due to the operational nature of the business, types of facilities, interest accrued and any repayments made. On Completion the Company will refinance or payout all or some of the bank and financing facilities and release any personal guarantees and finalise the balance of the Shareholder loans to Gavin Xing & Kellie-Anne Barker by either paying out or converting into interest and principal loans on agreed terms. (Refer Section 9(a)(iv)) As at the date of this Prospectus, Gavin Xing and Kellie-Anne Barker have not provided any indication that they intend to request repayment of their shareholder loan in the short term following Completion.

11.7 Segment Information

In the historical financial information provided, the Group operates in one business and geographical segment, being the processing and distribution of hay to export to customers in the Asian region.

11.8 Dividend policy

In the short to medium term future, the Directors intend to reinvest profits of the Group in order to pursue further growth opportunities that may become available in its particular market which will require both capital investment and funding of additional working capital.

Beyond this, the Directors intend to pay dividends subject to the availability of profits and the financial position of the Company.

11.9 No Financial Forecasts

The Company has not provided any financial forecasts in the Prospectus. The Company has relied on the reviewed historical information for JCT for the years ended 30 June 2014 and 2015 that are discussed in Sections 11 and 12. The Directors have considered the matters outlined in ASIC Regulatory Guidelines 170. The Company considers that it is unable to provide potential investors with reliable revenue, profit or cashflow forecasts or projections. Any forecasts or projections would contain a broad range of assumptions, possibilities and uncertainties that preclude the Company from preparing and disclosing reliable forecasts and projections.

11.10 Directors commentary on future performance and outlook

JCT produced 16,200 tonnes and 18,300 tonnes of hay in the 2014 and 2015 financial years respectively. JCT's present hay processing plant has a production capacity that is significantly higher than its current production levels.

The Directors plan to use the funds raised under the Public Offer to provide working capital to increase hay production at the present plant. The Directors expect that the increased hay production will be supported by the demand for hay from its established markets of South Korea, Japan and Taiwan, and the emerging market of China. However, the Directors do not believe that there are reasonable grounds to prepare Pro-forma or statutory forecasts for the Company for the 2016 financial year.

The above commentary on future performance and outlook was prepared based on a number of estimates and assumptions concerning future events, including the key information set out above. This information has been presented in this Prospectus by the Directors of the Company to provide investors with a guide to their commentary on the anticipated financial performance of the Company subsequent to the Offers. The Directors of the Company have prepared this information with proper care and attention, and consider, the assumptions, when taken as a whole, to be reasonable at the time of preparing this Prospectus based on present circumstances and conditions and the implementation of the Company's strategies.

Investors should be aware, however, that the Company's future performance and the best estimate assumptions are by their very nature subject to business, economic and competitive uncertainties, contingencies and risks (Refer to the risks section 9), many of which are beyond the control of the Directors of the Company and are not reliably predictable. The commentary on future performance and outlook was prepared based upon assumptions with respect to future business decisions which are subject to change. Accordingly, the Directors of the Company can give no assurance that any prospective statement in this Prospectus will be achieved. Their inclusion should not be regarded as a representation of warranty with respect to their accuracy. Investors are therefore cautioned not to place undue reliance on this information.

12. INVESTIGATING ACCOUNTANT'S REPORT

Rothsay Consulting Services Pty Ltd

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsay.com.au

The Directors
Biron Apparel Limited
499 St Kilda Road
Melbourne VIC

Dear Sirs

INVESTIGATING ACCOUNTANT'S REPORT

Introduction

This Investigating Accountant's Report ("the Report") has been prepared at your request for inclusion in the Prospectus to be dated on or about 20 November 2015 to be lodged with the Australian Securities and Investment Commission in respect of the issue of a minimum of 17,500,000 post consolidation fully paid ordinary shares to raise $3,500,000 in Biron Apparel Limited ("the Company") up to a maximum of 25,000,000 ordinary shares to raise $5,000,000.

The issue is not underwritten. Expressions and other terminology defined in the Prospectus have the same meaning in this Report.

This Report does not address the rights attaching to the shares to be issued in accordance with the Prospectus, the risks associated with the investment, nor form the basis of an Expert's opinion with respect to a valuation of the Consolidated Entity or a valuation of the share issue price at 20 cents.

Rothsay Consulting Services Pty Ltd ("Rothsay") has not been requested to consider the prospects for Biron Apparel Limited nor the merits and risks associated with becoming a shareholder, and accordingly, has not done so, nor purports to do so. Rothsay accordingly takes no responsibility for those matters or for any matter or omission in the Prospectus, other than responsibility for this report. Risk factors, including those that specifically discuss the risks that may arise should the transaction not succeed in meeting the minimum fundraising objectives and regulatory approvals thereon accommodating those fundraising objectives, are set out in detail in Section 9 of the Prospectus.

Scope of report

You have requested Rothsay perform a limited assurance engagement in relation to the Pro Forma Historical Financial Information and the Statutory Consolidated Financial Information described below and disclosed in Section 11 of the Prospectus.

The pro forma historical and consolidated financial information is presented in the Prospectus in an abbreviated form insofar as it does not include all of the presentation and disclosure required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

Rothsay has been requested to report whether anything has come to our attention which would cause us to believe that the historical financial information disclosed in Section 11 of the Prospectus is not fairly presented in accordance with the recognition and measurement requirements (but not the disclosure requirements) of Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by Biron Apparel Limited, and report whether anything has come to our attention which would cause us to believe that the pro forma financial information disclosed in Section 11 of the Prospectus is not presented fairly in accordance with the basis of preparation and assumptions applied in preparing the financial information as set out in Section 13 of the Prospectus and with the recognition and measurement requirements (but not the disclosure requirements) of Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by the Consolidated Entity.

Directors' Responsibility

The directors of Biron Apparel Limited are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information disclosed in Section 11 of the Prospectus, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. The directors are also responsible for the accounting policies and assumptions applied in preparing the financial information as set out in Section 13 of the Prospectus. This includes responsibility for such internal controls as the directors determine are necessary to ensure the Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in Accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

You have requested Rothsay review the following financial information prepared by the Company and included in the Prospectus:

(a) The pro forma historical statements of net after income tax for the financial years ended 30 June 2015 and 30 June 2014; and
(b) The pro forma historical consolidated balance sheet for the Biron Group as at 30 June 2015; and
(c) The actual historical statements of profit after income tax for the financial years ended 30 June 2015 and 30 June 2014; and
(d) The actual historical balance sheet for the Biron Group as at 30 June 2015.

Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in Section 11 of the Prospectus, and comprising:

- the historical statements of profit after income tax for the financial years ended 30 June 2015 and 30 June 2014; and
- the historical balance sheet for the Biron Group as at 30 June 2015,

are not presented fairly, in all material respects, in accordance with the stated basis of preparation as described in Section 13 of the Prospectus.

Pro Forma Financial Information

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe the Pro Forma Historical Financial Information, as set out in Section 11 of the Prospectus, and comprising:

- the pro forma historical statements of net after income tax for the financial years ended 30 June 2015 and 30 June 2014; and
- he pro forma historical consolidated balance sheet for the Biron Group as at 30 June 2015,

are not presented fairly, in all material respects, in accordance with the stated basis of preparation as described in Section 13 of the Prospectus.

Independence

Rothsay does not have any interest in the outcome of the listing of the shares, other than in connection with the preparation of this report for which normal professional fees will be received. With the exception of this Investigating Accountant's Report, Rothsay was not involved in the preparation of any part of the Prospectus, and accordingly, makes no representations or warranties as to the completeness and accuracy of any information contained in any other part of the Prospectus. Rothsay Chartered Accountants are auditors of Biron.

Consent

Rothsay Consulting Services Pty Ltd has consented to the inclusion of this report in the Prospectus in the form and content in which it is included. At the date of this report, this consent has not been withdrawn.

Yours faithfully
Rothsay Consulting Services Pty Ltd

Graham Swan FCA
Director

Dated 24 November 2015

13. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the historical and pro-forma financial information in Section 11.

Basis of preparation

The financial information included in this summary relates to the historical information of Biron Apparel Limited (the **Group)** and consolidated pro-forma financial information incorporating Biron and its proposed acquirees, consisting of Elect and Superion (the **Consolidated Entity**).

The financial information included has been prepared in accordance with the measurement and recognition criteria of all applicable Australian Accounting Standards, mandatory professional reporting requirements, the specific accounting policies detailed and the adjustments and assumptions detailed.

Certain disclosure requirements under the *Corporations Act 2001* and Australian Accounting Standards and Interpretations have not been included where the information which would be disclosed is not considered material or relevant to potential investors.

The historical financial information in this Section adopts the accruals basis of accounting, which includes the historical cost convention and the going concern assumption. All amounts have been presented in Australian dollars, which is the functional and presentation currency of each separate entity represented in this Section. The significant accounting policies which have been adopted in the preparation of the historical and pro-forma historical financial information (collectively referred to as the "financial information") are as follows:

Principles of consolidation

A controlled entity is any entity controlled by an accounting acquirer. Due to the application of AASB 10 *Consolidated Financial Statements*, the consolidated group is comprised of the Company and its controlled entities. The Company controls an investee if and only if it has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

All inter-group balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of controlled entities have been changed where necessary to ensure consistencies with those policies adopted by the parent entity.

Accounting for purchases of non-trading entities and reverse acquisitions

The pro-forma transactions contemplate the acquisition through the issue of 20,000,000 Shares to the Elect Vendors. This transaction is to be a reverse acquisition in accordance with Australian Accounting Standards and Elect was deemed to be the acquirer for accounting purposes for the following reasons:

- Its shareholding of 20,000,000 Shares will be greater than that of the shareholders of the Company, which are expected to be 8,265,883; and
- Through its shareholding and expected representation at senior management and at board level, it will have sufficient power to control and direct the relevant activities of the Consolidated Entity.

Under the principles of AASB 3 "*Business Combinations*" the Company will become the accounting acquiree for accounting purposes and the financial information represented in the pro-forma consolidated statements of financial position will reflect equity balances that are carried forward from the accounting acquirer, being Elect. Therefore, the transaction has been accounted for as a reverse acquisition.

Furthermore, the directors have identified that both the Company and Superion do not have the necessary inputs, processes and outputs to satisfy the accounting definition of a business, and as a consequence, both the reverse acquisition of the Company and the acquisition of Superion are treated as a share-based payments in the pro-forma statement of financial position.

Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administration expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquirer.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability will be recognised in accordance with AASB 3 *Business Combinations* and AASB 139 *Financial Instruments: Recognition and. Measurement*, either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity.

Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Intangible Assets

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Trade receivables

All trade receivables are recognised at the amounts receivable as they are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is raised when some doubt as to collection exists and in any event when the debt is more than 90 days overdue.

Inventory

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: weighted average cost basis;
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Upon disposal, inventory is derecognised from the statement of financial position and charged to the profit or loss as a cost of goods sold.

Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Financial liabilities

Financial liabilities are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt and the repayment of that principal amount. Interest is accrued over the period it becomes due and is recorded as part of current payables. Financial liabilities with a conversion feature are recognised as a liability when the holder of the convertible note has the right to convert the note into either cash or ordinary fully paid shares. When borrowings are extinguished as a consequence of a conversion into share equity, the difference between the fair value of the shares issued and the carrying value of the convertible note is charged to the profit or loss.

Plant and equipment

Plant and equipment are measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets, is depreciated over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and machinery	5% - 10%
Office Equipment	3% - 10%

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (**ATO**). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in BAS receivable or BAS payable in the financial statements.

Income Tax

The income tax expense for the year comprises current income tax expense and deferred tax expense. Current income tax expense charged to the statement of comprehensive income is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/ (assets) are therefore measured at the amounts expected to be paid to/ (recovered from) the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the historical financial information. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised.

- the risks and reward of ownership of the goods has passed to the customer;
- the business no longer has any continuing managerial involvement with the goods which would indicate that those goods are owned or controlled;
- the revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Any revenue receipted or invoiced before the sale of goods is completed is deferred in the Statement of Financial Position. All revenue is stated net of the amount of goods and services tax (**GST**).

Foreign currency translation

The functional and presentation currency of this business is measured using the currency of the primary economic environment in which it operates, being Australian dollars. Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Any foreign currency gains and losses are recognised as finance gains or losses in profit or loss.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Critical accounting estimates and judgments

The preparation of this financial information in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the business' accounting policies.

New, revised or amending Accounting Standards and Interpretations adopted

In the current year, the Group has applied a number of new and revised AASBs and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2014.

The following new and revised Standards and Interpretations have been adopted in the current period.

Standard	Changes / impact
AASB 2012-3 – Offsetting Financial Assets and Financial Liabilities	This standard adds application guidance to AASB 132 to address applying some of the offsetting criteria of AASB 132.
AASB 2013-3 – Amendments to AASB136 – Recoverable Amount Disclosures for Non-Financial Assets	These amendments address disclosure of information about the recoverable amount of impaired assets if that recoverable amount is based on fair value less costs of disposal.
AASB 2013-7 – Amendments to AASB 1038 arising from AASB 10 in relation to Consolidations and interests of policyholders	This Standard removes the specific requirements in relation to consolidation from AASB 1038, leaving AASB 10 as the sole source for consolidation requirements applicable to life insurer entities. AASB 10 is not expected to have a material impact on the Group.
AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments	This standard amends certain Australian Accounting Standards to remove references to AASB 1031 as part of the AASB's decision to withdraw the Australian specific guidance.

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group are outlined in the tables below.

Standard	Mandatory date for annual reporting periods beginning on or after)	Reporting period standard adopted by Biron Apparel Limited
AASB 9 Financial Instruments and related standards	1 January 2018	1 July 2018
AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016	1 July 2016
AASB 15 Revenue from Contracts with Customers and AASB 2014-5	1 January 2018	1 July 2018
AASB 2014-9 Equity method in separate financial statements	1 January 2016	1 July 2016
AASB 2015-1 Annual improvements 2012 – 2014 cycle	1 January 2016	1 July 2016
AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	1 January 2016	1 July 2016
AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality	1 July 2015	1 July 2015

With the exception of AASB 15, the business has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting year or available for early adaption. There was no significant impact arriving in these consolidated statement of comprehensive income from the adaption of these standards and interpretations.

AASB 15 Revenue from Contracts with Customers and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 (applicable for annual reporting years commencing on or after 1 January 2018)

AASB 15 establishes a single, comprehensive framework for revenue recognition, and replaces the previous revenue Standards AASB 118 *Revenue* and AASB 111 *Construction Contracts*, and the related Interpretations on revenue recognition Interpretation 13 Customer Loyalty Programs, Interpretation 15 Agreements for the Construction of Real Estate, Interpretation 18 Transfers of Assets from Customers and Interpretation 131 Revenue—Barter Transactions Involving Advertising Services.

AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the business expects to be entitled in exchange for those goods or services.

AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. The business has not yet assessed the impact of this standard.

14. CORPORATE GOVERNANCE

14.1 ASX Corporate Governance Council Principles and Recommendations

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

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

The Board now seeks, where appropriate, to provide accountability levels that meet or exceed the ASX Corporate Governance Council's Principles and Recommendations.

Details on the Company's corporate governance procedures, policies and practices can be obtained from the Company website at www.bironapparel.com.au.

14.2 Board of Directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(a) maintain and increase Shareholder value;

(b) ensure a prudential and ethical basis for the Company's conduct and activities; and

(c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(a) developing initiatives for profit and asset growth;

(b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;

(c) acting on behalf of, and being accountable to, the Shareholders; and

(d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

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

14.3 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject to receipt of Shareholder approval, the Company is committed to the following principles:

(a) the Board is to comprise directors with a blend of skills, experience and attributes appropriate for the Company and its business; and

(b) the principal criterion for the appointment of new directors of the Company is their ability to add value to the Company and its business.

Following Completion, the Board is proposed to consist of 3 members. The Company has not adopted a Nominations Committee Charter or a formal Nominations and Remuneration Committee. The Directors consider that the Company is currently not of a size, nor are its affairs of such complexity as to justify the formation of a Nomination and Remuneration Committee. The responsibilities of a Nomination and Remuneration Committee are currently carried out by the Board.

Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any director of the Company appointed during the year to fill a casual vacancy or as an addition to the current Board, holds office until the next general meeting and is then eligible for re-election by the Shareholders.

14.4 Identification and management of risk

The Company recently adopted a Risk Management Statement pursuant to which the entire Board is responsible for overseeing the risk management function. The Company believes that it is crucial for all Board members to be a part of the process and as such has not established a risk management committee as a subset of the full Board. The Board has responsibility for identifying, assessing, mitigating and monitoring risks and regularly reporting to the Board on risk management. The Company's risk management strategy is evolving and its development is an ongoing process. It is recognised that the level and extent of the strategy will develop with the growth of and changes in the Company's activities.

14.5 Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

14.6 Independent professional advice

Subject to the Chairman's approval (which is not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

14.7 Remuneration arrangements

The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current amount has been set at an amount not to exceed $300,000 per annum.

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

The Board reviews and approves the remuneration policy to enable the Company to attract and retain directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant directors' time, commitment and responsibility.

14.8 Trading policy

The Board has recently adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its directors, key management personnel and employees of the Company and their related parties. The policy generally provides that written notification to the Chairman (or in the case of the Chairman, the whole Board) must be satisfied prior to trading.

14.9 External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

14.10 Audit committee

As the Board only consists of three (3) members, the Company does not have an audit committee because it would not be a more efficient mechanism than the full Board for focussing the Company on specific issues and an audit committee cannot be justified based on a cost-benefit analysis.

In the absence of an audit committee, the Board sets aside time to deal with issues and responsibilities usually delegated to the audit committee to fulfil its corporate governance and monitoring responsibilities in relation to the Company's risks associated with the integrity of the financial reporting, internal control systems and the independence of the external audit function.

14.11 Diversity Policy

The Board has recently adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, measurable objectives that encompass gender equality, ethnicity, religion, culture, language, sexual orientation, disability and age. The Company's diversity policy also provides for the monitoring and evaluation of the scope and currency of the diversity policy.

14.12 Departures from Recommendations

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

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the board, the chair and management; and includes a description of those matters expressly reserved to the board and those delegated to management.	YES	The Company recently adopted a Board Charter. The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman, Executive and Non- Executive Directors and the Company Secretary, the establishment, operation and management of Board Committees, the process for the appointment and election of Directors, details of the Company's induction program, details of the Company's Diversity Policy, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter is available on the Company's website.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	YES	(a) The Company recently adopted detailed guidelines for the appointment and selection of the Board. The Company has not historically undertaken checks before appointing a person as a director or putting a person forward for election. However, the Company's Board Charter requires the Board to undertake appropriate checks as to the person's character, experience, education, criminal record and bankruptcy history before appointing a person, or putting forward to security holders a candidate for election, as a Director. (b) All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	NO	The Company's Board Charter requires the Board to ensure that each director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. The Company does not have written agreements with each director and senior executive, however, proposes to enter into written agreements with each proposed director and senior executive.

<table>
<tr><td>Recommendation 1.4
The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</td><td>YES</td><td>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.</td></tr>
<tr><td>Recommendation 1.5
A listed entity should:
(a) have a diversity policy which includes requirements for the board:
(i) to set measurable objectives for achieving gender diversity; and
(ii) to assess annually both the objectives and the entity's progress in achieving them;
(b) disclose that policy or a summary or it; and
(c) disclose as at the end of each reporting period:
(i) the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them; and
(ii) either:
(A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or
(B) the entity's "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.</td><td>NO</td><td>(a) The Company recently adopted a Diversity Policy which:
(i) provides a framework for the Company to set and achieve measurable objectives that encompass gender equality, ethnicity, religion, culture, language, sexual orientation, disability and age.
(ii) provides for the monitoring and evaluation of the scope and currency of the Diversity Policy. The company is responsible for implementing, monitoring and reporting on the measurable objectives.
(b) The Diversity Policy is available on the Company's website.
(c)
(i) The Company has not historically disclosed the measurable objective set by the Board for achieving gender diversity, the respective proportions of men and women on the Board or the Company's "Gender Equality Indictors". However, the measurable objectives set by the Board will be included in the annual key performance indicators for the CEO/MD and senior executives. In addition, going forward, the Board will review progress against the objectives in its annual performance assessment.
(ii) Going forward, the Board will include in the annual report each year, the measurable objectives and progress against the objectives at senior management level and at Board level.</td></tr>
<tr><td>Recommendation 1.6
A listed entity should:</td><td>NO</td><td>The Company has not historically undertaken a formal review of the performance of the Board, its</td></tr>
</table>

(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.		committees and individual directors. Currently the role of the nomination committee is undertaken by the full Board. The Company intends to establish a nomination committee once the Company's operations are of sufficient magnitude. (a) Going forward, the Board will be responsible for evaluating the performance of the Board and individual Directors will be evaluated on an annual basis. It may do so with the aid of an independent advisor. The process for this can be found in the Company's Board Charter. (b) Going forward, the Board proposes to disclose whether or not performance evaluations were conducted during the relevant reporting period. Details of the performance evaluations conducted will be provided in the Company's annual reports going forward.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	NO	The Company has not historically undertaken a formal review of the performance its senior executives. Due to the current status of the Company, it is difficult for quantitative measures of performance to be established. As the Company progresses its current projects, the Board intends to follow established appropriate evaluation procedures. The Board as a whole assesses the performance of the chairman on an informal basis.
Principle 2: Structure the board to add value		
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of	NO	Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a Nomination Committee. The selection and appointment process for Directors is carried out by the full Board. The Board considers that given the importance of Board composition it is appropriate that all members of the Board partake in such decision making. The Company does not have a Nomination Committee Charter. Going forward, all members of the Board will be involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules. The Board does not currently prepare a skill matrix in respect of the Company's Board to assess the appropriate balance

the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.		of skills, experience, independence and knowledge of the entity, but will do so going forward.
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	NO	The Board has not historically prepared a board skill matrix. The Board is now required to prepare a Board skill matrix setting out the mix of skills that the Board currently has (or is looking to achieve). The composition of the board is to be reviewed regularly against the Company's Board skills matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. The Board Charter requires the disclosure of each board member's qualifications and expertise as set out in the Company's Board skills matrix. Full details as to each Director and senior executive's relevant skills and experience are available in the Prospectus.
Recommendation 2.3 **A listed entity should disclose:** (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director	YES	(a) The Corporate Governance Statement provides for the disclosure of the names of Directors considered by the Board to be independent. These details are provided in the Prospectus. (b) The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the board in light of the interests disclosed by Directors. Details of the Directors interests, positions associations and relationships are provided in the Prospectus. (c) The Board Charter provides for the determination of the Directors' terms and requires the length of service of each Director to be disclosed. The length of service of each Director is provided in the 2015 Annual Report
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	NO	Details of each Proposed Director's independence are provided in the Prospectus.

Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	NO	The Board Charter does not provide that the Chairman of the Board will be a non-executive director. Currently the Chairman is not independent. The Company does not currently have a CEO.
Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	YES	The Board Charter states that the Company has a program for inducting new Directors and provides appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their roles as Directors effectively. Going forward, all Directors are encouraged to attend professional education courses relevant to their roles. If established, the Remuneration Committee will be responsible ensuring that the Company has effective policies, processes, and practices for appropriately attracting, remunerating and retaining staff, executives and Directors who will add value to the Company and implementing reward programs which are fair and responsible and in compliance with principles of good corporate governance, the ASX Listing Rules and the Corporations Act. Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a separate Remuneration Committee. The Remuneration Committee shall comprise the full Board of Directors until such time as the activities and/or size of the Company warrant the creation of a separate Remuneration Committee comprising only some of the Directors.
Principle 3: Act ethically and responsibly		
Recommendation 3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	YES	(a) The Company has adopted a Code of Conduct for Directors and Key Executives. This Code addresses expectations for conduct in accordance with legal requirements and agreed ethical standards. (b) The Company's Corporate Code of Conduct is available on the Company's website.
Principle 4*: Safeguard integrity in financial reporting*		
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of	NO	Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company does not currently have an Audit Committee. The full Board carries out the

whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		duties that would ordinarily be assigned to the Audit Committee under the written terms of reference for that committee. The role and responsibilities of the Audit Committee are outlined in the Company's Audit Committee Charter as available online on the Company's website The Board will devote time annually to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting. The Company's policy is to appoint external auditors who clearly demonstrate quality and independence.
Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	NO	The Company's Corporate Governance Statement states that a duty and responsibility of the Board is to ensure that before the Board approving the entity's financial statements for a financial period, the Board receives a declaration from the CEO (or equivalent) and Company Secretary that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. In respect of the financial statements for the next financial period, the Company will comply with its Corporate Governance Plan.
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	YES	The Company's Corporate Governance Statement provides that the Board must ensure that the Company's external auditor attends the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Principle 5: Make timely and balanced disclosure		
Recommendation 5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	YES	(a) The Company's Corporate Governance Statement and Continuous Disclosure Policy provides details of the Company's disclosure policy. (b) The Company's Continuous Disclosure Policy is available on the Company website.
Principle 6: ***Respect the rights of security holders***		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	The Company has adopted a Shareholder Communication Policy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	YES	The Shareholder Communication Policy states that as a part of the Company's developing investor relations program, Shareholders and third parties can register with the Company Secretary to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. Throughout the year the Company will directly communicate with shareholders by mail, for example, to give shareholders notice of general meetings or to update shareholders by way of a Chairman's letter. Shareholders are encouraged to participate at all EGMs and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material with that notice of meeting stating that all Shareholders are encouraged to participate at the meeting.
Recommendation 6.4 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX. Shareholders queries should be referred to the Company Secretary at first instance.

Principle 7: Recognise and manage risk		
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	NO	Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company currently does not have a separate Risk Management Committee. Pursuant to the Company's Risk Management Statement, the Company, through the Board, is responsible for supervising management's framework of control and accountability systems to enable risk to be assessed and managed. The Board has responsibility for identifying, assessing, mitigating and monitoring risks and regularly reporting to the Board on risk management. The role and responsibilities of the Risk Management Committee are outlined in the Company's Risk Management Statement available online on the Company's website. The Board reviews the risk management framework at least annually to satisfy itself that it continues to be sound, and discloses whether such a review has been undertaken.
Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	NO	(a) The Company's process for risk management and internal compliance includes a requirement identifying, assessing, mitigating and monitoring risks and regularly reporting to the Board on risk management. The Company's risk management strategy is evolving and its development is an ongoing process. It is recognised that the level and extent of the strategy will develop with the growth of and changes in the Company's activities. The Company has not yet developed a formal risk management and internal control system to identify and manage material business risks. (b) As the Board has responsibility for the monitoring of risk management it has not required a formal report regarding the material risks that have been identified and whether those risks are managed effectively. The Board believes that the Company's affairs are not of sufficient complexity to justify the implementation of a more formal system than that which is in place

		for identifying, assessing, monitoring and managing risk.
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	NO	The Company's Audit Committee Charter provides for the internal audit function of the Company. The Company does not believe it is of a size that warrants an internal audit function. The Board acknowledges that it is responsible for the overall internal control framework, but recognizes that no cost effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility, the Board has instigated an internal control framework that deals with: a) Financial reporting – going forward, the Company will have a comprehensive budgeting system with an annual budget, updated on a regular basis approved by the Board. Monthly actual results will be reported against these budgets. b) Investment appraisal - the Company has recently adopted clearly defined guidelines for capital expenditure including annual budgets, detailed appraisal and review procedures, levels of authority and due diligence requirements where businesses or assets are being acquired or divested. Quality and integrity of personnel - the Company's policies will be detailed in an approved induction manual. Formal appraisals will be conducted annually for all employees.
Recommendation 7.4 A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	YES	The Company is of the view that its operations do not created a material exposure to economic, environmental or social sustainability risks. However, the Company's Corporate Governance Statement provides that the Company operates in diverse physical environments. As a result there is some potential for material exposure to economic, environmental and social sustainability risks. The Company's activities are conducted in a manner that minimises our environmental "footprint" as much as possible, and are conducted strictly in accordance with all necessary permits and approvals from regulators.
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee	NO	Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently does not have a

which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.		separate Remuneration Committee. Pursuant to the Company's Corporate Governance Statement, the full Board is also responsible for setting performance criteria, performance monitors, share option schemes, superannuation, termination and retirement entitlements, and professional indemnity and liability insurance cover. The Board considers that the Company is effectively served by the full Board acting as a whole in remuneration matters. All matters of remuneration continue to be decided upon in accordance with Corporations Act requirements, by ensuring that no Director participates in any deliberations regarding their own remuneration or related issues. The Company's Remuneration Committee Charter and are available online on the Company's website.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.	YES	The Company does distinguish between the remuneration policies of its Executive and Non-Executive Directors. Pursuant to the Company's Corporate Governance Statement: a) Executive Directors of the Company may receive remuneration which may include performance based components, designed to reward and motivate, which may include the granting of share options, subject to shareholder approval and vesting conditions relating to continuity of engagement. b) Non-Executive Directors receive fees agreed on an annual basis by the Board, within total Non-Executive remuneration limits voted upon by shareholders at Annual General Meetings. In the current financial year, no Non-Executive Director received share options as remuneration.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and	N/A	(a) The Company does not currently have an equity-based remuneration scheme. However, if an equity-based remuneration scheme is adopted in the future, the Company's Remuneration Committee Charter states that the Board is required to review plan designs on a regular basis to ensure they comply with legislation and regulatory requirements and

(b) disclose that policy or a summary of it.		reflect industry standards, approve participants in employee equity plans, approve the total level of award under the plans and the level of participation in the plans, review functioning of equity plans to ensure overall effectiveness (including cost and tax impacts) in achieving Company objectives and ensure that participants do not enter into transactions (whether through the use of derivatives) or otherwise) which limit the economic risk and participation in the scheme. (b) A copy of the Company's Remuneration Committee Charter is available on the Company's website.

15. MATERIAL CONTRACTS

15.1 Elect Agreement

On 15 May 2015, Biron announced that it had entered into the Elect Agreement dated 5 May 2015 between Biron, Elect and the Elect Vendors. The key terms of the Elect Agreement are as follows:

(a) **Sale and purchase**

Biron agreed to buy and the Elect Vendors agreed to sell 100% of the issued shares of Elect for consideration of 20,000,000 Shares at a deemed issue price of $0.20 per Share.

(b) **Deposit**

On 26 May 2015, Biron paid a refundable deposit of $200,000 to Elect in consideration for Elect procuring the Elect Vendors to agree to sell Elect to Biron.

(c) **Conditions Precedent**

Completion of the acquisition of Elect is conditional upon the satisfaction (or waiver, where possible) of the following conditions precedent:

(i) Biron being debt free other than current liabilities that are directly related to Biron's business and are less than 90 days old and do not exceed $50,000 unless otherwise agreed by the parties;

(ii) all approvals of Shareholders as required by ASX or under the Corporations Act necessary to complete the acquisition of Elect being obtained;

(iii) receipt of conditional approval by ASX to reinstate the Shares to trading on ASX;

(iv) completion of the initial re-structuring of Biron pursuant to the approvals obtained at the Company's meetings held on 27 January 2015;

(v) each warranty given by an Elect Vendor or by Biron in the Elect Agreement is, and remains, true and correct and not misleading or deceptive;

(vi) receipt of all necessary or desirable approvals of any governmental authority or third party consents in connection with the acquisition of Elect;

(vii) no material adverse effect having occurred under the Elect Agreement;

(viii) no Elect Vendor having breached the Elect Agreement; and

(ix) completion of the due diligence enquiries by the Elect Vendors.

The parties have agreed that the conditions precedent must be satisfied or waived by 31 December 2015 or such other agreed by the parties.

The Elect Agreement also contains a number of clauses and representations and warranties from both Biron and the Elect Vendors that are considered standard for an agreement of this type.

15.2 Superion Agreement

On 31 August 2015, Biron entered into the Superion Agreement between Biron, Superion and the Superion Vendors. The key terms of the Superion Agreement are as follows:

(a) **Sale and purchase**

Biron agreed to purchase and the Superion Vendors agreed to sell 100% of the issued shares of Superion for consideration of 10,000,000 Shares at a deemed issue price of $0.20 per Share.

(b) **Conditions Precedent**

Completion of the acquisition of Superion is conditional upon the satisfaction (or waiver, where possible) of the conditions precedent including:

(i) all approvals of Shareholders as required by ASX or under the Corporations Act necessary to complete the acquisition of Superion being obtained;

(ii) receipt of conditional approval by ASX to reinstate the Shares to trading on ASX;

(iii) each warranty given by a Superion Vendor or by Biron in the Superion Agreement is, and remains, true and correct and not misleading or deceptive;

(iv) receipt of all necessary or desirable approvals of any governmental authority or third party consents in connection with the acquisition of Superion;

(v) no material adverse effect having occurred under the Superion Agreement;

(vi) no Superion Vendor having breached the Superion Agreement; and

(vii) completion of the due diligence enquiries by the Superion Vendors.

The parties have agreed that the conditions precedent must be satisfied or waived by 31 December 2015 or such other date agreed by the parties.

The Superion Agreement also contains a number of clauses and representations and warranties from both Biron and the Superion Vendors that are considered standard for an agreement of this type.

15.3 Converting Loan Agreements

Since 14 May 2014, the Company has entered into Converting Loan Agreements with a number of Converting Loan Lenders pursuant to which the Company has borrowed a total of $587,500 from the Converting Loan Lenders (**Converting Loan Agreements**). Each of the Converting Loan Lenders entered into variation deeds in respect of their Converting Loan Agreements to, among other things, give effect to the key terms described below.

The key terms of the Converting Loan Agreements are as follows:

(a) **Conversion:** all outstanding monies under the Converting Loan Agreements will, on Completion, convert into the number of Shares determined by dividing the outstanding monies by:

(A) $0.10 in relation to the Converting Loan Agreements in respect of loans to the Company of $50,000; and

(B) $0.125 in relation to the Converting Loan Agreements in respect of loans to the Company of $537,500;

(b) **Repayment**: the repayment date is 31 December 2015 (**Loan Period**);

(c) **Interest:** no interest is payable during the Loan Period, however, penalty interest will accrue at a rate of 10% per annum from the end of the Loan Period until the date that the converting loans are actually converted into Shares or repaid; and

(d) **Continuation:** if the Loan is not converted into Shares by the end of the Loan Period, the loans will continue until they are converted into Shares or are repaid.

James Everist, a Proposed Director entered into several Converting Loan Agreements with the Company pursuant to which Mr Everist loaned to the Company $35,000. Approval of the Shareholders pursuant to the ASX Listing Rules was obtained at the General Meeting for the conversion of the funds loaned by Mr Everist into 300,000 Shares. The Directors consider that the Company's entry into the Converting Loan Agreement with Mr Everist is on arms' length terms as it is on the same terms and conditions as the other Converting Loan Agreements.

15.4 Mandate

The Company proposes to enter into a capital raising mandate with JB Advisory Pty Ltd (**Mandate**) pursuant to which the Company will appoint JB Advisory Pty Ltd (**JB Advisory**) to act as its lead manager in connection with its immediate requirements and implementation of its strategic initiatives. The key terms of the Mandate are as follows:

(a) **Scope**: JB Advisory will be engaged to undertake services including:

(i) assisting the Company in raising capital sufficient to complete the Acquisitions;

(ii) managing the book build process in conjunction with the proposed re-instatement of the Company to the ASX;

(iii) assisting in the preparation and review of the Prospectus; and

(iv) assisting in evaluation the Company's strategic options and initiatives;

(b) **Term**: JB Advisory's engagement will be for a period of 12 months from the date of the Mandate. The Company or JB Advisory may terminate the Mandate at any time without cause by written notice. However, JB Advisory will continue to be entitled to the fees and expenses payable to it prior to termination;

(c) **Fee**: as consideration for JB Advisory's provision of services, the Company will pay JB Advisory (or its associates) a fundraising fee of 8% plus GST of the total funds raised under the Public Offer. In addition, the Company will pay all reasonable expenses incurred by JB Advisory to complete the services under the Mandate; and

(d) **Indemnity**: the Company will reimburse JB Advisory or any of its directors, officers, partners, agents or employees or other affiliates (**Indemnified Persons**) against any losses relating to statements or omissions made or information provided by the Company or its agents or which relate to the engagement set out in the Mandate (except for losses which primarily result from the bad faith or gross negligence of an Indemnified Person).

15.5 Lease

On 15 February 2015, Elect and Imperial Way Pty Ltd (**Imperial**) entered into a lease pursuant to which Elect agreed to lease the premises located at 50 Ironstone Road, Epsom, Victoria 3551 (**Premises**) from Imperial (**Lease**). Pursuant to the Lease Elect must pay to Imperial the sum of $145,000 per annum plus GST for a period of six (6) years starting on 23 February 2015 (**Term**). The permitted use of the Premises is for wholesaling, warehousing, processing, packing and exporting hay products. The following are the key terms of the Lease:

(a) **Option to extend**: Elect has an option to renew the Lease for a further term of four (4) years and Imperial must renew the Lease if:

(i) there is no un-remedied breach of the Lease by Elect of which Imperial has given written notice of;

(ii) Elect has not persistently committed breaches of the Lease or which Imperial has given written notice of; and

(iii) Elect has requested the renewal in writing not more than 6 months nor less than 3 months before the end of the Term;

(b) **Right of first refusal:** If Imperial proposes to sell the Premises during the Term (unless by way of public auction), Imperial must first offer the Premises for sale to Elect and provide Elect with the terms and conditions upon which it is prepared to sell the Premises. If Imperial accepts Elect's offer within the time specified, the parties will enter into a contract for sale in respect of the Premises; and

(c) **Termination**: Imperial may terminate the Lease if, among other things:

(i) the rent is unpaid after the day on which it falls due for payment;

(ii) Elect does not meet its obligations under the Lease;

(iii) Elect is subject to an insolvency event;

(iv) there is a change of control of Elect without the consent of Imperial (consent it being sought in respect of the Company's proposed acquisition of Elect); or

(v) Elect breaches any essential terms of the Lease.

The Lease contains various other terms and conditions that are considered standard for an agreement of this nature.

15.6 Option to Lease

On 18 October 2015, Superion entered into an option to lease land for the production of agricultural products with Coastal Dairy Supplies Pty Ltd and Midwest Reit Pty Ltd (**Option to Lease**).

The key terms of the Option to Lease are as follows:

(a) **Option:** Coastal Dairy Supplies Pty Ltd and Midwest Reit Pty Ltd (together, **Landowners**) have granted Superion an option to lease approximately 163 hectares of land in the Geraldton region of Western Australia (**Land**) for the purpose of the production of agreed agricultural products (**Option**) in consideration for Superion paying an option fee of $500 to the Landowners. The parties have agreed that, upon Superion exercising the Option, the parties will enter into a formal commercial lease agreement;

(b) **Exclusivity:** the Landowners have agreed not to enter into any lease agreement with respect to the Land with any third party for 3 months from the date of the Option to Lease unless agreed to by Superion;

(c) **Conditions precedent:** the Option cannot be exercised until the following conditions precedent are satisfied or waived:

(i) the Company is re-instated to trading on the Official List;

(ii) Superion and the Landowners have agreed the form of a formal lease agreement in respect of the Land to be entered into by the parties following exercise of the Option;

(iii) all necessary or desirable approvals of any governmental authority or third party consents have been received in connection with the Option to Lease;

(iv) no party to the Option to Lease having breached that agreement; and

(v) Superion having completed its due diligence enquiries.

(d) **Formal Lease:** the parties agree to use their reasonable commercial endeavours to ensure that a formal lease in respect of the Land is negotiated within one month after the Company is re-instated to trading on the Official List and prior to the Option being exercised by Superion. Superion agrees to, as soon as practicable after the Company is re-instated to trading on the Official List, complete a suitable business plan and feasibility study for the hay production business proposed for the Land and outline to the Landowners the production plant operation, design, capacity, environment requirements and the land usage requirements. The period of the lease and the amount of lease payable will be determined on the completion of the business plan and feasibility study prior to the formal lease being executed, and will be commercial and determined at arm's length. The Land is approximately 400 acres in size.

15.7 ANZ facilities

In February 2015, Australia and New Zealand banking Group Limited (**ANZ**) has made available to Elect a revolving commercial bill facility up to an amount of $2,420,000 and an asset finance facility up to an amount of $780,000.

The key terms of the revolving commercial bill facility are as follows:

(a) **Purpose:** the revolving commercial bill facility was made available to Elect to assist with the funding of the acquisition of JCT;

(b) **Draw down:** as at 30 June 2015, Elect had drawn down $1,545,000 on the revolving commercial bill facility. The facility may be drawn down progressively by Elect by $292,500 on 3, 6, 9 or 12 month intervals;

(c) **Interest:** the interest payable on the revolving commercial bill facility by Elect is 7.22% per annum, subject to annual review; and

(d) **Security:** the revolving commercial bill facility is secured by a loan and security agreement in respect of all of Elect's present and after acquired rights, property and undertaking.

The key terms of the asset financial facility are as follows:

(e) **Purpose:** the asset finance facility was made available to Elect to assist with the purchase of assets within JCT;

(f) **Draw down:** as at 30 June 2015, Elect had drawn down $252,152 on the asset finance facility;

(g) **Term:** the loan is repayable over 3 years at an interest rate of 5.12% per annum; and

(h) **Security:** the asset finance facility is secured by a loan and security agreement in respect of all of Elect's present and after acquired rights, property and undertaking.

15.8 Vendor Loan and Security Agreement

On 13 February 2015, the Company, Jack and Jane Chen, J C Tanloden Pty Ltd and Wisma Enterprises Pty Ltd entered into a sale of business contract pursuant to Elect agreeing to purchase the business, assets and stock from JCT. It was a term of the sale of business contract that upon Elect's request, the vendors of JCT will agree to grant a loan to Elect to assist with the purchase of stock.

On 20 February 2015, Elect, JC Tanloden Pty Ltd as trustee for the Chen Family Trust (**Lender**) and the directors of Elect entered into a loan and security agreement (**Loan Agreement**). The key terms of the Loan Agreement are as follows:

(a) **Loan:** the Lender agreed to loan to Elect a sum not exceeding $1,300,000 (Loan). As at 30 June 2015, Elect owes the Lender $1,218,720;

(b) **Term:** the term of the Loan was for a period of 12 months (maturing on 20 February 2016);

(c) **Interest:** interest is payable by Elect at a fixed rate of interest 5%;

(d) **Security:** the repayment of the Loan and the performance of Elect's obligations under the Loan Agreement are secured by a security interests registered against Elect in respect of all present and after acquired stock acquired by Elect; and

(e) **Guarantee:** Gavin Xing and Kellie Anne Barker have guaranteed Elect's obligations under the Loan Agreement.

15.9 Executive Services Agreement – Gavin Xing

The Company has entered into an Executive Services Agreement with Gavin Xing in relation to Mr Xing's role as Executive Director and Chairman of the Company (**Executive Services Agreement**).

Mr Xing will receive $230,000 per annum (excluding superannuation) for his services, plus director's fees of $40,000 per annum from the Company. Mr Xing may also be entitled to a performance-based bonus above their salary and a motor vehicle up to a value of $60,000. The employment of Mr Xing will be for an indefinite term commencing on the date of Completion. Mr Xing may terminate the employment at any time by giving three (3) months' written notice to the Company. The Company may terminate the employee's employment by giving one (1) months' written notice if the employee commits any serious or persistent breach, demonstrates incompetence, is guilty of gross misconduct or neglects to comply with any reasonable direction or order given by the Company, or without notice if the employee is convicted of any major criminal offence.

The Executive Services Agreement contains various other terms and conditions considered standard for an agreement of this nature.

15.10 Non-Executive Appointment Letter – James Everist

The Company has entered into a Non-Executive Appointment Letter with James Everist in relation to Mr Everist's role as Non-Executive Director of the Company. Mr Everist will be entitled to a base fee of $40,000 per annum, in addition consulting services which may be offered by Evcorp Australia Pty Ltd (with Mr Everist as the nominated person providing these services) for $100 per hour plus GST. The Non-Executive Appointment Letter also sets out the key terms of Mr Everist's appointment, including:

(a) appointment terms, including appointment requirements and induction and training;

(b) director's duties and obligations, including time commitment, director's powers and duties, special duties or arrangements, board committees, compliance with code of conduct and other policies and confidentiality; and

(c) director's entitlements, including remuneration (details of the Proposed Directors' proposed remuneration are set out in Section 10.5), superannuation, access to information, access to professional advice, insurance and alternate directors.

15.11 Non-Executive Appointment Letter – Eric Jiang

The Company has entered into a Non-Executive Appointment Letter in relation to Mr Jiang's role as Non-Executive Director of the Company. Mr Jiang will be entitled to a base fee of $40,000 per annum. The Non-Executive Appointment Letter also sets out the key terms of Mr Jiang's appointment, including:

(a) appointment terms, including appointment requirements and induction and training;

(b) director's duties and obligations, including time commitment, director's powers and duties, special duties or arrangements, board committees, compliance with code of conduct and other policies and confidentiality; and

(c) director's entitlements, including remuneration (details of the Proposed Directors' proposed remuneration are set out in Section 10.5), superannuation, access to information, access to professional advice, insurance and alternate directors.

16. ADDITIONAL INFORMATION

16.1 Litigation

As at the date of this Prospectus, neither the Company, Elect or Superion is involved in any material legal proceedings and neither the existing Directors nor the Proposed Directors are aware of any legal proceedings pending or threatened against the Company, Elect or Superion.

16.2 Rights attaching to Shares (including Shares to be issued under the Offers)

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and

(iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of persons (if any) entitled to shares with special rights to dividends, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may authorise the payment or crediting by the

Company to the shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends are to be declared and paid according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares, in accordance with Part 2H.5 of Chapter 2H of the Corporations Act. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, Shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other Shares.

(e) **Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(f) **Variation of rights**

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(g) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

16.3 Rights attaching to Performance Shares

On 20 September 2005, the Company issued 11,333,333 pre-Consolidation Performance Shares (which shall be consolidated to 226,667 Performance Shares) in total as part consideration for the acquisitions of Ed Harry and Physico Group. These acquisitions were completed in September 2005.

The Performance Shares have the following rights:

(a) **Conversion**

The Performance Shares will automatically convert into Shares upon the earlier of:

(i) the date which is 5 ASX Business Days after the earliest date on which the Company's earnings before interest, tax, depreciation and amortisation of the Biron group equal or exceeds $7,000,000 for the financial years ending 30 June 2007 to 2010;

(ii) a change of control event occurs, being:

(A) the Company enters into a scheme of arrangement with its creditors or members of any class thereof pursuant to section 411 of the Corporations Act;

(B) as a result of a takeover bid to all Shareholders for their Shares:

(I) 50% of Shares being held by the bidder at the close of the takeover offer period; and

(II) there being a change of control of the Board;

(C) a person or a group of associated persons having a relevant interest subsequent to completion of the acquisitions of Ed Harry and Physico Group in sufficient Shares to give it or them the ability, in a general meeting, to replace all or a majority of the Board in circumstances where such ability was not already held at completion of the acquisitions of Ed Harry and Physico Group by a person associated with such person or group of associated persons,

(**Conversion** and **Converted** is given a corresponding meaning)

(b) **Repayment of capital**

Unless and until the Performance Shares are Converted into Shares, no Performance Share will entitle its holder to any repayment of capital made by the Company.

(c) **Participation in surplus assets and profits**

Unless and until the Performance Shares are Converted into Shares, no Performance Share will entitle its holder to any right to participate in surplus assets or profits of the Company.

(d) **Dividends and other distributions**

Unless and until Performance Shares are Converted into Shares, no Performance Share will entitle its holder to receive dividends or any other distributions of capital from the Company.

(e) **Voting**

Unless and until Performance Shares are Converted into Shares, no Performance Share will entitle its holder to any right to cast any vote at any meeting of the members of the Company, other than in respect of any question, proposal or resolution which relates to the rights attaching to that Performance Share in which event each Performance Share will entitle its holder to 1 vote.

(f) **Conversion**

On the Conversion Date, each Performance Share will Convert, subject to paragraph (g), to one Share, which Share will, at the time of Conversion and without any further act, have the same rights as, and rank equally with, other Shares on issue. The Company will apply for the quotation of each such Share within the time frame specified in the Listing Rules.

(g) **Changes in circumstances**

(i) **Reconstruction**

If any reorganisation of the issued capital of the Company takes place before the Conversion Date, the number of Shares into which the Performance Shares will Convert will be reorganised as follows:

(A) in a consolidation of capital - the number of Shares must be consolidated in the same ratio as all other Shares;

(B) in a sub-division of capital - the number of Shares must be subdivided in the same ratio as all other Shares;

(C) in a return of capital – the number of Shares must remain the same;

(D) in a reduction of capital by a cancellation of paid up capital that is lost or not represented by available assets where Shares are cancelled – the number of Shares must remain unaltered;

(E) in a pro-rata cancellation of capital - the number of Shares must be reduced in the same ratio as all Shares; and

(F) in any other case - the number of Shares must be reorganised so that the holders of Performance Shares will not receive a benefit that holders of Shares do not receive (this does not prevent a rounding up of the number of Shares to be received if the rounding up is approved at the Shareholders meeting which approves the reorganisation); and in all other respects the terms relating to the Conversion of the Performance Shares will remain unchanged.

(ii) **Bonus issue**

If prior to the Conversion Date, there is a bonus issue to the holders of Shares, the number of Shares into which the Performance Shares will Convert will be increased by the number of Shares which the holders of Performance Shares would have received if they had been issued the Shares before the record date for the bonus issue.

(iii) **New issues**

Subject to the Listing Rules, the holders of Performance Shares may only participate in a new issue of Shares or other Securities if the Performance Shares have Converted to Shares on or before the date for determining entitlements to the issue. The Company must ensure that for the purposes of determining entitlements to any such issue, the record date in respect of that issue will be at least 10 ASX Business Days after the issue is announced.

16.4 Interests of Directors

Other than as set out in this Prospectus, no Director or Proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or Proposed Director:

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offers.

16.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

 (i) its formation or promotion; or

 (ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(d) the formation or promotion of the Company; or

(e) the Offers.

JB Advisory Pty Ltd has acted as lead manager of the Company. The Company estimates it will pay JB Advisory Pty Ltd $180,000 (excluding GST for these services). During the 24 months preceding lodgement of this Prospectus with ASIC, JB Advisory Pty Ltd has received $50,480 from the Company for their services. During the 24 months preceding lodgement of this Prospectus with the ASIC, JB Advisory Pty Ltd has not received fees from the Company for any other services. However, JB Advisory Pty Ltd will be issued 2,000,000 Shares as a Superion Vendor on Completion.

William Buck Audit (VIC) Pty Ltd has acted as auditor for Superion and Elect. The Company will not pay William Buck Audit (VIC) Pty Ltd for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, William Buck Audit (VIC) Pty Ltd has not received any fees from the Company for services.

Rothsay Chartered Accountants has acted as Auditor to the Company. The Company has paid Rothsay Chartered Accountants $17,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Rothsay Chartered Accountants has received $17,000 from the Company for their audit services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Rothsay Chartered Accountants has not received any fees from the Company for any other services.

Rothsay Consulting Services Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 12 of this Prospectus. The Company estimates it will pay Rothsay Consulting Services Pty Ltd a total of $10,000 (excluding GST) for the Investigating

Accounting Report. During the 24 months preceding lodgement of this Prospectus with ASIC, the Company has not paid Rothsay Consulting Services Pty Ltd any fees for their services. Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin $100,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received fees of $82,520.78 plus GST and is owed a further 45,031.33 plus GST by the Company for legal services provided.

Computershare Investor Services Pty Limited has acted as the share registry of the Company in relation to the Offers. The Company estimates it will pay Computershare Investor Services Pty Limited $8,770 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Computershare Investor Services Pty Limited has received fees of $4,966 (excluding GST) from the Company for share registry services.

16.6 Consents

(a) Other than as set out below, each of the parties referred to in this Section 16.6:

   (i) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by the relevant party;

   (ii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of the party; and

   (iii) did not authorise or cause the issue of all or any part of this Prospectus.

(b) JB Advisory Pty Ltd has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as financial and corporate adviser to the Company and lead manager to the Public Offer in the form and context in which it is named. JB Advisory Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

(c) Steinepreis Paganin has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as Australian lawyers to the Company in relation to the Offers.

(d) Rothsay Consulting Services Pty Ltd has given its written consent to being named as the Investigating Accountant and for the inclusion of the Investigating Accountant's Report in Section 12 of this Prospectus in the form and context in which the information and report are included. Rothsay Consulting Services Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

(e) Rothsay Chartered Accountants has given its written consent to being named as Auditor of the Company in this Prospectus and to the inclusion of the audited numbers prepared by it in Section 11 of this Prospectus in the form and context in which the information is included. Rothsay Chartered Accountants has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

(f) William Buck (VIC) Pty Ltd has given its written consent to being named as auditor of Elect and Superion in this Prospectus and the inclusion of audited numbers prepared by it in Section 11 of this Prospectus in the form and context in which the information is included. William Buck (VIC) Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

(g) Computershare Investor Services Pty Limited has given its written consent to being named as share registry of the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

16.7 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately $305,000 (if the Public Offer is fully subscribed) and are expected to be applied towards the items set out in the table at Section 7.7.

16.8 Continuous disclosure obligations

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

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

16.9 Governing law

The Offers and the contracts formed on return of an Application Form are governed by the laws applicable in Western Australia, Australia. Each person who applies for Shares pursuant to this Prospectus submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia, and the relevant appellate courts.

17. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.

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Christopher Botica
Non-Executive Chairman
For and on behalf of
Biron Apparel Limited

18. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

$ means an Australian dollar.

Acquisitions means the purchase of 100% of the issued capital in Elect and Superion by the Company in accordance with the Elect Agreement and the Superion Agreement.

Applicant means a person who has submitted an Application Form.

Application means an application for Shares made on an Application Form.

Application Form means the application form attached to or accompanying this Prospectus relating to an Offer.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the official listing rules of ASX.

ASX Settlement Operating Rules means the operating rules of the ASX Settlement Facility (as defined in Rule 1.1.1 and Rule 1.1.2 of the ASX Settlement Operating Rules) in accordance with Rule 1.2 which govern, inter alia, the administration of the CHESS subregisters.

Biron Group means Biron, Elect (including JCT) and Superion on a post-Completion basis.

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

CHESS has the meaning given in Section 7.13 of this Prospectus.

Closing Date means the closing date of the Offers as set out in the indicative timetable in Section 3 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offers early).

Company, Biron or **BIC** means Biron Apparel Ltd (ACN 009 087 469).

Completion means completion of the Acquisitions in accordance with the terms of the Superion Agreement and Elect Agreement.

Consolidation has the meaning given in Section 7.1.

Constitution means the constitution of the Company.

Converting Loan Agreements has the meaning given in Section 15.3.

Converting Loan Lenders means those parties who have entered into the Converting Loan Agreements with the Company.

Converting Loan Offer has the meaning given in Section 7.5.

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

Directors means the directors of the Company at the date of this Prospectus.

DOCA has the meaning given in Section 5.

Elect means Elect Performance Group Pty Ltd (ACN 107 958 690).

Elect Agreement has the meaning given in Section 6.2.

Elect Offer has the meaning given in Section 7.3.

Elect Vendor has the meaning given in Section 6.2.

Entitlement has the meaning given in Section 7.2.

General Meeting means the annual general meeting of the Company which was held on 23 November 2015 at which Shareholders approved the matters relating to the Acquisitions and the Offers.

Investigating Accountant's Report means the investigating accountant's report prepared by Rothsay Consulting Services Pty Ltd and included in Section 12.

JB Advisory has the meaning given in Section 15.4.

JCT has the meaning given in Section 5.

Lead Manager means JB Advisory.

Mandate has the meaning given in Section 15.4.

Marketable Parcel means a parcel of Shares worth not less than $2,000 based on the issue price of the Shares offered under the Public Offer.

Minimum Subscription has the meaning given in Section 7.1(a).

Offers means each of the Public Offer and the Secondary Offers and **Offer** means one of the Offers.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Performance Shares means performance shares which may convert into Shares in the Company on the terms and conditions set out in Section 16.3.

Proposed Directors means Messrs Gavin Xing, James Everist and Eric Jiang.

Prospectus means this prospectus.

Public Authority means any government or governmental, semi-governmental, administrative, statutory, fiscal, or judicial body, entity, authority, agency, tribunal, department, commission, office, instrumentality, agency or organisation (including any minister or delegate of any of the foregoing), any self-regulatory organisation established under statute and any recognised securities exchange (including without limitation ASX), in each case whether in Australia or elsewhere.

Public Offer means the offer of 25,000,000 Shares at an issue price of $0.20 per Share to raise up to $5,000,000 (with a minimum subscription of $3,500,000) pursuant to this Prospectus and includes the Top Up Offer.

Recommendations has the meaning given in Section 14.1.

Secondary Offer has the meaning given in Section 5.

Section means a section of this Prospectus.

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

Shareholder means a holder of one or more Shares.

Share Registry means Computershare Investor Services Pty Ltd.

Superion means Superion Property Pty Ltd (ACN 166 785 084)

Superion Agreement has the meaning given at Section 6.2.

Superion Offer has the meaning given in Section 7.4.

Superion Vendors has the meaning given in Section 6.2.

Top Up Offer means the offer of Shares to Top Up Shareholders on the terms set out in Section 7.2.

Top Up Shareholders means those Shareholders of the Company with a registered address in Australia holding less than 10,000 Shares on the Top Up Offer Record Date.

Top Up Offer Record Date means the Top Up Offer record date as set out in the indicative timetable in Section 3 of this Prospectus.

Valid Application means a valid and complete Application to subscribe for Shares under the Offers, accompanied by the appropriate Application money in full.

Wisma has the meaning given in Section 5.

WST means Western Standard Time as observed in Perth, Western Australia.