



Barrack St Investments Limited

ACN 167 689 821

Replacement Prospectus

Investment Manager
ECP Asset Management Pty Ltd

Lead Manager
Morgans Corporate Limited (AFSL 235407)



ECP Asset Management

Morgans IN ALLIANCE WITH **CIMB**

This is a replacement prospectus dated 1 July 2014 which replaces a prospectus lodged with the Australian Securities and Investments Commission on 23 June 2014.

Directory

The Company

Barrack St Investments Limited ACN 167 689 821

Suite 305, Level 3, Barrack House
16-20 Barrack Street
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Tel. 02 8651 6800

Fax 02 8651 6899

www.barrackst.com

Email info@barrackst.com

Directors

Murray Howard d'Almeida, Chairman

David Charles Crombie, Independent Director

Emmanuel (Manny) Clive Pohl
(Alternate Jared David Pohl),
Non-Independent Director

Company Secretary

Brian Edward Jones
Rothsay Chartered Accountants
Level 1, 12 O'Connell Street
SYDNEY NSW 2000

Manager

ECP Asset Management Pty Ltd
ACN 158 827 582

Suite 305, Level 3
343 George Street
SYDNEY NSW 2000

Authorised representative of
EC Pohl & Co Pty Ltd
ACN 154 399 916 AFSL 421704

Tel. 02 8651 6800

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Registry

Boardroom Pty Limited ABN 14 003 209 836

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SYDNEY NSW 2000

www.boardroomlimited.com.au

Lead Manager/Sponsoring Broker

Morgans Corporate Limited ACN 010 539 607 (AFSL 235407)

Lawyers to the Company

McCullough Robertson

ABN 42 721 345 951

Level 16, 55 Hunter Street
SYDNEY NSW 2000

www.mccullough.com.au

Auditor

Leslie Pines

Suite 1, 102 Spofforth Street
CREMORNE NSW 2090

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Important notices

Lodgement and listing

The Prospectus is dated 1 July 2014. A copy of this Prospectus was lodged with ASIC on that date. This is a replacement prospectus which replaced the prospectus dated 23 June 2014 and lodged with ASIC on that date (Original Prospectus). No securities will be issued on the basis of the Prospectus later than 13 months after the date of the Original Prospectus.

Barrack St Investments Limited (**BST**) will apply to ASX Limited (**ASX**) within 7 days after the date of the Original Prospectus for admission to the Official List and for Official Quotation of the Shares and Options issued under the Offer.

Neither ASIC or ASX take any responsibility as to the contents of the Prospectus. Admission to the Official List is in no way an indication of the merits of the Offer or of BST.

Offer

This Prospectus contains an invitation to apply for Shares (together with one Option for every one Share issued). The Options are issued for nil consideration and are exercisable at \$1.00 each. BST reserves the right to accept subscriptions for Shares and Options to raise up to \$50 million. No Shares or Options will be issued until the Minimum Subscription amount of \$16 million has been received.

No person is authorised to provide any information, or to make any representation, about BST or the Offer that is not contained in this Prospectus. Potential investors should only rely on the information contained in this Prospectus. Any information or representation not contained in the Prospectus may not be relied on as having been authorised by BST in connection with the Offer. Except as required by law, and only to the extent required by such law, neither BST nor any person named in this Prospectus or any other person guarantees the performance of BST, the repayment of capital or the payment of dividends on the Shares.

Before deciding to invest in the Company, investors should read the entire Prospectus. The information contained in individual sections is not intended to and does not provide a comprehensive review of the business and the financial affairs of BST or the Shares or Options offered under this Prospectus. The Offer does not take into account the investment objectives, financial situation or particular needs of individual investors. An investment in BST should be considered speculative. You should carefully consider the risks (including those set out in section 6 that impact on BST in the context of your personal requirements (including your financial and taxation position) and, if required, seek professional guidance from your stockbroker, solicitor, accountant or other professional advisor prior to deciding to invest in BST. No cooling-off regime (whether provided by law or otherwise) applies in respect of the acquisition of Shares or Options under this Prospectus.

Foreign investments

The Offer is being made in Australia. No offer will be made in any overseas jurisdiction where it would not be lawful to do so.

Electronic prospectus

The Offer pursuant to this Prospectus is available to persons receiving an electronic version of this Prospectus within Australia via Barrack St Investments Limited's website at www.barrackst.com. BST is entitled to refuse an application for Securities under this Prospectus if it believes the Applicant received the Offer outside Australia in non-compliance with the laws of the relevant foreign jurisdiction.

Any person accessing the electronic version of this Prospectus, for the purpose of making an investment in BST, must only access the Prospectus from within Australia, or any jurisdiction outside Australia where distribution of the electronic version of this Prospectus is not restricted by law.

Persons may obtain additional paper copies of the Prospectus (free of charge) during the life of this Prospectus by contacting the Manager. Securities to which this Prospectus relates will only be issued on receipt of an Applicant Form issued together with the Prospectus. Applications for Securities may only be made on the Application Form attached to the Prospectus in its paper copy form or as downloaded in its entirety from www.barrackst.com.

The Corporations Act prohibits any person from passing on to another person the Application Form unless it is attached to a hard copy of this Prospectus or accompanies the complete and unaltered electronic version of this Prospectus.

Exposure period

Pursuant to the Corporations Act, this Prospectus is subject to an exposure period of 7 days after the date of lodgement with ASIC of the Original Prospectus, which period may be extended by ASIC by a further period of 7 days. The Exposure Period enables this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus. If deficiencies are detected, the Company will:

- return any Application Monies that the Company has received; or
- provide each Applicant with a supplementary or replacement Prospectus that corrects the deficiency, and give each Applicant the option to withdraw the Application within 1 month and be repaid the Subscription Amount. If an Application is not withdrawn Shares and Options will be issued to each respective Applicant.

Application Forms received prior to the expiration of the Exposure Period will not be processed until after the Exposure Period. No preference will be conferred on Application Forms received during the Exposure Period and all Application Forms received during the Exposure Period will be treated as if they were simultaneously received on the Opening Date.

Information about the Manager

This Prospectus contains certain information about the Manager, its directors, senior executives and business. It also contains details of its investment approach, strategy and philosophy. To the extent that the Prospectus includes statements by the Manager or includes statements based on any statement of, or information provided by, the Manager, the Manager consents to each such statement being included in the Prospectus in the form and context in which it is included and has not withdrawn that consent at any time prior to the lodgement of this Prospectus.

Lead Manager

The issuer of the Prospectus is BST. Offers of Securities under this Prospectus will be made under an arrangement between BST and Morgans Corporate Limited (Lead Manager), as a holder of an AFSL, under section 911A(2)(b) of the Corporations Act. BST has authorised the Lead Manager to make offers to arrange for the issue of the Shares and Options under the Prospectus and BST will only issue the Securities in accordance with those offers and no others.

Privacy

By completing an Application Form, you are providing personal information to BST and Boardroom Pty Limited, as the Registry, which is contracted by BST to manage Applications, and you consent to the collection and use of that personal information in accordance with these terms. That personal information will be collected, held and used both in and outside of Australia by BST, and the Registry on its behalf, to process your Application, service your needs as a security holder, provide facilities and services that you request and carry out appropriate administration of your investment. If you do not wish to provide this information, BST may not be able to process your Application.

Once you become a security holder, the Corporations Act requires information about you (including your name, address and details of the Shares and Options you hold) to be included in BST's public Share and Option registers. This information must continue to be included in BST's public Share and Option registers even if you cease to be a security holder.

BST and the Registry on its behalf may disclose your personal information for purposes related to your investment to their agents and service providers (which may be located outside of Australia) including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth) (**Privacy Act**):

- the Registry for ongoing administration of BST's public Share and Option registers;
- printers and other companies for the purposes of preparation and distribution of documents and for handling mail;
- the Lead Manager in order to assess your Application;
- market research companies for the purpose of analysing BST's Shareholder base; and
- legal and accounting firms, auditors, management consultants and other advisers for the purpose of administering and advising on the Securities and for associated actions.

Under the Privacy Act, you may request access to your personal information that is held by, or on behalf of, BST. You can request access to your personal information or obtain further information about BST's privacy practices by contacting BST or

its Registry, details of which are set out elsewhere in this Prospectus. BST aims to ensure that the personal information it retains about you is accurate, complete and up to date. To assist with this, please contact the Manager or the Registry if any of the details you have provided change.

In accordance with the requirements of the Corporations Act, information on the Shareholder and Option holder registers will be accessible by the public.

Interpretation

A number of terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary in section 9. Currency, as expressed in this Prospectus, is in Australian Dollars, unless indicated otherwise.

Diagrams

Diagrams used in this Prospectus are illustrative only.

Applications

By lodging an Application Form, you declare that you were given access to the entire Prospectus, together with an Application Form. BST will not accept a completed Application Form if it has reason to believe that an Application Form lodged by an Applicant was not accompanied by, or attached to, the Prospectus or if it has reason to believe that the Application Form has been altered or tampered with in any way.

Detailed instructions on completing the Application Form can be found on the back of the Application Form. The acceptance of an Application Form and the allocation of Shares and Options are at the discretion of BST.

Company website

<http://www.barrackst.com>

This Prospectus can be downloaded from the following websites:

www.barrackst.com

www.morgans.com.au

www.boardroomlimited.com.au

Any references to documents included on these websites are provided for convenience only, and none of the documents or other information on the website is incorporated by reference into this Prospectus.

Key dates

Opening Date for receipt of Applications	8 July 2014
Closing Date for receipt of Applications under Broker Firm Offer	25 July 2014
Closing Date for receipt of Applications under General Offer	31 July 2014
Allotment Date for Shares and Options	7 August 2014
Expected date for despatch of Securities holding statements	8 August 2014
Expected date of Official Quotation of Securities on ASX	14 August 2014
Exercise period for Options	2 years from the date of issue of the Options (which is currently anticipated to occur on or about 7 August 2014)

All dates are subject to change and, accordingly, are indicative only. In particular, the Company has the right to vary the dates of the Offer, without prior notice. Investors are encouraged to submit their Application Forms as soon as possible.

Offer summary

Company	Barrack St Investments Limited ACN 167 689 821
Proposed ASX Code	BST: Shares BSTO: Options
Securities offered	Fully paid Shares with one Option for nil consideration for every Share allotted
Issue Price of Shares	General Offer – \$1.00 per Share Broker Firm Offer – \$1.00 per Share, comprising subscription amount of 98.5 cents per Share payable to BST and a Service Fee of 1.5 cents per Share (including GST) payable to your broker if you have provided your Consent to the payment of the Service Fee
Exercise Price per Option	\$1.00 per Option
Minimum number of Shares and Options available under the Offer	16,000,000 Shares 16,000,000 Options
Maximum number of Shares and Options available under the Offer	50,000,000 Shares 50,000,000 Options
Minimum Offer Size	\$16 million (before exercise of any Options)
Maximum Offer Size	\$50 million (before exercise of any Options)
Minimum Application Size	\$2,500 based on the \$1.00 Offer Price (excluding the exercise of any Options)
Pro-forma Net Asset Value (NAV) per Share	\$0.96 per Share Minimum Subscription \$0.97 per Share Maximum Subscription

Chairman's letter

BARRACK ST INVESTMENTS LIMITED

ACN 167 689 821
Level 3, Barrack House, 16-20 Barrack Street, Sydney NSW 2000
Tel: +61 2 8651 6800 Fax +61 2 8651 6899
Email: info@barrackst.com Internet: www.barrackst.com

1 July 2014

Dear Investor

Barrack St Investments Limited has been created to satisfy a growing appetite for access to boutique investment managers with an expertise in small and mid-cap companies. The Company's objective is to achieve moderate to high portfolio returns over the long-term through investment in small and mid-cap companies quoted on ASX with a history of profitability and a superior growth profile.

While the portfolio will be constantly monitored and reviewed by the Board and its advisers, it will be the sole responsibility of ECP Asset Management to manage the portfolio. ECP Asset Management was established by Manny Pohl (Chief Investment Officer), who has a long history and successful track record in investment management. Manny was appointed as the founding managing director of Hyperion Asset Management Limited in 1996 and was instrumental in growing this business to over \$3 billion funds under management and leading it to numerous investment awards. In 2012 he exited that business to form a boutique investment management business which is the investment manager of another listed investment company, Flagship Investments Limited (ASX: FSI). Manny and his team also continue to manage a number of individually managed accounts on behalf of high net worth clients applying the same investment philosophy as that proposed for Barrack St Investments.

I have known Manny Pohl in a professional capacity for more than ten years and respect his investment skill, business acumen and professional integrity. In my experience, Manny has always acted in the interests of his shareholders and clients which I believe is an important trait in an investment manager alongside their ability to achieve superior returns for investors.

We believe that the investment philosophy described in this Prospectus and to be implemented by the Manager will appeal to a wide range of investors. Each of the Directors of the Company will be investing in this IPO and we are pleased to invite you to invest with us, although we recommend you read this Prospectus in detail to assist you in making this decision.

I look forward to welcoming you as an Investor.

Yours sincerely



Murray d'Almeida
Chairman

1 Investment summary

1.1 Introduction and overview of BST

Topic	Summary
The Company	<p>Barrack St Investments Limited (BST) is a newly formed Australian Company which has not yet commenced operations. On successful completion of the Offer, BST will be a listed investment company seeking to achieve moderate to high portfolio returns over the long-term through investment in small and mid-cap companies quoted on ASX.</p> <p>Through this Offer, BST is seeking to raise a minimum of \$16 million and up to \$50 million (prior to the exercise of any Options).</p>
The Manager	<p>BST's investment Portfolio will be managed by ECP Asset Management Pty Ltd (Manager).</p>
Investment Objective	<p>The investment objective is to provide Shareholders with moderate to high portfolio appreciation over the long-term through active management of BST's portfolio investments.</p> <p>The Performance Fee benchmark has been set at a hurdle of 8% per annum which represents the current cash rate plus a risk premium. Full details of the Performance Fee and its calculation are set out in section 8.13.1.</p>
Investments	<p>BST will seek to achieve its objective by investing in:</p> <ul style="list-style-type: none">▪ Australian companies listed on the ASX but not those included in the ASX50 Index; and▪ mid market private companies that intend to list within 6 months. <p>The timing of individual investments by the Company will depend on prevailing market conditions. However, it is anticipated that the funds raised under this Prospectus will be substantially invested within eight weeks of the Closing Date of the Offer.</p>
Investment Risks	<p>The most significant risk for Shareholders is investment underperformance by the Manager. It should be understood that the past performance of portfolios managed by the Chief Investment Officer of the Manager is not necessarily a guide to the future performance of the Company. The Company's Shares may also trade at prices below the value of its investments.</p> <p>The loss of a key investment officer employed by the Manager is a risk that could lead to investment underperformance. Refer to section 6 for further information.</p>
Dividends	<p>The Board intends to pay an interim and a final dividend to Shareholders on an annual basis. In determining the level of any dividends the Directors will consider the level of income received by the Company, its anticipated expenses and its investment intentions. The ultimate payment of a dividend will be at the discretion of the Board, though the Board policy is that all dividends paid to Shareholders will be franked to 100% or to the maximum extent possible.</p>
Gearing	<p>The Directors do not intend to use borrowings but retain the right to borrow to enhance potential Shareholder returns. The level of borrowings is intended to be limited to 20% of the total assets of BST at the time of borrowing.</p>
Management Fee	<p>The Manager will receive a management fee representing 1.0% per annum (plus GST) calculated and paid monthly based on the net</p>

Topic	Summary
	<p>tangible assets of the Company.</p> <p>The direct costs to the Company such as distribution fees, registry, custody, accounting and audit, will be paid by the Company. These are anticipated to amount to no more than approximately 0.3% of NAV per annum, but some costs are fixed costs so will proportionally reduce as the Company's asset base grows. Refer to section 8.13 for a summary of the Management Agreement.</p>
Performance Fee	<p>The Manager is also entitled to be paid an annual performance fee by the Company which is equal to 20% (excluding GST) of any outperformance over 8% per annum subject to a high water mark. The performance fee is calculated and accrued monthly on a pre-tax basis and any positive performance fee amounts are payable annually in arrears. Full details of the Performance Fee and its calculation are set out in section 8.13.1.</p>
Net Asset Value (NAV) at Listing Date	<p>Minimum Subscription: 96 cents per Share</p> <p>Maximum Subscription: 97 cents per Share</p>
Options	<p>Subscribers during the Initial Offer Period will receive one Option for nil consideration for every Share purchased. The exercise period for the Options is any time in the two years following the date of issue of the Options.</p>
Reporting to Shareholders	<p>In accordance with BST's statutory reporting requirements under the Corporations Act, the Company will make available to Shareholders the financial reports which are submitted to ASIC and the ASX.</p> <p>The Manager will inform the ASX of the net asset backing per Share on a monthly basis and may be accessed via the Manager's website.</p>
ASX Code	BST

1.2 Overview of the Offer

Topic	Summary	For more information									
What is the Offer?	BST is offering Shares (and a like number of Options for issue) to raise a minimum of \$16 million and up to a maximum of \$50 million.	Section 2.1									
Who is the issuer?	Barrack St Investments Limited, a public limited liability company registered in Queensland.	Section 2.1									
Why is the Offer being conducted?	BST is offering the Securities to raise funds to undertake investments consistent with the investment objectives and guidelines outlined in this Prospectus, to pay the costs of the Offer and to obtain a listing on ASX.	Section 4.3									
What is the minimum application size	\$2,500 for 2,500 Shares and a like number of Options, with incremental multiples of 500 Shares and Options (i.e. in incremental multiples of at least 500).	Section 2.6									
How can I apply?	You may apply for Shares under the General Offer by completing the Application Form accompanying or included in this Prospectus. Applicants under the Broker Firm Offer should contact their Broker for instructions on how to complete the Broker Firm Offer Application Form accompanying this Prospectus.	Section 2.6									
What is the capital structure of BST following completion of the Offer?	<p>On completion of the Offer, the capital structure of the Company, before exercise of any Options, will be as set out below:</p> <table> <tr> <th></th><th>Minimum Subscription (\$16,000,000)</th><th>Maximum Subscription (\$50,000,000)</th></tr> <tr> <td>Shares</td><td>16,006,000</td><td>50,006,000</td></tr> <tr> <td>Options</td><td>16,000,000</td><td>50,000,000</td></tr> </table>		Minimum Subscription (\$16,000,000)	Maximum Subscription (\$50,000,000)	Shares	16,006,000	50,006,000	Options	16,000,000	50,000,000	Section 5.3
	Minimum Subscription (\$16,000,000)	Maximum Subscription (\$50,000,000)									
Shares	16,006,000	50,006,000									
Options	16,000,000	50,000,000									
How is the Offer structured?	The Offer comprises: The General Offer; and The Broker Firm Offer.	Section 2.1									
Who can participate in the Offer?	Any person to whom it would be lawful to make such an offer or invitation.	Section 2.1									
Who is the Lead Manager to the Offer?	Morgans Corporate Limited.	Section 8.13.2									
Is the Offer underwritten?	No.	Section 2.5									
What do Applicants pay when applying under the Offer?	Applicants under the General Offer will pay an Application Amount of \$1.00 per Share. Applicants under the Broker Firm Offer will be required to pay an Application Amount of \$1.00 per Share (comprising the subscription amount of 98.5 cents per Share payable to BST and a Service Fee of 1.5 cents per Share (including GST) payable to their broker) provided the	Section 2.1									

Topic	Summary	For more information
	Applicant has given their Consent.	
What is the allocation policy?	In allocating the Securities, it is the intention of the Board to ensure that BST has an adequate spread of Shareholders. The allocation of the Securities is at the absolute discretion of the Directors (in consultation with the Lead Manager).	Section 2.8
What fees and costs are payable to the Lead Manager and brokers?	<p>The Company will pay the Lead Manager a management fee of 1.25% (excluding GST) of the gross proceeds of the Offer.</p> <p>Securities will be allotted under the Broker Firm Offer provided the Application Forms are received or commitments are given to the Lead Manager to lodge the Application Forms by the Closing Date.</p> <p>The Application Amount payable under the Broker Firm Offer is \$1.00 per Share comprising the subscription amount of 98.5 cents per Share payable to BST and the Service Fee of 1.5 cents per Share (including GST) payable to their broker provided the Applicant has given their Consent.</p> <p>The Application Amount payable under the General Offer is \$1.00 per Share.</p> <p>The Service Fee does not apply to, and is not payable by, Applicants under the General Offer.</p>	Sections 2.1 and 8.13.2
Will the Shares and Options be listed?	Yes. BST will apply to be admitted to the Official List and will seek Official Quotation of the Shares and Options on ASX.	Section 2.11
What are the tax implications of investing in Shares and Options?	The tax consequence for an investor of any investment in the Shares and Options will depend upon the investor's particular circumstances. Applicants should obtain their own tax advice before deciding whether to invest.	Section 8.3
Can BST issue additional Shares and Options or other securities?	Yes, BST may decide to accept oversubscriptions but only after the issue of a supplementary prospectus.	Section 8.13.2
When will I receive confirmation that my Application has been successful?	BST expects that holding statements will be sent by standard post on or around 8 August 2014.	Not applicable
Can the Offer be withdrawn?	<p>BST reserves the right not to proceed with the Offer at any time before the issue of Shares and Options to successful Applicants.</p> <p>If the Offer does not proceed, Application Monies (including amounts paid on account of the Service Fee) will be refunded.</p> <p>No interest will be paid on any refunded Application Monies.</p>	Section 2.1
Is there a cooling-off period?	No.	Important Notices

Topic	Summary	For more information
Where can I find key financial information relating to BST?	BST has only recently been incorporated and to date has undertaken no business activity (other than the preparation of the Prospectus). Please refer to section 5 for unaudited pro forma statements of financial position in respect of BST.	Section 5
How can I obtain further information?	If you would like more information or have any questions relating to the Offer, please contact the Lead Manager on 1800 777 946. If you are uncertain as to whether an investment in BST is suitable for you, please contact your stockbroker, financial adviser, lawyer, accountant or other professional adviser.	Important Notices
What are the risks associated with an investment in the Company?	The key risks associated with an investment in the Company include: <ul style="list-style-type: none"> the Manager may stop managing the Portfolio or the Chief Investment Officer may leave the Manager meaning the Company may have to find a new investment manager; potential volatility associated with a lack of diversity within the Portfolio; the value of the assets chosen by the Manager may decrease in value over time; and loss of capital and income through the use of leverage if there are adverse market movements. Investors should consider these risks when deciding whether to subscribe for Shares and Options under the Offer.	
What related party arrangements are there?	As at the date of this Prospectus, EC Pohl & Co Pty Ltd is the only Shareholder of the Company (holding 6,000 \$1 Shares) and the Manager and is therefore a related party of the Company. The Company and the Manager have entered into a Management Agreement pursuant to which the Manager is entitled to be paid certain fees by the Company. The Manager and EC Pohl & Co Pty Ltd are ultimately controlled by Dr Emmanuel (Manny) Pohl and have an indirect interest in the Management Agreement. Further details of the Management Agreement are set out in section 8.13.1. Dr Pohl is a director of both the Company and the Manager. Other than the Management Agreement there are no existing agreements or arrangements nor any currently proposed transactions between the Company and a related party.	

1.3 Key information on the Directors and the Manager

Topic	Summary	For more information
Who are the Directors?	<p>The Directors of BST are:</p> <ul style="list-style-type: none"> ▪ Murray d’Almeida – Independent Non-executive Chairman ▪ David Crombie – Independent Non-executive Director ▪ Dr Emmanuel (Manny) Pohl – Executive Director ▪ Jared Pohl – Non-executive Alternate Director (Alternate for Emmanuel Pohl) <p>See section 3.2 for further details regarding the background and expertise of the Directors.</p>	Section 3.2
What are the Directors to be paid?	<p>The Directors will receive the following amounts for the first year:</p> <ul style="list-style-type: none"> ▪ Murray d’Almeida – \$45,000 ▪ David Crombie – \$40,000 ▪ Emmanuel Pohl – \$40,000 	Section 3.3.4
Who is the Manager?	<p>The Manager, ECP Asset Management Pty Ltd, is an Authorised Representative of EC Pohl & Co Pty Ltd and holds AFSL 421704 which authorises it to undertake this role.</p>	Section 4

2 Details of Offer

2.1 What is the Offer?

BST is offering Shares for issue (together with one Option to acquire one Share, for every Share issued), to raise up to \$50 million. The Options will be issued for nil consideration and are exercisable at \$1.00 each, for the period of two years from the date of issue of the Options.

The rights attaching to the Shares and Options are set out in sections 8.9 and 7.1 respectively and the terms and conditions of the Options are set out in section 7.4.

The Offer comprises:

Broker Firm Offer

Applicants who have been offered a firm allocation by a broker will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. Investors should contact their broker to determine whether they may be allocated Shares under the Broker Firm Offer.

Applicants under the Broker Firm Offer will be required to pay an Application Amount of \$1.00 per Share comprising:

- the subscription price of 98.5 cents per Share payable to BST; and
- the Service Fee of 1.5 cents per Share (inclusive of GST) payable to your broker (which will be collected by the Registry on behalf of the brokers).

Retail Applicants under the Broker Firm Offer who receive a broker firm allocation will be required to provide their Consent to the payment of the Service Fee.

General Offer

Applicants under the General Offer will be required to pay an Application Amount of \$1.00 per Share comprising solely the subscription price of \$1.00 per Share payable to the Company. No Service Fee is payable by Applicants under the General Offer.

2.2 Discretion under the Offer

BST reserves the right not to proceed with the Offer at any time before the allotment of Securities under the Offer. If the Offer does not proceed, Application Monies received by BST will be refunded in full (without interest). BST takes no responsibility for Application Monies paid to the Lead Manager or brokers until these are received by BST.

BST reserves the right to decline any Applications in whole or in part without giving any reason. An Application may be accepted by BST in respect of the full number of Shares and Options specified in the Application or any lesser amount without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract.

BST also reserves the right to close the Offer early, to accept late Applications or extend the Offer without notifying any recipient of this Prospectus or any Applicant.

2.3 Minimum Subscription

The Minimum Subscription required for the Offer to proceed is \$16 million.

If the Minimum Subscription is not obtained within 4 months after the date of this Prospectus, BST will repay all Application Monies in full without interest as soon as practicable or issue a supplementary or replacement prospectus and allow Applicants one month in which to withdraw their Applications and be repaid their Application Monies in full without interest.

2.4 Lead Manager

Offers under this Prospectus will be made pursuant to an arrangement between BST and the Lead Manager under section 911A(2)(b) of the Corporations Act. BST will only authorise the Lead Manager to make offers to people to arrange for the issue of the Securities by BST under the Prospectus, and BST will only issue the Securities in accordance with Applications made pursuant to such

offers if they are accepted. BST has entered into an agreement with the Lead Manager for this purpose, the details of which are set out in section 8.13.2.

2.5 Is the Offer underwritten?

No, the Offer is not underwritten.

2.6 Service Fee

All Applicants who receive a firm allocation from their broker under the Broker Firm Offer will be required to pay an Application Amount of \$1.00 per Share comprising the subscription amount of 98.5 cents per Share, payable to the Company, and a Service Fee of 1.5 cents per Share (inclusive of GST) payable to their broker.

This Service Fee is a one off fee payable to the Applicant's broker in respect of the services provided by their broker (and any individual broker, financial adviser or financial intermediaries) in introducing the Applicant to the Offer, giving advice in respect of the Offer, the provision of information and dealing in respect of the Offer.

Applicants under the Broker Firm Offer must lodge their full Application Amount of \$1.00 per Share with their broker, who will act as the Applicant's agent in providing their subscription amount and any Service Fee to the Company (via the Registry). On or around the Allotment Date, the Registry will collect the Application Amount from brokers and hold the Service Fee together with the subscription amount in the Company's trust account for Application Monies in relation to the Offer until the Allotment Date.

The Service Fee component of the Application Amount will be moved on the Allotment Date from the Company's trust account to a service fee trust account held on behalf of the brokers whose Retail Applicants have provided their Consent. If a Retail Applicant has not provided their Consent, no Service Fee is payable to their broker. In this case, their subscription amount will be \$1.00 per Share (with no Service Fee payable) retained in full by the

Company. Wholesale Applicants under the Broker Firm Offer will have the Service Fee automatically paid to a service fee trust account on behalf of their brokers on or about the Allotment Date because no Consent is required.

The Company will retain any interest earned on all Application Monies whether or not any Service Fee is paid to the broker.

2.7 How do I apply under the offer?

What is the minimum and maximum application under the Offer?

Applications must be for a minimum of 2,500 Shares and a like number of Options. Applications for more than 2,500 Shares must be in multiples of 500 Shares.

There is no maximum amount that may be applied for under the Offer. BST reserves the right to aggregate any Applications under the Offer which it believes may be multiple Applications from the same person.

BST reserves the right to reject any Application or to allocate a lesser number of Securities.

How do I apply under the General Offer?

Applications can be made in the following manner:

- By completing and returning a Hard Copy Application Form which is attached to this Prospectus in accordance with the Application Form instructions (for Hard Copy Applications) and on the Application Form itself.
- By obtaining a copy of the Prospectus at www.barrackst.com or www.morgans.com.au and completing and returning a copy of the Application Form in accordance with the instructions set out below (for Hard Copy Applications) and on the Application Form itself.
- By completing and lodging online an Application Form in accordance

with the instructions set out in the Prospectus at <http://www.boardroomlimited.com.au/BarrackStInvestmentsGeneralOffer>, for which a BPay facility is available.

Completed Application Forms, together with Application Monies, should be sent to the Registry so that they are received no later than 5.00 pm (AEST) on the Closing Date. Alternatively, completed Application Forms should be lodged online in accordance with the instructions set out in the Prospectus at <http://www.boardroomlimited.com.au/BarrackStInvestmentsGeneralOffer>.

Completed Application Form(s) and Application Monies should be dealt with in accordance with the instructions on the Application Form and information guide attached to this Prospectus and sent as soon as possible after the Offer opens. The Directors reserve the right to close the Offer early without prior notice and to vary any of the dates relating to the Offer, including those set out in the 'Key Dates' section of this Prospectus.

How do I apply under the Broker Firm Offer?

If you are applying for Securities under the Broker Firm Offer, you should complete and lodge your Broker Firm Application Form with the broker from whom you received your firm allocation. Broker Firm Application Forms must be completed in accordance with the instructions given to you by your broker and the instructions set out in the Application Form.

Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with their Broker in accordance with the relevant broker's directions in order to receive their firm allocation. Applicants under the Broker Firm Offer must not send their Application Forms to the Registry.

The allocation of Securities to brokers for allocation to their clients will be determined by BST in consultation with the Lead Manager. Securities that have been allocated to brokers will be issued to Applicants who have received

a valid allocation of Securities from those brokers. It will be a matter for the brokers how they allocate Securities among their clients and they (not BST or the Lead Manager) will be responsible for ensuring that clients who have received an allocation from them receive the relevant Securities.

BST, the Registry and the Lead Manager take no responsibility for any acts or omissions by your broker in connection with an Application, Application Form and Application Monies (including, without limitation, failure to submit Application Forms by the close of the Broker Firm Offer).

Please contact your broker if you have any questions.

2.8 Fees, costs and timing for applications

When does the Offer open?

The Offer is expected to open for Applications on 1 July 2014. However, this may be delayed if ASIC extends the Exposure Period for the Prospectus.

What is the deadline to submit an Application under the Offer?

It is your responsibility to ensure that your Application Form and Application Monies are received by the Registry before 5.00pm (AEST) on the Closing Date. Broker Firm Offer Applicants should return their applications in accordance with the deadline set out for them by their broker.

BST and the Registry take no responsibility in respect of an Application Form or Application Monies which are delivered to your broker in connection with your Application until such time as your Application Form and Application Monies are received by the Registry.

When will I receive my Securities and when can I trade my Securities?

BST will proceed to allot Shares and Options as soon as possible after the Closing Date and receiving ASX permission for Official Quotation of the

Securities. BST reserves the right to allot to any Applicant a lesser number of Securities than that applied for, or to decline any Application. Where no allotment is made to a particular Applicant or the number of Securities allotted is less than the number applied for by the Applicant, surplus Application Monies will be returned to that Applicant within 30 days of the Closing Date. Interest will not be paid on refunded Application Monies.

Successful Applicants will be notified in writing of the number of Securities allotted to them as soon as possible following the allotment being made after the Closing Date.

It is the responsibility of Applicants to confirm the number of Securities allotted to them prior to trading in Securities. Applicants who sell Securities before they receive notice of the number of Securities allotted to them do so at their own risk. No Securities will be allotted or issued on the basis of this Prospectus later than 12 months after the date of issue of this Prospectus. Shares will be allotted and issued pursuant to the exercise of Options on the terms and conditions on which the Options are issued (see section 7).

If admission to the ASX is denied, or for any reason the Offer does not proceed, all Application Monies will be refunded in full without interest.

2.9 Expenses of the Offer

What are the costs of the Offer and who is paying them?

The up-front expenses of this Offer (excluding the Service Fee) will not exceed 3% (plus GST) and may be less than this amount in the event that more than the Minimum Subscription is raised.

The Manager will pay for any expenditure incurred above 3%. This means that each Share will possess a net asset value of \$0.97 when the Offer closes, plus the value of the Option.

The expenses of the Offer, excluding the Service Fee, will be paid to the Manager from the funds raised in the initial Offer Period. These expenses will include legal, accounting and advisory fees and other costs associated with the marketing of the Offer and the production of Offer documentation.

The expenses to be paid by the Company have been estimated at \$480,000 assuming the Minimum Subscription is achieved, and \$1,008,213 assuming the Maximum Subscription is achieved. A breakdown of these expenses for both the Minimum Subscription of \$16,000,000 and the Maximum Subscription of \$50,000,000 is provided below:

	Minimum Subscription \$16 million	Maximum Subscription \$50 million
Lead Manager fees	\$220,000	\$687,500
Legal fees	\$52,800	\$52,800
ASX fees	\$113,611	\$174,324
ASIC lodgement fees	\$2225	\$2225
Estimated other expenses	\$91,364	\$91,364
Total estimated expenses of the offer	\$480,000	\$1,008,213

The estimated other expenses include printing and distribution of the Prospectus, investor presentations and travel expenses.

No stamp duty is payable by Applicants on the acquisition of Securities under the Offer.

Retail Applicants under the Broker Firm Offer who have provided their Consent will be required to pay the Service Fee of 1.5 cents per Share (including GST).

The Service Fee is not payable by Applicants under the General Offer.

2.10 Settlement of Application Monies

The Application Monies will be banked by the Registry in a special purpose bank account from where prior to allotment the Service Fee will be paid and thereafter Shares and Options will be allotted and the balance will be paid to the Company.

2.11 ASX Listing

BST intends to apply for a listing and Official Quotation of its Securities on the ASX within seven days of the date of the Original Prospectus. Assuming that it is granted, quotation of the Securities will commence as soon as practicable after allotment of Securities to Applicants.

2.12 CHESS

BST will apply to the ASX to participate in the Securities Clearing House Electronic Subregister System, known as CHESS. CHESS is operated by ASX Settlement Pty Ltd (a wholly owned subsidiary of the ASX) in accordance with the ASX Listing Rules and ASX Operating Rules. BST will operate an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together will make up the principal register of securities. Under CHESS, BST will not be issuing certificates to successful investors following allotment, BST will provide each Shareholder with a holding statement (similar to a bank account statement) which sets out the number of Shares

allotted and Options granted to each Shareholder pursuant to this Prospectus. If applicable, the holding statement will also advise Shareholders of their Holder Identification Number (**HIN**) or Sponsoring Issuer Number (**SRN**).

If a Shareholding changes during a month, the Shareholder will receive a statement at the end of that month. Shareholders may also request statements at any other time (although BST may charge an administration fee). It is the responsibility of Applicants to determine their allocation prior to the trading of the Shares and Options. Applicants who sell Shares or Options before they receive notice of their allocation do so at their own risk.

3 Overview of the company

3.1 Overview

BST has engaged the Manager to invest and manage BST's investment Portfolio on the terms set out in the Management Agreement. The Manager's objective is to provide investors with moderate to high portfolio returns over the long-term through active management of BST's portfolio investments and investing in small and mid-cap stocks listed on the ASX.

3.2 Directors

**Murray Howard d'Almeida FAICD.
Chairman, Independent Director**

Murray has over 35 years of diverse national and international business experience. He commenced his career in Perth with a firm of Chartered Accountants before moving into a broad range of commercial and financial reporting positions with two major USA based mining companies. He founded the Australian and international retailer, Retail Food Group and developed their presence in seven overseas countries. He has maintained operating and board positions within a range of financial services, mining, commercial, environmental, academic, government, sporting businesses and organisations.

- Director of Beacon Hill Resources Plc
- Chairman of Pacific Environment Limited
- Chairman of Management Resource Solutions Plc
- Chairman of BPS Technology Limited
- Councillor Southern Cross University
- Trustee of Currumbin Wildlife Foundation
- Member Gold Coast Light Rail Business Advisory Board

**David Charles Crombie AM,
Independent Director**

David was a founding partner in GRM International, a company with 1600 professional staff engaged on development projects in 26 countries across a range of sectors including health, education, agricultural services and capacity building for AusAid, DIFID and USAid plus multilateral and Government/private sector clients managing development projects in northern Australia and overseas. He retired as Managing Director in 2000 and remains on the Board.

Previous directorships include Grainco Australia, FKP, the Meat Industry Council and Meat and Livestock Australia where he was Chairman from 1998 to 2005. He was Chairman of the Australian Rural Leadership Foundation 2000-08 and served on the Board of Export Finance Insurance Corporation (EFIC) from 2007-10.

He was President of the National Farmers Federation from 2006-10 and received an AM for services to agriculture, communities and sport in the Australia Day Awards in 2014.

Current positions include:

- Director Australian Agricultural Company(AAC)
- Director Alliance Aviation Services(AQZ)
- Director GRM International,
- Director Foodbank Queensland
- President Australian Rugby Union

**Emmanuel Clive Pohl, Pr Eng.
BSc(Eng), MBA, DBA, FAICD,
MSDIA, SIA(Aff), Director**

Manny Pohl is the Chairman and CEO of investment house EC Pohl & Co which he founded after he stepped down in June 2012 as Managing Director and Chair of the Investment Committee of Hyperion Asset Management Limited. Manny holds engineering and MBA degrees from the University of Witwatersrand and a doctorate in Business Administration (Economics) from Potchefstroom University. He has over 29 years of investment

experience, initially as head of research for leading South African broking firm, Davis Borkum Hare, followed by Westpac Investment Management in Australia after he emigrated to Australia in 1994. Furthermore, his engineering background gives him a methodical and disciplined approach to his role. He has served on the boards of several major corporations in his native South Africa and his adopted home Australia.

For further detail on Manny's investment experience, refer to section 4.2.

Jared David Pohl, B.Com, B.IT, MBA. Alternate Director

Refer to section 4.2.

3.3 Corporate Governance

The Board is concerned to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, its Directors, officers and employees operate in an appropriate environment.

The Board endorses the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council and has adopted corporate governance charters and policies reflecting those ASX Recommendations.

The Company intends that the following policies and procedures will be implemented and made available on the Company's website prior to listing of the Company on the Official List:

Board Charter

The Board Charter formalises the functions and responsibilities of the Board. The Board is ultimately responsible for all matters related to the running of the Company.

Code of Conduct

The code of conduct addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. The policy outlines its requirements with respect to relationships,

compliance with laws and ethics, confidentiality, competition, conflicts of interest and use of Company assets.

Continuous Disclosure Policy

This policy has been adopted to ensure the Company complies with the protocol requirements of the ASX Listing Rules and highlights the requirements for immediate notification, the procedure for disclosure of information and those responsible for disclosing this information.

Securities Trading Policy

This policy sets out the protocols for trading in the Company's Securities and applies to all Directors, employees and their associates. The policy outlines the requirements, general prohibitions, trading exceptions and appropriate notifications prior to trading.

Audit and Risk Committee Charter

The Charter outlines the composition of the committee, its responsibilities, authorities, meeting and reporting requirements and oversight of the risk management system. The full Board currently performs the functions of the audit and risk committee.

3.3.1 Responsibilities of the Board

The Board is responsible to Shareholders for the Company's overall governance and currently consists of two independent directors and one non-independent director.

The Board's responsibilities include:

- setting the investment policy;
- reviewing and determining the strategic direction and policy of BST;
- establishing management goals and monitoring their achievement;
- reporting to Shareholders;

- establishing the criteria for Board membership and reviewing the composition of the Board; and
- monitoring the performance of the Manager and their key service providers.

3.3.2 Standards

The Board will endeavour to ensure that the Directors, officers and employees of BST perform their duties with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities. All are expected to:

- comply with the law;
- act in the best interests of the Shareholders;
- act in the best interests of BST;
- be responsible and accountable for their actions; and
- observe the ethical principles of fairness, honesty and truthfulness, including disclosure of potential conflicts of interest.

3.3.3 Business Risk Management

The Board considers that the frequent review of the Manager's performance provides an effective review of investment strategies. The Board is aware of the disclosure requirements of the ASX and any major changes in its investment strategy will be first put to Shareholders for their approval.

The Board is also responsible for identifying and monitoring areas of significant business risk through internal control measures such as quarterly financial and operational reporting to the Board and regular reporting by the Manager and/or independent advisers.

3.3.4 Directors' Fees and Expenses

The Directors will be entitled to receive the following benefits:

- the maximum total remuneration of the Directors has been set at \$300,000 per annum to be divided amongst them in such proportions as they agree; and
- the Director's current remuneration is \$45,000 for the Chairman and \$40,000 for the other two Directors.

In addition, the Directors will be reimbursed for reasonable travelling and other expenses.

Except as set out in this Prospectus there are no interests that exist at the date of this Prospectus and there were no interests that existed within two years before the date of this Prospectus that are or were, interests of a Director or a proposed Director in the promotion of BST or in any property proposed to be acquired by BST in connection with its formation or promotion. Further, except as set out in this Prospectus, there have been no amounts paid or agreed to be paid to a Director in cash or Securities or otherwise by any persons either to induce him to become or qualify him as a Director or otherwise for services rendered by him in connection with the promotion or formation of BST.

3.3.5 Independent Professional Advice

In fulfilling their duties, each Director dealing with corporate governance matters may obtain independent professional advice at the expense of BST subject to the prior approval of the Chairman, which will not be unreasonably withheld.

3.4 Potential Conflicts Of Interest

The Board is not aware of any actual or potential conflicts of interest which may impact on the Directors' abilities to carry out their duties in the best interest of investors.

4 The investment manager

4.1 The Manager

ECP Asset Management Pty Ltd has been engaged by the Company as the Manager on the terms set out in the Management Agreement. The Manager is an Authorised Representative of EC Pohl & Co Pty Ltd and holds AFSL 421704 which authorises it to undertake this role.

4.2 Investment Team

**Emmanuel Clive Pohl, Pr Eng.
BSc(Eng), MBA, DBA, FAICD,
MSDIA, SIA(Aff), Chairman and
Chief Investment Officer**

Emmanuel has over 30 years investment experience. He was a member of the 1991 South African delegation to the Annual Meeting of the Board of Governors of the World Bank and the International Monetary Fund in Bangkok. Emmanuel founded Hyperion Asset Management in 1996 and was the Managing Director and Chairman of the Investment Committee until 2012. During his tenure, the highly respected Peter Lee Associates annual survey in 2010 of Wholesale Funds in Australia ranked Hyperion:

- No. 1 for Domestic Equity Investment Performance over the Past 2-3 Years
- No. 1 on the Domestic Equity Investment Strength Index
- No. 1 for Clear Investment Decision Making in Domestic Equity
- Equal first for Capability of Domestic Equity Investment Professionals
- Equal first for Confidence in Superior Future Performance in Domestic Equity

Additionally, in February 2012 Hyperion was named Australian Equities (Small Cap) Fund Manager of the Year. This distinction followed a host of accolades earned by Hyperion including the 2010 Money Management/Lonsec Australian

Equities (Small Cap) Fund Manager of the Year, the 2009 Best Performing Australian Boutique Fund Manager, and the 2010 Best Performing Large Cap Fund Manager.

Andrew Dale B.Com, CA

Prior to joining ECP Asset Management, Andrew worked for over 13 years in equities sell-side research with both Macquarie Bank (9 years) and ABN Amro (4 years). His experience covers many regions including Australia, New Zealand, Pan Asia and most recently has lead the expansion and coordination of Macquarie Bank's global material and energy products. One of his key responsibilities has been to run a global stock selection model while also producing a number of strategy products. During his nine years with Macquarie Bank he built a number of well rated teams that specialised in fundamental research across the materials sector.

His past research experience has seen him cover both cyclical and other industrial companies. His direct coverage has spanned across metals & mining, energy, basic materials, retail & consumer and food & beverage.

Prior to working in the Investment and broking community, Andrew worked in a corporate development role at Yahoo! Australia. He was involved in a number of successful investments including seek.com and carsales.com. Andrew started his working career at KPMG where he achieved his professional qualifications and also focused on the banking and finance industry.

**Jared David Pohl, B.Com, B. IT,
MBA**

Jared has more than 9 years investment experience. Prior to establishing ECP Asset Management alongside Manny, Jared was a member of the Hyperion Asset Management investment team where he undertook general company research, with a focus on the technology sector. In addition, Jared was tasked with managing the firm's equity trading function. Most recently Jared was seconded to Wasatch Advisors in Salt

Lake City where he worked alongside their Private Market team, looking for pre-IPO investment opportunities. Prior to financial services Jared consulted on a number of IT projects and has been involved extensively in the tech startup space.

Jason Clive Pohl, B.Com, LLB

Jason is the youngest member of the investment team. He is admitted as a Legal Practitioner in the Supreme Court of NSW and has undertaken legal experience at Ashurst with a focus on Corporate Law.

4.3 Investment Objective

The investment objective is to provide investors with moderate to high portfolio returns over the long-term through active management of a portfolio of ASX listed investments.

The Performance Fee benchmark has been set at a hurdle of 8% per annum which represents the current cash rate plus a risk premium.

4.4 Investment Strategy

The Manager's investment strategy is built on the belief that it is an allocator of capital and the economics of a business drives long-term investment returns. The Manager invests in what it believes are high quality businesses that have the ability to generate predictable, above average economic returns and refers to these companies as quality franchises (**Quality Franchises**).

The manager believes that investing in these Quality Franchises provides investors with the best opportunities to generate above average returns over time. The investment process is designed to construct portfolios of assets from only Quality Franchises, excluding those companies which do not have a durable competitive advantage or are unable to generate above average economic returns. Adherence to this philosophy supports the ability to consistently price and source the correct investments and most importantly, achieve the investment objective of generating

higher than market returns for Shareholders.

In order to test the hypothesis that a company is a Quality Franchise, comprehensive bottom-up research is undertaken on each company to determine if the business:

- has a clear business model with a growth profile and defensible market position;
- is managed by a team who exhibit certain desirable characteristics; and
- has strong financials.

The focus of this investment philosophy is to invest in companies that exhibit the following criteria:

- high returns on equity;
- are able to grow revenues above Gross Domestic Product; and
- do not hold large amounts of debt on their balance sheet (low capital intensity).

It is important to note that the Manager will not acquire every business that meets the above criteria. A disconnect exists between the price of an investment and the value of that investment which requires the Manager to be disciplined in the price it is willing to pay for earnings. The combination of purchase discipline, and the appropriate investment due diligence, is a crucial part of the investment process.

Through decades in the funds management industry, the Chief Investment Officer has developed a set of investment criteria that prospective portfolio companies should meet. This approach:

- provides tangible and appropriate investment guidelines;
- mitigates against key person risk;
- is the basis for the Chief Investment Officer's successful track record; and

- differentiates the Manager from competitors.

4.5 Investment Performance

The Chief Investment Officer of the Manager has been the investment manager of Flagship Investments Limited (**Flagship**) (an ASX listed investment company) since it was established. Flagship's first public offer

was at \$1.00 per share in 1998 and it has paid an interim and final dividend every year since inception totalling 92.4 cents (excluding franking credits). With the exception of one dividend, all dividends paid by Flagship have been fully franked. In addition the net asset value per Flagship share as at 31 May 2014 is \$1.777.

The portfolio performance for Flagship is detailed below.

Year to	Portfolio return pre fees	All Ordinaries Index (XAO)
Jun-99	16.4%	10.1%
Jun-00	33.6%	12.9%
Jun-01	20.0%	5.1%
Jun-02	-5.0%	-7.6%
Jun-03	-9.4%	-5.2%
Jun-04	20.5%	17.7%
Jun-05	35.1%	19.8%
Jun 06	34.7%	19.0%
Jun-07	35.9%	25.4%
Jun-08	-24.1%	-15.5%
Jun-09	-4.2%	-26.0%
Jun-10	21.4%	9.5%
Jun-11	4.6%	7.7%
Jun-12	-4.9%	-11.3%
June-13	32.9%	15.5%
Mar-14	26.7%	13.1%
CAGR*	12.8%	4.4%

* CAGR compound annual growth rate

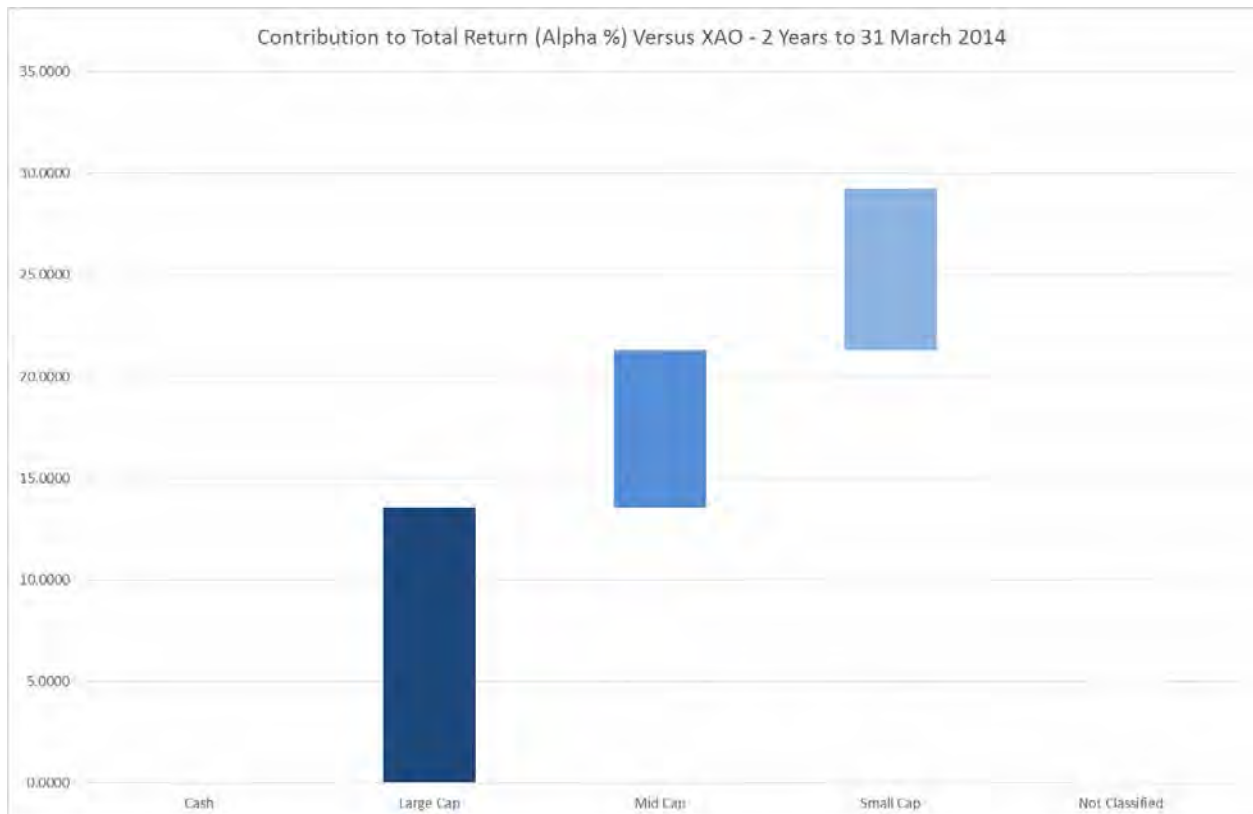
The historical investment performance of the Chief Investment Officer of the Manager is not a forecast of future performance of the Company and past performance is not a guide to future performance. The investment performance is included to demonstrate a 15-year track record of the Chief Investment Officer's investment strategy.

The historical investment performance of the Chief Investment Officer for Flagship has included investments in large cap listed companies. For BSI, the Chief Investment Officer intends to exclude large cap companies and focus on small and mid-cap company investments.

Over the past five years to March 2014, Flagship has achieved a portfolio CAGR of 19.1% vs the XAO at 8.9% while over the past two years to March 2014, Flagship has achieved a portfolio CAGR of 27.4% vs the XAO at 10.6%.

The chart below splits the two year performance for Flagship investments into the performance attributable to large cap, medium cap and small cap investments.

As shown, Flagship's outperformance has been achieved in most part by its investments in small and mid-cap companies. This underlies the decision by the Chief Investment Officer to establish BST which will focus its investments into small and mid-cap companies.



The portfolio returns attribution was calculated over two years against the XAO and is calculated using the Brinson methodology. As can be seen, the main contributors to active return for the portfolio returns over the two years to March/2014 was the stock selection effect with small cap investments and mid cap investments contributing the most return.

This chart has been prepared by ECP Asset Management Pty Ltd.

5 Financial information

5.1 Proceeds of the Offer

The proceeds of the Offer (net of the Offer costs) will be used for investment opportunities that meet BST's investment objectives as set out in section 4.3 and in accordance with the Manager's investment strategy as described in section 4.4.

BST will have relatively low ongoing operational costs. Its major expenditure will be the management fees payable to the Manager as per section 8.13.1.

BST's ongoing expenditure (excluding management fees) will include custody fees, printing costs associated with the annual report, annual audit fees, Directors' fees, administration fees, share registry services fees, accounting fees and legal fees. The Company will also

incur minor office expenses including stationery and postage costs. The Company does not expect that these costs will vary or increase significantly from year to year as these costs relate mainly to fulfilling its ongoing compliance and reporting obligations.

The Company has, and will have, enough working capital to carry out its stated objectives.

5.2 Pro-Forma Statements of Financial Position

The Pro-forma Statements of Financial Position have been prepared for illustrative purposes only to show the financial position of BST following completion of the Offer and may not actually reflect the position of BST as at the date of the Prospectus or at the conclusion of the Offer.

		Unaudited Pro-Forma Statements of Financial Position as at 30 June 2014	
	Unaudited historical Statement of Financial Position as at 30 June 2014	Minimum Subscription \$16 million	Maximum Subscription \$50 million
Assets			
Cash	\$374	\$15,376,000	\$48,529,037
Other assets	\$5626		
Liabilities	-	-	-
Net assets	\$6,000	\$15,376,000	\$48,529,037
Equity	\$6,000	\$15,376,000	\$48,529,037
NTA	\$1.00	96 cents	97 cents

A reconciliation of the Pro-forma Statements of Financial Position for cash is as follows:

Pro-Forma Cash Position

	Minimum Subscription \$16 million	Maximum Subscription \$50 million
Initial issue subscribers	\$6,000	\$6,000
Proceeds of Offer	\$15,850,000	\$49,531,250
Expenses of Offer	\$(480,000)	\$(1,008,213)
Estimated net cash position	\$15,376,000	\$48,529,037

These Pro-forma Statements of Financial Position have been prepared on the basis of the following assumptions:

- 1 Application of the proposed accounting policies and notes to the accounts set out in this Section.
- 2 In the Pro-forma Statement of Financial Position entitled 'Minimum Subscription', reference is to subscription of 16,000,000 Securities by Applicants under this Prospectus.
- 3 In the Pro-forma Statement of Financial Position entitled 'Maximum Subscription \$50 million', reference is to subscription of 50,000,000

Securities by Applicants under this Prospectus.

- 4 In the case of the Minimum Subscription, \$10 million was received under the Broker Firm Offer and \$6 million under the General Offer.
- 5 In the case of the Maximum Subscription, \$31.25 million was received under the Broker Firm Offer and \$18.75 million under the General Offer.
- 6 Expenses of the Offer have been paid and recognised as a reduction to the proceeds of the Offer. Details of the costs of the Offer are shown in section 2.9.
- 7 No oversubscriptions are accepted by the Company.

5.3 Capital structure

The anticipated capital structure of BST on completion of the Offer before the exercise of Options is set out below:

	As at 30 June 2014	Minimum Subscription \$16 million	Maximum Subscription \$50 million
Number of Shares	6,000	16,006,000	50,006,000
Number of Options	0	16,000,000	50,000,000

5.4 Proposed accounting policies

A summary of significant accounting policies, which have been adopted in the preparation of the Pro-forma statements of Financial Position, set out on section 5.2, and will be adopted and applied in preparation of the Financial Statements of BST for the year ended 30 June 2015 and subsequent years, is set out below:

Basis of preparation of accounts

The financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Board and the *Corporations Act 2001*.

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards. Compliance with AIFRS will ensure that the financial report of BST complies with International Financial Reporting Standards.

The Statements are prepared from the records of the Company on an accrual basis. They are based on historical costs and do not take into account changing money values.

Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. After initial recognition, investments which are classified as available for sale are measured at fair value.

BST does not hold any securities for short term trading purposes. Therefore, the investment portfolio is with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity recognised in profit or loss. The

fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments in unlisted unit trusts, fair value is determined by reference to redemption value. Derecognition of investments on disposal of an investment the gain or loss on the net proceeds received less the original purchase cost of the investment is recorded through the statement of comprehensive income.

Impairment of investments

If there is objective evidence that an investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement.

Changes in market value will be recorded directly in the Asset Revaluation Reserve, after deducting a provision for potential capital gains tax. When shares, securities and other investments are disposed of, the balance in the Asset Revaluation Reserve relating to the disposed share, security or other investment is transferred to the Capital Profits Reserve.

Investments are valued as follows:

- **Securities and rights to them listed on a financial market** – valued at the market value as quoted on relevant exchange.
- **Securities which are not listed on a financial market** – valued at directors' valuation.
- **Derivative financial instruments** – all derivatives are brought to account at market value and the resulting profit or loss is recognised in the Statement of Financial Performance.

Revenue recognition

- **Trading income** – profits and losses realised from the sale of investments and unrealised gains and losses on investments held at market value are included in the Statement of Financial Performance in the year they are incurred.
- **Dividend income** – dividends and distributions are brought to account on the date that the shares or units are traded 'ex-dividend'.
- **Interest income** – interest income is recognised as it accrues, taking into account the effective yield on the financial asset.
- **Other income** – other revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and when the revenue can be reliably measured.
- **Realised foreign exchange gains or losses.**

5.5 Capital Structure Policy and Capital Management

BST may borrow from time to time to enhance potential Shareholder returns. The level of borrowings will be limited to 20% of the total assets of BST at the time of borrowing. The Company may pledge any scrip it holds against any borrowings it may obtain within this 20% limit.

5.6 Dividend Policy

The Board intends to pay an interim and a final dividend to Shareholders on an annual basis. In determining the level of any dividends the Directors will consider the level of income received by the Company, its anticipated expenses and its investment intentions. The ultimate payment of a dividend will be at the discretion of the Board, though the Board policy is that all dividends paid to Shareholders will be franked to 100% or to the maximum extent possible.

6 Risks

6.1 Introduction

This section identifies the risks that the Board considers the major risks associated with an investment in BST.

The BST business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of BST and the value of an investment in the Company. There can be no guarantee that BST will achieve its stated objectives. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on BST's operating performance and profits, and the market price of the Shares and Options.

Before deciding to invest in the Company, potential investors should:

- read the entire prospectus;
- consider their tolerance for risk and whether this investment and the risks outlined in this section are understood by them;
- review these factors in light of their personal circumstances; and
- seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.2 Specific Risks

These are risks specific to the Company and the Offer.

Manager risk

The success and profitability of the Company will significantly depend upon the ability of the Manager to make investments that increase in value over time. The retention of the Manager including the Chief Investment Officer (assuming the Manager is creating value) as manager of the Portfolio is a risk.

If the Management Agreement is terminated, the Company will need to identify and engage a suitable replacement either externally or

employ appropriately qualified investment professionals.

The capacity of the Company and the Manager to terminate the Management Agreement is set out in section 8.13.1.

Liquidity Risk

This is the risk the Portfolio's underlying investments may not be easily sold when the Manager decides it is an appropriate time for them to be sold. This lack of liquidity can result in a loss if the delay in the sale of the investment results in the decline of the investment.

Liquidity risk also applies to the ability of a Shareholder or Option holder to sell their securities on the ASX in a timely manner. The ability of a Shareholder (or Option holder) to sell Securities on ASX will be a function of the turnover or liquidity of the Securities at the time of sale. Turnover is impacted by a range of factors including the size of the company and the number of securities on issue and the depth of the pool of buyers and sellers.

If the Company is able to achieve only the Minimum Subscription, it is likely that there will be a low level of liquidity in trading of the Securities. As a result, Shareholders (and Option holders) may not be able to sell their Securities at the time and in the volumes or at a price they desire.

Unlisted securities risk

The Manager has the ability to invest part of the Portfolio in unlisted securities, provided there is an intention to list the securities within six months. In general there is less government regulation and supervision of transactions in the unlisted securities markets than of transactions entered into on organised exchanges. Further many of the protections (such as continuous disclosure, regulatory supervision and clearing house settlement arrangements) may not be available in connection with unlisted securities.

Therefore, any investment by the Company in unlisted securities will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Portfolio will sustain losses.

There is likely to be little or no liquidity in unlisted securities. Such illiquidity can delay or remove the ability of the Manager to sell its investments or expose the investment to being a minority shareholder in the investment.

The valuation of unlisted securities is difficult to calculate.

Investment risk

There is a risk that the Securities and/or the Company's investments will fall in value over the short or long term. Individual security prices may fluctuate and under perform other asset classes over time. Shareholders are exposed to this risk through both their holding in the Securities and through the Company's investments.

Performance incentive

The performance fee payable to the Manager may create an incentive for the Manager to make investments on behalf of the Company that are riskier and more speculative than would be the case in the absence of a fee payable to the Manager based solely on the performance of the Company, which may add to the risk and volatility of the Portfolio's underlying investments.

Concentration risk

There is potential for volatility due to the lack of diversity within the Portfolio. The lower the number of investments, the higher the concentration and, in turn, the higher potential volatility.

Price: NTA risk

There is a risk of loss associated with the Share price not trading at the NTA backing. The Shares may trade at a premium or discount to its NTA backing and the level of any premium or discount will likely fluctuate over time.

Market Risk

Investment returns are influenced by market factors such as changes in economic conditions, the legislative and political environment, investor sentiment, natural disasters and acts of terrorism.

As a result no guarantee can be given in respect of the future earnings of the Company or the earnings and capital appreciation of the Company's investments.

No operating or performance history of the Company

The Company is a new entity with no financial, operating or performance history and no track record. The information in this Prospectus about the investment objectives of the Company are not forecasts, projections or the result of any simulation of future performance. There is a risk that the Company's investment objectives will not be achieved.

6.3 General Risks

Changes in global or domestic economic conditions

This is the risk that returns may be adversely affected by instability in local or global market conditions. The following economic conditions may impact the performance of the Company and the Portfolio:

- national economic growth;
- industry change;
- interest rates;
- inflation;
- exchange rates; and
- changes to government economic policy.

These conditions cannot generally be predicted by the Company or the Manager.

Change in political and regulatory environment

The following international or domestic political conditions (as well as others that are not listed here) may adversely affect the Company, or its Portfolio:

- legislative changes;
- regulatory changes;
- taxation changes; and
- foreign policy changes (including the status of trade agreements).

7 Options

7.1 Rights Attaching to the Options

For every one Share allotted to an investor one Option for nil consideration will also be allotted. Detailed provisions relating to the rights attaching to Shares are set out in the Constitution, the Corporations Act and section 8.9. A copy of the Constitution can be inspected during office hours at the registered office of BST.

7.2 Entitlement

BST will issue Options at the same time as the issue of Shares under the Prospectus to each allottee of Shares in the amount of one Option for every Share allotted to that allottee.

Subject to these terms, each Option entitles the Option holder to subscribe for and be allotted and credited for fully paid one Share at an exercise price of \$1.00.

BST will issue Shares on the exercise of an Option. These will be listed on the ASX and governed in accordance with the Listing Rules of the ASX.

Shares issued on the exercise of the Option will rank *pari passu* with all existing ordinary Shares in the capital of BST from the date of issue.

7.3 Register

Following granting of the Options, BST will establish and maintain a register of Options in accordance with the Corporations Act (Register).

The Register will be altered accordingly on receipt of details of any change of name and address of an Option holder notified in writing to the Registry and accompanied in the case of a change of name by any evidence which may reasonably be required.

Notice of any trust expressed or implied or constructive will be entered in the Register.

BST may delegate any of its powers and obligations in respect of the Register.

7.4 Terms and Conditions of Options

The terms and conditions of an Option are as follows:

Conversion rate

Each Option entitles the Option holder to subscribe for one Share in BST. No amount is payable on issue of the Options.

Exercise price

The exercise price of an Option is \$1.00.

7.5 Exercise of Options

An Option is exercisable by the Option holder by lodging with the Registry a completed Notice of Exercise of Option, together with the exercise price for each Option to be exercised, and the relevant Option holding statement. Remittance must be made payable to BST and cheques should be crossed 'not negotiable'.

An Option may be exercised at any time on any date after granting and prior to their final exercise date which will be 2 years from the date of their issue (Option Expiry Date). An Option not exercised on or before 5.00pm on the Option Expiry Date will lapse.

7.5.1 Allotment and holding statements

Shares to be issued pursuant to the exercise of an Option will be allotted and holding statements dispatched, no longer than fifteen business days after (but not including) the exercise date.

7.5.2 Transfer

The Options may be transferred wholly transferred in any manner approved by ASX any time after granting and prior to the Option Expiry Date.

7.6 Voting Rights

An Option holder is not entitled to vote at any meeting of members of the Company in respect of the Options held by the Option holder.

7.7 Participating rights

For determining entitlements to the issue, an Option holder may only participate in new issues of securities to holders of Shares in the Company if the Option has been exercised and Shares allotted in respect of the Option before the record date. The Company must give at least six Business Days' notice to Option holders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.

If between the date of issue and the date of exercise of an Option the Company makes one or more rights issues (being a pro rata issue of Shares in the capital of the Company that is not a bonus issue) in accordance with the Listing Rules, the exercise price of Options on issue will be reduced in respect of each rights issue according to the following formula:

$$NE = OE - \frac{E[P-(S + D)]}{(N + 1)}$$

where:

NE is the new exercise price of the Option;

OE is the old exercise price of the Option;

E is the number of underlying Shares into which one Option is exercisable;

P is the average closing sale price per Share (weighted by reference to volume) during the five trading days ending on the day before the ex-rights date or ex-entitlements date (excluding special crossings and overnight sales);

S is the subscription price for a Share under the rights issue;

D is the dividend due but not yet paid on each Share at the relevant time; and

N is the number of Shares that must be held to entitle holders to receive a new Share in the rights issue.

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

7.8 Reconstructions and alteration of capital

Any adjustment to the number of outstanding Options and the exercise price under a reorganisation of the Company's share capital must be made in accordance with the Listing Rules at the time of the reorganisation.

7.9 Rights to Financial Statements and to Attend Meetings

Option holders will be sent all reports and financial statements required to be laid before members in general meeting and all notices of general meetings of members and will have the right to attend, but not to vote, at those meetings.

7.10 Restriction on Issue and Exercise

Despite the terms of the Option, no Option may be offered, issued or exercised if the offer issue or exercise would be prohibited by the Corporations Act or the Listing Rules.

7.11 Notices

Notices may be given by BST to Option holders as may be prescribed under the Constitution for giving notices to members and the relevant provisions of the Constitution will apply with all necessary modifications to notices to an Option holder.

7.12 Holding Statement

Holding statements, sent out by the Registry to Option holders, will be accompanied by a summary of the terms of the Options, together with a Notice of Exercise of Options.

8 Additional information

8.1 Incorporation

BST was incorporated in Queensland on 23 January 2014.

8.2 Balance Date

The financial statements of BST will be made up to 30 June annually.

8.3 Taxation

BST is not licensed under the tax agent services regime and cannot provide tax advice to investors. The following taxation discussion is based on the law in place at the date of this Prospectus and is intended to be a general guide only. It is not intended to be definitive advice, nor relied upon as such and (unless otherwise noted), is only relevant for Australian resident investors who hold their Shares and Options on capital account for investment purposes. It does not purport to be a complete analysis of all potential tax effects relevant to the Offer or to a holder of Shares or Options.

As the taxation outcomes will depend on individual investors' personal circumstances, all Applicants (and in particular, corporations and trustees) should satisfy themselves of possible tax consequences of the Offer by consulting their own professional tax advisers.

8.4 Company Tax Status

BST will be taxed as a public company.

It is envisaged that BST's income will be derived from dividends received from its investments and capital gains on the sale of investment assets from time to time. In the event that any income derived by BST is taxed in a foreign jurisdiction, BST may be entitled to a credit for any foreign tax paid.

BST should generally be entitled to claim income tax deductions for expenses incurred in gaining investment income.

BST also intends to comply with the listed investment company provisions for income tax purposes. The impact of this for shareholders of BST is discussed further below (at section 8.8).

8.5 Issue of Shares and Options

The issue of Shares and Options will result in each Applicant acquiring two capital gains tax assets:

- a Share at a cost price of \$1.00 under the General Offer and 98.5 cents under the Broker Firm Offer; and
- a Option for nil consideration (excluding incidental costs).

Any fees incurred for brokers services (including the Service Fee) and other acquisition costs paid by investors to subscribe for Shares, will be included in the tax cost base of the Shares for capital gains tax purposes and will decrease (or increase) any subsequent gain (or loss) realised for capital gains tax purposes on any disposal of those Shares at a later date.

8.6 Disposal of Shares or Options

Shareholders who dispose of their Shares or Options at a price in excess of their cost base may be subject to capital gains tax on the disposal.

Certain shareholders (i.e. Australian resident individuals, complying superannuation funds, trusts and partnerships) who hold their Shares or Options held for more than 12 months will be eligible for a discount on any capital gain made on the sale of their Shares and Options. Shareholders that are Australian resident individuals, the trustees of trusts or partnerships will be entitled to reduce their capital gain by 50%. Shareholders that are the trustees of complying superannuation funds will be eligible for a 33 1/3% discount.

Any remaining capital gain (after applying the discount, if applicable, and capital losses) should be included in the Shareholder's assessable income for the year of disposal.

Australian resident Shareholders who dispose of their Shares or Options at a price which is less than their cost base may incur a capital loss. A capital loss may not be offset against ordinary income (but may be carried forward for use in future years).

Gains realised by shareholders who do not hold their Shares and Options on capital account (such as share traders) may be taxed as ordinary income rather than capital gains.

8.7 Exercise of Options

Any capital gain or capital loss made on exercise of an Option should be disregarded (i.e. no tax liability should arise).

The cost base of Shares acquired by the Option holders on exercise of their Options will have a cost base equal to the consideration paid to exercise the Options, plus any incidental costs.

8.8 Taxation of Dividends

Australian resident shareholders

Dividends received by Shareholders should be included in the assessable income of Shareholders. Generally, Shareholders will be taxed on the dividends at their relevant marginal rate. If the Shareholder is a company, the Shareholder will be taxed at the prevailing company tax rate (currently 30%).

A franked dividend is one which is paid out of profits in respect of which BST has paid income tax.

Generally, to the extent that the dividends paid by BST are franked, the Shareholder should include both the dividend and the franking credit in their assessable income. Shareholders will generally be entitled to a tax offset equal to the amount of the franking credits on the dividend although the availability of this rebate may be restricted in certain circumstances).

Effectively this means that, where eligible, Shareholders will receive a tax credit for the corporate tax paid in respect of the dividends). Certain

Shareholders (including individuals and complying superannuation funds) may be entitled to a refund of 'excess franking credits' where their tax offset in respect of the franked dividends exceeds their tax liability.

The amount of any imputation credit attached to dividends paid by BST will be shown separately on the dividend statement provided by BST to each Shareholder.

In the event that BST declares an unfranked dividend, the entire amount of the dividend should be included in the Shareholder's assessable income. No tax offset will be available.

Non-resident shareholders

Fully franked dividends paid by BST to non-residents of Australia for tax purposes should not be subject to any further tax in Australia. To the extent that dividends paid by BST are unfranked (or partly franked), BST may be required to withhold tax from the dividend paid.

Tax implications on dividends paid by Listed Investment Company

BST's compliance with the listed investment company provisions for income tax purposes means that eligible Shareholders (i.e. Australian resident individuals, complying superannuation funds, trusts and partnerships) should be entitled to benefits similar to the CGT discount concession where the Company pays a dividend which is reasonably attributable to certain capital gains (i.e. 'LIC capital gains') which have been reflected in the taxable income of the Company for the year in which the capital gain is made.

Broadly, an 'LIC capital gain' is a capital gain that is made by a listed investment company that:

- arises in respect of certain permitted investments (including shares in listed and unlisted companies, derivatives and other securities such as managed investment schemes and unlisted securities); and

- would have given rise to the CGT discount concession had it been derived by an entity that was not the listed investment company.

Where the Company makes a LIC capital gain and pays a dividend which is reasonably attributable to that LIC capital gain, the Company will advise Shareholders of the proportion (if any) of the dividend which is attributable to the LIC capital gain.

Australian resident Shareholders, will then be entitled to a deduction for the part of the dividend which is attributable to the LIC capital gain. The deduction will be equal to the relevant discount percentage applicable to the Shareholder (50% in respect of individuals, trusts or partnerships or 33 1/3% for trustees of complying superannuation funds).

8.9 Rights attaching to the Shares

Subscribers under this Prospectus will receive Securities consisting of a Share and an Option. The terms of those Options are set out in section 7 of this Prospectus.

The detailed provisions relating to the rights attaching to Shares under the Constitution and the Corporations Act are summarised below:

- the right to vote at a general meeting of Shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per Shareholder) and on a poll (one vote per Share on which there is no money due and payable) subject to the rights and restrictions on voting which may attach to or be imposed on Shares (at present there are none);
- the right to receive notice of and to attend general meetings; and
- the right to receive dividends. The Directors may fix the amount of the dividend and the method or time for payment of the dividend.

Subject to any special rights for the time being attached to any class of

Share, if, on a winding-up of BST, there remains a surplus, the Shareholders will be entitled to that surplus.

Subject to the Corporations Act and the Listing Rules, the Securities are fully transferable.

The rights attaching to Shares may be varied with the approval of Shareholders in general meeting by special resolution.

8.10 Reduction in Share Capital

Subject to the Corporations Act and the Listing Rules, BST may reduce its share capital if the reduction is fair and reasonable to the Shareholders, and does not materially prejudice BST's ability to pay its creditors and is approved by its Shareholders.

The Constitution does not preclude BST from buying back its own Shares or impose restrictions on the exercise of BST's power to buy back its own Shares under the Corporations Act.

The Directors may allot, issue or otherwise dispose of Shares subject to any restrictions on the allotment of Shares imposed by the Constitution, the Listing Rules or the Corporations Act.

8.11 Alteration of Constitution

The Constitution may only be altered by special resolution at a general meeting. BST must give at least 28 days written notice of any general meeting.

8.12 Indemnity

BST, to the extent permitted by law, indemnifies every person who is, or has been a Director or secretary of BST against a liability incurred by that person in their capacity as such a Director, secretary or officer of BST, to another person (including but not limited to, liability for costs and expenses incurred in defending proceedings in which judgement is given in favour of the person or in which the person is acquitted) provided that the liability does not arise out of

conduct involving a lack of good faith or prohibited under the Corporations Act.

8.13 Material Contracts

The Directors consider that the material contracts described below and elsewhere in this Prospectus are the contracts which an investor would reasonably regard as material and which an investor and their professional advisors would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of the Offer.

This section only contains a summary of the material contracts and their substantive terms. To obtain a complete understanding of the contracts it is necessary to read them in full. Full copies of material contracts will be available for inspection without charge during normal office hours at BST at Suite 305, Level 3, Barrack House, 16-20 Barrack St, Sydney, NSW, for a period of 12 months after the lodgement of this Prospectus with ASIC.

8.13.1 Management Agreement

Overview

BST has appointed the Manager to manage the Company, together with all its investments for a term of 5 years. Subject to the parties agreeing to the management fee for a further term, the Agreement will continue for a further period of five years.

The management agreement includes the capacity for the initial five-year term to be extended subject to the ASX granting an appropriate waiver.

Services to be provided by the Manager

Subject to the terms of the agreement, the Manager is empowered and required to do all things it reasonably considers necessary or desirable for the administration, management and conduct of BST.

The Manager shall administer BST in accordance with the instructions set out in the agreement.

Termination

The Company may terminate the Management Agreement by written notice to the Manager in the event of any material and substantial breach of the Agreement by the Manager, provided that before termination the Manager has failed to remedy the breach within 14 days of receiving notice from the Company.

The Manager may terminate the Agreement on three months' notice in the event of any material and substantial breach of the Agreement by the Company, provided that before termination the Company has failed to remedy the breach within 14 days of receiving notice from the Manager.

After the initial term, the Company at general meeting may resolve by ordinary resolution to terminate the Agreement at any time.

The Agreement automatically terminates if either party ceases to carry on business, goes into liquidation, passes a resolution to voluntarily wind up or a receiver is appointed.

If the Management Agreement is terminated, then in certain circumstances the Manager is also entitled to a termination payment equal to 5% of the net tangible assets of BST at the date of termination, reduced by 1/60 for each calendar month elapsed between the commencement date of the relevant management term and the termination date.

Management Fee

The Manager will be paid an Management Fee of 1% per annum (plus GST) calculated and paid monthly based on the net tangible assets of BST.

Performance Fee

At the end of each financial year, the Manager will be entitled to receive a performance fee (**Performance Fee**) from BST. The terms of the Performance Fee are outlined below:

The Performance Fee is calculated and accrued monthly using the following formula:

$$P = 20\% \times (A - B) \times \text{Portfolio Net Asset Value at the end of the last day of the relevant month}$$

where:

P is the Performance Fee for the relevant month;

A is the Investment Return of the Portfolio for the relevant month; and

B is the Benchmark Return for the relevant month.

The Performance Fee for each month in a Financial Year will be aggregated (including any negative amounts carried forward) and paid annually in arrears if the aggregate Performance Fee for that Financial Year is a positive amount provided that:

- if the aggregate Performance Fee for a Financial Year is a negative amount, no Performance Fee shall be payable to the Manager in respect of that Financial Year, and the negative amount shall be carried forward to the following Financial Year; and
- any negative aggregate Performance Fee amounts from previous Financial Years that are not recouped in a Financial Year shall be carried forward to the following Financial Year.

‘Investment Return’ means the percentage by which the Portfolio Net Asset Value at the end of the last day of the relevant month exceeds or is less than the Portfolio Net Asset Value at the end of the last day of the month immediately prior to the relevant month, excluding any additions to or reductions in equity in the Company

during the relevant month, dividend reinvestments, new issues, the exercise of share options, share buy-backs, payment of dividends and the payment of tax.

‘Benchmark Return’ means, in respect of the relevant month is 1/12 of 8%.

8.13.2 Offer Management Agreement

Overview

BST entered into an Offer Management Agreement with the Lead Manager with respect to the management of the Offer.

Under the Offer Management Agreement, the Lead Manager has agreed to use its reasonable endeavours to procure Applications under the Offer. A summary of the key terms of the Offer Management Agreement is set out below.

Commission, fees and expenses

BST must pay the Lead Manager a management fee of 1.25% (excluding GST) of the total proceeds of the Offer received by BST. BST has also agreed to reimburse the Lead Manager for certain agreed costs and expenses incurred by the Lead Manager in relation to the Offer.

Warranties

The Offer Management Agreement contains certain standard representations, warranties and undertakings provided by BST to the Lead Manager. The warranties relate to matters such as the conduct of the parties and information provided by the parties in relation to the Prospectus and the Offer.

The Company’s undertakings include that it will not, during the period following the date of the Offer Management Agreement until 90 days after the allotment of Securities under the Offer, allot or agree to allot any equity securities or securities that are convertible into equity or that represent the right to receive equity

without the consent of the Lead Manager.

Indemnity

Subject to certain exclusions relating to, amongst other things, fraud, recklessness, wilful misconduct, negligence or a material breach of the Offer Management Agreement by an indemnified party, BST agrees to keep the Lead Manager and its respective associated parties indemnified against losses suffered in connection with the Offer including a breach by the Manager of its obligations under the Offer Management Agreement.

Termination events

If any of the termination events included in the Offer Management Agreement (including those set out below) occur at any time before the Allotment Date or such other time as specified below, then the Lead Manager may at any time by written notice to BST without any cost or liability, terminate all further obligations of the Lead Manager under the Offer Management Agreement:

- **(Market fall)** The S&P/ASX All Ordinaries Index at any time falls to a level which is 90% or less than the level at the close of trading on the date of the Offer Management Agreement and remains below that level for a period of two consecutive Business Days.
- **(Withdrawal)** BST withdraws the Offer or withdraws:
 - the Prospectus, any Application Form and any supplementary or replacement prospectus required to be lodged with ASIC under section 719 of the Corporations Act in connection with the Offer;
 - any cover email or letter sent to eligible institutional investors in Australia, New Zealand and any other agreed foreign jurisdictions with a link to or attaching the Prospectus; and
 - any investor presentation or marketing presentation and or

ASX announcement used in connection with the Offer (including any addendum to those presentations and any draft of such documents used for roadshow purposes prior to the lodgement date),

(Offer Documents).

- **(Listing and quotation)** ASX approval is refused or not granted, or approval is granted subject to conditions other than customary conditions, to:
 - the Company's admission to the official list of ASX on or before the date prior to the Settlement Date;
 - the Official Quotation of the Securities on ASX or for the Securities to be cleared through the Clearing House Subregister System on or before the quotation date; or
 - if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld.
- **(Chairman and chief executive officer)** The chairman, the chief executive officer or chief financial officer of BST or the Manager is removed from office or replaced.
- **(Compliance with Law)** Any of the Offer Documents, the Public Information (as defined in the Agreement) or any aspect of the Offer does not comply with the Corporations Act (including if a statement in any of the Offer Documents or Public Information is or becomes materially misleading or deceptive, or a matter required to be included is omitted from an Offer Document or the Public Information), the ASX Listing Rules or any other applicable law or regulation.
- **(Notifications):**
 - ASIC issues an order (including an interim order) under section 739;

- ASIC holds a hearing under section 739(2);
 - an application is made by ASIC for an order under Part 9.5 in relation to the Offer or an Offer Document or ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Offer or an Offer Document;
 - any person (other than the Lead Manager seeking to terminate) who has previously consented to the inclusion of its name in any Offer Document withdraws that consent; or
 - any person gives a notice under section 730 in relation to the Offer Documents.
- **(Applications and proceedings)** Any person makes an application for an order under Part 9.5, or to any government agency, in relation to the Prospectus or the Offer or ASIC commences or gives notice of an intention to hold, any investigation, proceedings or hearing in relation to the Offer or the Prospectus or any government agency commences or gives notice of an intention to hold, any enquiry.
 - **(Supplementary Prospectus)** BST issues or, in the reasonable opinion of the Lead Manager, becomes required to issue a Supplementary Prospectus to comply with section 719 of the Corporations Act; or the Company lodges a Supplementary Prospectus with ASIC in a form that has not been approved by the Lead Manager.
 - **(Insolvency Event)** BST or the Manager is or becomes insolvent or there is an act or omission which may result in BST or Manager becoming insolvent.

Termination events subject to materiality

If any of the following events occur at any time before the Allotment Date or

such other time as specified below, and such event:

- (a) has had or is likely to have a materially adverse effect on:
 - (i) the marketing, outcome, success or settlement of the Offer or the ability of the Lead Manager to market, promote or settle the Offer;
 - (ii) the willingness of investors to subscribe for the Securities; or
 - (iii) the likely price at which the Securities will trade on ASX; or
 - (b) has given or would be likely to give rise to a liability for the Lead Manager under, or a contravention by the Lead Manager, of the Corporations Act or any applicable laws, then the Lead Manager may at any time by notice in writing to BST terminate all further obligations of the Lead Manager under the Offer Management Agreement without cost or liability.
- **(Due Diligence Report)** The due diligence report or verification material or any other information supplied by or on behalf of the Company or the Manager to the Lead Manager in relation to the Company or the Offer is or becomes false or misleading or deceptive or likely to mislead or deceive, including by way of omission.
 - **(Change in Law)** There is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, including ASIC adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the agreement).

- **(Material Contracts)** If any contract summarised in section 8.13 is varied, terminated, rescinded or altered or amended without the prior consent of the Lead Manager or any contract summarised in section 8.13 is breached or is or becomes void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights) or capable of being terminated, rescinded or avoided or of limited force and affect, or its performance is or becomes illegal (Default), a default by BST in the performance of any of its obligations under the Offer Management Agreement occurs.
- **(Representations and Warranties)** A warranty or representation contained in the Offer Management Agreement on the part of BST is breached, becomes not true or correct or is not performed.
- **(Prosecution)** Any of the following occur:
 - a director or officer of BST or the Manager is charged with an indictable offence;
 - any government agency commences any public action against BST or the Manager or any of its directors or officers or announces that it intends to take such action;
 - any director or officer of BST or the Manager is disqualified from managing a corporation under Part 2D.6; or
 - BST or the Manager or any of its directors or officers engage, or are alleged to have been engaged in, any fraudulent conduct or activity, whether or not in connection with the Offer.
- **(Hostilities)** There is an outbreak of hostilities not presently existing (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, the United Kingdom, the People's Republic of China, South Korea, Israel, Singapore, Malaysia, Cambodia, the United Arab Emirates or any member state of the European Union or any diplomatic, military, commercial or political establishment of any of those countries or a major terrorist act is perpetrated anywhere in the world.
- **(Change in management)** There is a change in senior management or the board of directors (other than in relation to the chairman, chief executive officer or chief financial officer) of BST or the Manager.
- **(Disruption of financial markets)** There is:
 - a general moratorium on commercial banking activities in Australia, New Zealand, the United States, the United Kingdom or any Member State of the European Union is declared by the relevant central banking authority in those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
 - any adverse effect on the financial markets in Australia, New Zealand, the United States, the United Kingdom or any Member State of the European Union or in foreign exchange rates or any development involving a prospective change in political, financial or economic conditions in any of those countries; or
 - trading in all securities quoted or listed on ASX, the New Zealand Exchange, the New York Stock Exchange or the London Stock Exchange is suspended or limited in a material respect.

Authorised intermediary

The Agreement also includes appointing Morgans Corporate Limited as the authorised intermediary. The Company has appointed the authorised intermediary to undertake all or any of the following activities:

- make offers in accordance with the Prospectus to arrange for the issue of the Securities by the Company; and
- arrange the issue of the Securities by the Company to Applicants who lodge a valid application.

The Company will also reimburse the authorised intermediary for any expenses reasonably and properly incurred by it in providing the relevant services.

8.14 Goods and Services Tax (GST)

The Impact of GST on BST will partly depend on the type of supplies which BST will be making to its customers.

8.15 Portfolio Valuation

The Manager will arrange to provide such information as is required regarding the Portfolio to enable BST to value its Portfolio monthly.

8.16 Other Documents

BST will make available at its registered office during normal business hours a copy of any of the following documents free of charge during the period of 12 months from the date of issue of this Prospectus:

- the Constitution of BST;
- the material contracts referred to in section 8.13; and
- the consents of each of the parties referred to section 8.17.

8.17 Experts and Advisers

Except for the fees and amounts paid or agreed to be paid relating to the interests set out above, no expert or firm in which any expert is a partner has, or has had in the two years before lodgement of this Prospectus, any

interest in the promotion of, or in any property proposed to be acquired by, BST and no amounts whether in cash or shares or otherwise, have been paid or agreed to be paid to any expert or to any firm in which he or she is or was a partner for services rendered by the expert or the firm in connection with the promotion or for the formation of BST.

No form of payment of any kind will be made, or be agreed to be made, to any such expert or firm other than in cash.

McCullough Robertson

McCullough Robertson has acted as legal advisor to BST in relation to the Offer and has been involved in certain due diligence enquiries in relation to legal matters and in the preparation of legal documents. BST has paid or agreed to pay McCullough Robertson approximately \$52,800 for those services to the date of this Prospectus. Subsequently, fees will be charged in accordance with normal charge-out rates.

Boardroom Partners

Boardroom Partners (**Boardroom Partners**) has been appointed to act as the Registry of BST in relation to the Offer. The Company has paid or agreed to pay Boardroom Partners approximately \$7,500 for those services to the date of this Prospectus.

Morgans Corporate Limited

Morgans Corporate Limited is acting as Lead Manager to the Offer. The Company has paid or agreed to pay 1.25% (exclusive of GST) of the amount raised under the Offer in respect of these services.

Leslie Pines

Leslie Pines has agreed to be named as auditor of the Company and will be paid \$9,000 for the audit of the Company for the financial year ended 30 June 2015.

8.18 ASX Listing

An application will be made to ASX not later than seven days after the date of this Prospectus for the Company to be admitted to ASX, and for official quotation of the Shares and Options. Acceptance of the application by ASX is not a representation by ASX about the merits of the Company, the Shares or Options. Official quotation of Shares and Options, if granted, will commence as soon as practicable after the issue of initial shareholding statements to successful Applicants.

8.19 Litigation and Claims

To the knowledge of the Directors, there is no material current, pending or threatened legal proceedings with which the Company is directly or indirectly involved.

8.20 Consents

The Directors have authorised and caused the issue of this Prospectus. The following persons have given, and have not, before the issue of this Prospectus, withdrawn their written consent to be named in this Prospectus in the form and context in which they are named. Those persons have not authorised or caused the issue of this Prospectus and do not make, or purport to make, any statement in this Prospectus save for the references to its name.

Person	Capacity
Leslie Pines	Auditor
McCullough Robertson	Lawyers
Boardroom Pty Limited	Registry
Morgans Corporate Limited	Lead Manager
ECP Asset Management Pty Ltd	Manager

Except as noted above, each person named in this Section, to the maximum extent permitted by law, expressly disclaims and takes no responsibility

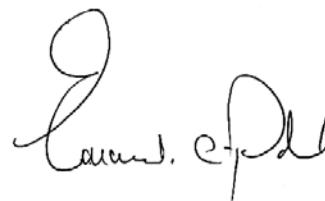
for any part of this Prospectus other than a reference to its name.

8.21 Directors' Statement

Each Director has authorised the issue of this Prospectus. Each Director has consented (and not withdrawn their consent) to the lodgement of this Prospectus with ASIC.

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

Dr Emmanuel Pohl has signed this Prospectus on behalf of the Directors.



Dr Emmanuel Pohl

9 Glossary

Terms and abbreviations used in this Prospectus have the following meaning:

Term	Definition
Applicant	a person who submits an Application.
Application	an application for Shares and Options under this Prospectus.
Application Form	an application form in the form attached to this Prospectus.
Application Monies	the Application Amount multiplied by the number of Securities applied for during the Initial Offer Period.
Application Amount	\$1.00 for each Share applied for under the General Offer and 98.5 cents for each Share under the Broker Firm Offer plus a Service Fee of 1.5 cents per Share.
Allotment Date	means the date in which Shares and Options under the Offer are allotted.
ASIC	Australian Securities & Investments Commission.
Associate	has the meaning given by Division 2 of the Corporations Act.
ASX	ASX Limited ABN 98 008 624 691.
Business Day	a day, other than a Saturday or Sunday or declared public holiday in Sydney.
Broker Firm Offer	means persons who receive a firm allocation from the broker and who completes the Broker Firm Offer Application Form.
Closing Date	the date by which valid acceptances must be received by the Registry being 31 July 2014 or such other date as determined by the Company.
Consent	under the Broker Firm Offer, the consent and authorisation given by the Retail Applicant to their broker to the payment of the Service Fee to their broker (and the on-payment of a percentage of that Service Fee to the individual adviser or intermediary in respect of services provided with respect to the Offer).
Board	the Board of Directors of BST.
AEST	Australian Eastern Standard Time.
Exposure Period	Seven days after the date of lodgement of the Prospectus or if that period is extended by ASIC by notice in writing 14 days after the date of lodgement.
General Offer	means the offer open to all investors who do not participate in the Broker Firm Offer.
Hard Copy Application or Hard Copy Application Form	the paper application form attached to this Prospectus or printed copy of the Online Application Form.
Initial Offer Period	means the period between the opening of the Prospectus public offer on 1 July 2014 and the Closing Date.
IPO	Initial Public Offer
Issue	the initial issue of Securities consisting of Shares and Options in accordance with this Prospectus.
IT	Information Technology.
IT Services	service companies to the IT industry.

Term	Definition
Listing Rules	the official listing rules of ASX.
Management Agreement	the Management Agreement between BST and the Manager.
Manager	ECP Asset Management Pty Ltd ACN 158 827 582.
Maximum Subscription	\$50 million.
Minimum Application	2,500 Securities.
Minimum Subscription	\$16 million.
NTA	net tangible assets.
Offer or initial offer	an offer of up to 50,000,000 Securities under the Prospectus.
Official List	the official list of entities that ASX has admitted and not removed.
Official Quotation	quotation on the Official List.
Online Application or Online Application Form	the online version of an Application which may be accessed via the Online Prospectus.
Online Prospectus	the online version of this Prospectus which may be viewed at; www.boardroomlimited.com.au .
Opening Date	the date the Offer opens, expected to be 1 July 2014.
Option Expiry Date	means the date by which the Options must be exercised, being 2 years from the date of their issue.
Options	options to subscribe for Shares in BST.
Performance Fee	means the fee described in section 8.12.1.
Portfolio	the portfolio of investments of BST.
Prospectus	this replacement Prospectus dated 1 July 2014 as modified or varied by any supplementary prospectus made by BST and lodged with ASIC from time to time and any electronic copy of this Prospectus and supplementary prospectus.
Register	company register of BST.
Registry	Boardroom Pty Limited ACN 003 209 836.
Retail Applicant	an Applicant who is not a Wholesale Applicant or wholesale investor.
Service Fee	a fee of 1.5 cents (inclusive of GST) per Share payable by Applicants who subscribe under the Broker Firm Offer to their broker for services and advice provided to the Applicant by the broker.
Securities	means the Shares and Options offered under this Prospectus.
Shares	ordinary shares in the capital of BST.
Shareholders	the shareholders of BST.
Wholesale Applicant or wholesale investor	an Applicant or investor who is not a retail client under section 761G or section 761GA of the Corporations Act.

Financial Services Guide

**A guide to our relationship
with you and others**

Version 5 – February 2014

A guide to our relationship with you and others

Please refer to our website www.morgans.com.au for the most up to date version of our FSG.

This Financial Services Guide (FSG) is an important document for retail investors. It provides you with information about Morgans Financial Limited (ABN 49 010 669 726; AFSL 235410) ('Morgans', 'we', 'us' or 'our') to help you to fully understand the financial services we offer.

This guide contains important information about:

- The services we offer you
- How we and our associates are paid
- Any potential conflict of interest we may have
- Our internal and external dispute resolution procedures and how you can access them.

This FSG relates only to financial services provided by Authorised Representatives of Morgans Financial Limited to retail investors. Morgans Financial Planning Pty Ltd has its own FSG.

If we provide personal Financial product advice about a product (other than securities such as listed shares) or if we offer or arrange to issue a financial product, we will generally provide you with a Product Disclosure Statement (PDS) or other disclosure document in relation to the financial product. The PDS will contain information about the particular product including the features, benefits, fees and risk associated with that product to assist you in making an informed decision.

Who is responsible for the financial services provided?

Our advisers are Authorised Representatives of Morgans Financial Limited (ABN 49 010 669 726; AFSL 235410), which trades as Morgans. Morgans is responsible for the financial services provided to you. Details of your individual adviser are included in the adviser profile.

Morgans has an Australian Financial Services Licence (AFSL) and is a Participant of ASX Group (ASX), a Broker Participant in the CHESS system operated by ASX Settlement (a group company of ASX), a Clearing Participant of ASX Clear, and a Professional Partner of the Financial Planning Association of Australia Limited. Morgans is also a Participant of the National Stock Exchange of Australia Ltd (NSXA). As a Participant of ASX Group and NSXA, all transactions are issued subject to the ASIC Market Integrity Rules and the Rules, directions, decisions and requirements of ASX, NSXA, the Clearing Rules and the Settlement Rules.

Morgans Financial Limited is licensed to provide financial services under the Corporations Act 2001. You should also note that Morgans is obligated under the Anti-Money Laundering and Counter Terrorism Financing Act not to execute any trades for a client unless the client has been properly identified and verified to our satisfaction.

What financial services and products do we offer?

Morgans is authorised under its AFSL to provide the following financial services:

- Financial Products advice, both general and personal
- Deal in financial products by issuing securities
- Underwriting securities
- Deal in Financial Products on behalf of others

Morgans and its related companies are committed to providing advice appropriate to your personal circumstances and based on our comprehensive market and financial knowledge. Our aim is to work with you to determine, develop and maintain a tailored personal investment strategy.

We offer a comprehensive range of products and services to assist you to achieve your financial goals. These include:

- Strategic planning advice, including consideration of social security, estate planning, insurance, wealth protection, taxation and superannuation issues
- Stockbroking services, including quality research on a wide range of Australian companies and access to corporate issues
- Equity finance (margin lending) advice
- Advice on the use of derivatives (such as options and warrants) within your overall investment strategy
- Advice in relation to managed investment products, structured products, cash deposits and fixed interest investments, including government bonds, debentures and stocks
- A managed portfolio service (Wealth+) that provides effective, efficient and timely reports (including taxation reports) and qualifies participants to reduced brokerage rates.

Morgans offers a Managed Discretionary Account ("MDA") service to a limited number of approved clients. Such clients will be mandatory enrolled in Wealth+ and agree on an investment strategy, any exclusions, operating fees etc as part of the discretionary agreement. Refer to a separate section later in this FSG.

Morgans is also authorised to deal in foreign exchange in order to facilitate settlement of international transactions and to provide a custodial or depository service for its nominee company services, which is operated as part of its stockbroking business.

A guide to our relationship with you and others

Best Execution Policy

There are multiple exchange markets operating in Australia. As a market participant, we must take reasonable steps when handling and executing an order in equity market products to obtain the best outcome for our clients. We have a Best Execution Policy that outlines how we will execute and deal with orders to ensure that we adhere to our best execution obligation. This policy is publicly available on our website.

What information should you provide to receive personalised advice?

You need to provide us with details of your personal objectives, risk profile, your current financial situation and any other relevant information, so that we can offer you the most appropriate advice possible.

You have the right not to provide this information. However, if you choose not to provide any or all of the information requested, the advice you receive from us will be limited accordingly and may not be appropriate to your needs, objectives and financial situation.

In these circumstances you should consider the appropriateness of our advice in the light of your own objectives, financial situation or needs prior to making any investment decision. If the advice relates to the acquisition of an unlisted Financial Product, you should consider the relevant Product Disclosure Statement before making a decision.

Statement of Advice

Whenever we provide you with any personal financial advice, you may be entitled to receive a Statement of Advice (SOA) from us. The SOA will tell you:

- The advice
- The basis on which the advice has been provided
- Our fees and commissions
- The basis of the remuneration received by your adviser
- Any associations we have with Financial Product Issuers or other parties which may have influenced the advice we give you.

Further Advice

However, whenever we provide you with further advice, which takes into account your relevant personal circumstances, a SOA generally will not be provided. In these circumstances, we will maintain brief details of the basis of advice and you may request, for a period of seven (7) years from when the advice is provided, a copy of the record of advice.

A record of your 'relevant personal circumstances' will be maintained

and a SOA, detailing these personal circumstances and any agreed investment strategy and advice, will be provided to new retail clients. Thereafter, a new SOA will only be provided if you advise that your circumstances have changed materially.

Product Disclosure Statement

If we recommend to you a particular Financial Product (other than securities such as listed shares), we will provide you with information about the particular Financial Product in a Product Disclosure Statement to help you make an informed decision about the Financial Product.

The Morgans Network

All Morgans advisers are Authorised Representatives of Morgans under our AFSL. Morgans has a network of offices around Australia which are operated in one of two ways. Each office is either:

- An 'Owned Office' where the staff and Authorised Representatives are all employees of Morgans Holdings Pty Ltd. Morgans Financial Limited is the operating company and a wholly owned subsidiary of Morgans Holdings Pty Ltd.
- A 'Managed Office' where a service entity has entered into a Management Agreement with Morgans to manage the office of Morgans in a geographical location. The service entity employs all staff including Authorised Representatives for that office.

What will Morgans be paid for providing financial services and how are any commissions, fees or other benefits calculated?

Generally the payment we receive will be based on the amount you pay. It may vary from one Financial Product Issuer to another. Details of the payment we receive are contained in the Product Disclosure Statements for most Financial Product Issuers available from your adviser.

We will advise you about any commissions, fees and any other benefits, where possible, in actual dollar amounts prior to the transaction. This information will be provided verbally and/or, where a SOA is issued, in the written SOA or confirmation.

When personal advice is given, if the remuneration (including commission) or other benefits are not calculable at that time, the manner in which the remuneration (including commission) or other benefits are to be calculated will be disclosed at the time the personal advice is given or as soon as practicable after that time.

There are a number of ways we may be remunerated for our services depending on the type of advice you receive

A guide to our relationship with you and others

Payments you make to us

- Brokerage is payable by you when we buy or sell securities, such as shares, warrants and options, on an authorised market. The amount of brokerage you pay will be determined in consultation with your adviser. A minimum charge may also apply to transactions. You will also have to pay GST on brokerage.
- We may charge you a fee, depending on the time we spend developing your plan, or depending on the value of funds you invest. This fee will be determined in consultation with your adviser but would normally be based on an hourly rate.
- We may charge you a management fee annually or in instalments, based on the value of your portfolio. This fee will normally be based on the amount under management.
- We may charge you administrative or miscellaneous fees covering (not fully inclusive) off market transfers, cancellations & rebooking, nominee fees, international custody, SRN enquiries, fail fees, late settlement or early settlement, bond custody and settlement etc.

Payments and other benefits we may receive from Financial Product Issuers (including GST)

- We may receive a payment called commission which is paid to us by the Financial Product Issuer(s) (e.g. fund manager, CMA provider, or life insurance company). This can be paid in the following manner:
 - We may receive a one off payment from the Financial Product Issuer at the time you invest or contract. These generally are calculated as a percentage of the amount you have invested, typically between 0% and 5.5%, and are deducted from the amount invested. Life insurance company first year commissions (upfront) range between 0% and 121%.
 - We may receive ongoing payments, called trailing commissions, from a Financial Product Issuer during the time you hold an investment product. On investment products these trails typically range between 0% and 1.1%.
- Renewal commissions on life insurance products range between 0% and 33%.
- Example – If you invested \$10,000 in an unlisted investment product and we charged you an initial commission of 1.65% and received an ongoing commission of 0.55% from the Financial Product issuer, then
 - Morgans would receive \$165 as an initial commission; and
 - Morgans would receive \$55 per annum as an ongoing commission for the period you continue to own the product.

- We do not charge clients any brokerage in connection with subscriptions for shares in IPOs. We may, however, receive a fee from the issuer for handling the application as disclosed in the relevant prospectus and/or allocation letter.
- In connection with on-market warrant purchases from warrant issuers, we may receive incentive fee payments from those warrant issuers as disclosed in the relevant Issuer Offering Circulars. As a guide these fees may range between 1.1% and 2.2% of the on-market transaction value.
- Morgans does not provide its own margin lending facilities. Where clients borrow through margin lending arrangements facilitated by our business connections, we may receive a trailing commission of up to 0.275%, and potentially an 'override commission' of up to 15 basis points, of the outstanding balance of such loans. As members of the financial services industry, staff members of Morgans are entitled to receive a discount on personal margin loans they may hold from such suppliers. These discounts (depending on the issuer) may vary between 50 and 100 basis points and are not related to any client business.
- On cash deposit products we will receive a commission which is distributed to the service entity and the adviser as per the following example:
 - If we receive a commission of \$100, the service entity may receive \$85 from Morgans. Out of the amount the service entity receives, an adviser remunerated by commission will receive a share which is typically around 35%, or \$35.
- We may receive fees, normally determined as a percentage of revenue, from external parties where we have referred you to them for expert advice (eg insurance or mortgage agent/ broker).
- We may receive payments or benefits from Financial Product Issuers to assist in training of advisers or marketing of their products.
- We may be paid volume bonuses and other incentives directly from Financial Product Issuers, although the amount or percentage will vary from Issuer to Issuer.
- We may earn interest, at prevailing bank deposit rates, on the aggregate balance of any funds retained within our trust account.

A guide to our relationship with you and others

Schedule of Fees (including GST)

Equities and Warrants brokerage

Depending on volume and size of orders, flat rates may be negotiated with your adviser, but as a guide minimum rates are (selling/buying per transaction).

Up to \$1,800	Minimum small transaction rate*
Over \$1,800	\$5.50 plus
	2.75% on first \$5,000*
	2.20% on next \$10,000
	1.65% on next \$35,000
	1.10% on the remainder

*Minimum small transaction brokerage rates may vary on an office by office basis. Clients should check with their adviser. As a guide the minimum rate may range from \$55 to \$110 per transaction. Brokerage is payable on or before the settlement date referred to in the confirmation.

Option brokerage and charges

When you trade an option, the value of the trade is generally lower than if you were to trade the same number of the underlying shares.

Because of this, options are generally a cost efficient way to trade your view of a stock or an index. The costs involved in trading an option are:

Brokerage

Brokerage is payable by you when Morgans buy or sell exchange traded options on your behalf on a sliding scale subject to a minimum of \$75:

Premium Value Brokerage

\$0 - \$5,000	2.75%
\$5,001 - \$15,000	2.20%
\$15,001 +	1.75%

The brokerage charged by Morgans for LEPO's is 0.5% of the Premium Value subject to a minimum of \$75.

A different rate of brokerage may be negotiated with your adviser. Consideration will be given to a negotiated rate and could for instance, be dependent on the volume and size of option transactions that occur on your account. All brokerage charges are shown on your Trade Confirmation/Contract Note.

ASX Clear (AC) – Fees

AC charges a transaction fee of \$0.143 per share option contract, including GST. If you are exercised or are assigned a share option, AC charges an exercise fee of \$0.55 per contract and in the case of index options, AC charges \$0.50 per contract, including GST, for both the transaction fee and the exercise fee. Please note that these charges are subject to change at any time by the AC.

Fixed Interest Products

Our remuneration depends on the duration and value of the investment and is usually without charge to the client.

For fixed term and short term money market investments arranged on behalf of clients, Morgans may receive a commission payment from the deposit taker of up to 0.44% which does not reduce the interest received by the client or the principal investment. In addition, some money market providers pay Morgans an 'override commission' of up to 15 basis points which may be volume related and may be partly distributed to the management entity employing the Authorised Representative.

Financial Planning Fees

Transaction based services

Entry Fees, including commissions	0%-5.5%
Ongoing commission	0%-1.1%

Clients may choose to have all entry fees / commissions rebated and pay for services on a fee basis.

Fee Based Services

Initial consultation	Nil or as agreed at interview
Written report	Negotiated fee**
Ongoing portfolio service	Negotiated fee**
Administration services	Negotiated fee**

Private superannuation Services

Written investment strategy up to a maximum of \$550

**Quoted in Statement of Advice

Hourly rates for professional time in attendance vary and will depend on the seniority and experience of the adviser and will be quoted in the Statement of Advice or other written report.

A guide to our relationship with you and others

Managed Portfolio Service (Wealth+)

Wealth+ is offered under a fee-for-service arrangement. The Wealth+ fee structure is determined in consultation with your adviser to ensure that a cost effective, total solution is tailored to your specific requirements and may be dependent on many factors such as the level of service required, type and number of investments held as well as the nature and cost of other services you require.

The fee structure for the Wealth+ service will be clearly detailed in a personalised Statement of Advice (where personal advice is provided) and confirmed in your Wealth+ Client Agreement.

As a guide the minimum annual fees (incorporating the administration and adviser fees) will be:

- 1.32% on the first \$250,000 of portfolio value
- 0.66% on the next \$250,000 of portfolio value
- 0.44% on the value of the portfolio exceeding \$500,000.

These fees are inclusive of GST and are charged to your account in arrears. In most cases the fees are tax deductible. A minimum annual fee, establishment fee and/or exit fees may also apply and will be negotiated with your adviser.

Please note that brokerage and other fees may also apply.

Life Insurance Products

When we arrange Life Insurance products on your behalf we will receive commission on the placement of these products. The commission we receive on these products will vary between different insurance companies. Commission paid in the first year will vary between 0% and 121% of the first year's premium depending on the type of product recommended. Upon renewal of your insurance in subsequent years we receive commission between 0% and 33% of the yearly premium.

If you have any queries regarding remuneration, fees or charges, you may request from your adviser full details of the calculation of a particular commission, fee or other benefit for providing a specific financial service.

How are our service entities, advisers and referral sources paid?

Service Entities

For our Managed Offices, the service entities are paid monthly in accordance with the Management Agreement between Morgans and the service entity. The amount that the service entity is paid depends on the various products, volume levels, agreed commission distribution, and fixed costs associated with the business written by

advisers at the relevant managed office. For example, on a brokerage charge to the client of \$100, the service entity may receive around \$85 from Morgans. Out of the amount the service entity receives, the service entity will then pay its fixed costs and remunerate its employees in accordance with their employment contracts.

If your adviser is employed by a service entity, this manner of calculation will be disclosed at the time that personal advice is given to you or as soon as practicable afterwards.

Advisers

Advisers are remunerated by their employer by way of salary and/or a percentage share of commissions earned by Morgans from business written by the adviser (ranging from 33 1/3% to 55% depending on the products and volume levels) and/or a share of any profits of the service entity or Morgans Holdings Pty Ltd where the adviser is a shareholder or unit holder of such entity. Advisers may also earn bonus payments based on the individual and the company's performance.

Referral Services

If a third person such as a financial planner or an accountant has referred you to us, we may pay to that person a part of any fees or commissions we receive from you. This will be disclosed to you at the time of transacting business.

What information do you hold on my file and can I access it?

We maintain a record of your personal and other information including details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you and details of specific transactions.

We are committed to implementing and promoting a Privacy Policy, which will ensure the privacy and security of your personal information. A copy of our Privacy Statement and Privacy Policy are available from your adviser and on our website.

If you wish to examine your file please ask us. We will make arrangements for you to do so.

Managed Discretionary Accounts ('MDA') Only

For select clients we may offer the ability to access our MDA service. You must first enter into an MDA Agreement ("the MDA Agreement") with us before we can provide those services to you. Before entering into the MDA Agreement it is essential that you consider the significance of the risks associated with investing through the MDA service.

A guide to our relationship with you and others

Risks

Generally, there are a number of inherent risks associated with any investment in the stock market. These include, but are not limited to, movements in domestic and international markets, the current and future economic environment, company liquidity, investor sentiment, interest rates and market volatility. As a consequence of these risks, a MDA client should be prepared for falls in the market and the possibility of a negative return on their investment.

Please note that Morgans does not guarantee the maintenance of capital or a specific rate of return on any MDA portfolio or any other products, including those in an MDA portfolio.

Our obligations to MDA clients

As an MDA client we will provide you with the following:

- The manner in which you may give instructions to us on how rights relating to your portfolio are to be exercised
- An investment program or SOA prepared in accordance with the Corporations Act 2001. This program will include the following:
 - Information about the nature and scope of the discretions you will authorise and require us to exercise on your behalf
 - Any significant risks associated with the MDA
 - The basis on which the MDA is considered to be suitable for your relevant circumstances
 - Any warnings that the program may not be suitable for you if you have provided us with limited or inaccurate information about your personal circumstances, and
 - A warning that the program may cease to be suitable for you if your relevant personal circumstances change
- An annual review of the investment strategy for the MDA, and
- Any other information that could reasonably be expected to have a material influence on your decision whether to use the MDA service.

What should you do if you have a complaint?

If you are not happy with the service you receive from us you are entitled to complain. We have established procedures in place to ensure that all enquiries and complaints are properly dealt with.

To save yourself valuable time, gather all the facts and documents about the complaint, think about the questions you want answered and decide what action you want us to take.

The following process has been established to address your concerns as quickly as possible:

- Contact your adviser or their immediate superior and explain the problem. Most issues can be resolved quickly in this way.
- If you are unable to resolve the issue within three (3) days, please contact the Complaints Officer on (07) 3334 4888 or send your details in writing to:

GPO Box 202, Brisbane QLD 4001.

- If we are unable to resolve the matter to your satisfaction, you can refer your case to an independent complaint handling body. Morgans is a member (Member No 10690) of:

Financial Ombudsman Service
GPO Box 3, Melbourne VIC 3001.

They can be contacted on 1300 780 808 or facsimile (03) 9613 6399.

For complaints above \$500,000 contact:

ASX Complaints Officer
(PO Box H224, Australia Square, 1215) or; Australian Securities and Investment Commission (ASIC) operates an infoline on 1300 300 630.

What compensation arrangements do we have?

We are required by the Corporations Act 2001 and ASX Operating Rules to have adequate compensation arrangements in place. Morgans Holdings Pty Ltd has a comprehensive Professional Indemnity insurance policy to cover claims in relation to the conduct of Authorised Representatives/employees at the time of the relative incident that gave rise to the claim. This professional indemnity policy includes Morgans.

Any questions?

Please contact your adviser if you have any further questions about the financial services we provide. This document should be retained for your future reference.

Barrack St Investments Limited

ACN 167 689 821

Broker Firm Offer Application Form

This is an Application Form for Shares (and free attaching Options) in Barrack St Investments Limited (**Company**) on the terms set out in the Prospectus dated 1 July 2014. Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 2,500 Shares and multiples of 500 Shares thereafter. This Application Form and your cheque or bank draft must be received by **5.00pm (AEST) on 31 July 2014**.

This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus dated 1 July 2014 and contains information relevant to a decision to invest in the Securities of the Company and you should read the entire Prospectus carefully before applying for Securities.

The Company's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on our website www.barrackst.com.

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in, or accompanied by the Prospectus dated 1 July 2014. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus. The Company will send you a free paper copy of the Prospectus if you have received an electronic prospectus and you ask for a paper copy before the Prospectus expires on 23 July 2015.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

Broker Reference – Stamp Only

Broker Code

Advisor Code

A Number of Shares you are applying for

x \$1.00 per Share =

B Total amount payable

\$

Minimum of 2,500 Shares to be applied for
and thereafter in multiples of 500 Shares

(Being the Application Amount of
98.5 cents per Share and the
Service Fee of 1.5 cents per Share)

C Write the name(s) you wish to register the Securities in (see reverse for instructions)

Applicant #1

Name of Applicant #2 or <Account Designation>

Name of Applicant #3 or <Account Designation>

D Write your postal address here

Number/Street

Suburb/Town

State

Postcode

E CHESS participant – Holder Identification Number (HIN)

X

Important please note if the name and address details above in sections C and D do not match exactly with your registration details held at CHESS, any Securities issued as a result of your Application will be held on the Issuer Sponsored subregister.

F Enter your Tax File Number(s), ABN, or exemption category

Applicant #1

Applicant #2

Applicant #3

G Cheque payment details – PIN CHEQUE(S) HERE

Please enter details of the cheque(s) that accompany this application.

Name of drawer of cheque

Cheque no.

BSB no.

Account no.

Cheque Amount A\$

H Contact telephone number (daytime/work/mobile)

I Email address

Declaration By submitting this Application Form with your Application Amount, I/we declare that I/we:

- ✓ have read the prospectus in full;
- ✓ have read the Privacy Policy (available at www.barrackst.com in full;
- ✓ have received a copy of the electronic Prospectus or a print out of it;
- ✓ have this Application Form in accordance with the Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at www.barrackst.com);
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our application may be rejected by the Company in consultation with the Lead Manager in its absolute discretion;
- ✓ authorise the Lead Manager and the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Securities to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Securities, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person;
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia unless the Securities may be offered in my/our jurisdiction without contravention of the security laws of the jurisdiction or any need to register the Prospectus, the Securities or the Offer;
- ✓ (if you are an Institutional Applicant) consent to and authorise the Company, for Shares allotted to you, to transfer your Service Fee on the Allotment Date to a service fee trust account and the subsequent on-payment of the Service Fee from that service fee trust account to your broker; and
- ✓ (if you are a Retail Applicant) acknowledge that the Company will deal with the Service Fee component of your Application Amount in accordance with the terms of the Prospectus and, if your broker confirms to the Company that it has procured your Consent to the payment of the Service Fee to your broker (and also the on-payment of a percentage of that Service Fee to the individual broker advising you, any financial planners or any financial intermediaries providing advice or dealing services to you in respect of the Offer), will pay the Service Fee to your broker. If your broker has not procured your Consent, the Service Fee will not be refunded to you but applied to the Application Amount under the General Offer.

Guide to the Broker Firm Offer Application Form

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Instructions

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- C** Write your **full name**. Initials are not acceptable for first names.
- D** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- F** Enter your Australian **tax file number** (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- G** Complete **cheque details** as requested. As you have received a firm allocation of Securities from your broker, please make your cheque payable to your broker in accordance with their instructions.
- H** Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.
- I** Enter your **email address** so we may contact you regarding your Application Form or Application Monies or other correspondence.
- J** If you are a Retail Applicant, your broker is required to procure the Consent from you to the payment of the Service Fee to your broker (and also the on-payment of a percentage of that Service Fee to the individual broker advising you, any financial planners or any financial intermediaries providing advice or dealing services to them in respect of the Offer). You should discuss the Service Fee, as well as any allocation of it between your individual broker, the firm they represent, financial planners or financial intermediaries with your individual banker. Your Service Fees will only be paid to your broker where the Company receives confirmation from the broker that it has procured your Consent to the payment of the Service Fee. If your broker does not procure your Consent the Service Fee will not be refunded to you but applied to the Application Amount for the issue price of \$1.00 per Share.

Correct Form of Registrable Title

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Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
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Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

You must lodge your completed Application Form and your Application Amount with your broker, who has provided you with your firm allocation of Securities, in accordance with their instructions and by the deadline set out in their offer to you. Do not submit your Application Form and your Application Amount to either the Company or Boardroom Pty Limited.

The Offer closes at 5.00pm (AEST) 31 July 2014.

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Privacy Statement

Barrack St Investments advises that Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form. Our privacy policy is available on our website (<http://www.barrackst.com>).

The Corporations Act requires some of this information to be included in the Company's Shareholder and Option holder register, which will be accessible by the public. The Company will collect, use, hold, and disclose your personal information in accordance with the Privacy Policy. For more detail on how the Company collects, stores, uses and discloses your information, please refer to our Privacy Policy. Alternatively contact the Company and the Company will send you a copy. It is recommended that you obtain a copy of the Privacy Policy and read it carefully.

Barrack St Investments Limited

ACN 167 689 821

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Cheque no.

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Cheque Amount A\$

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- ✓ acknowledge that my/our application may be rejected by the Company in consultation with the Lead Manager in its absolute discretion;
- ✓ authorise the Lead Manager and the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Securities to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Securities, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person;
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia unless the Securities may be offered in my/our jurisdiction without contravention of the security laws of the jurisdiction or any need to register the Prospectus, the Securities or the Offer;
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Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

You must lodge your completed Application Form and your Application Amount with your broker, who has provided you with your firm allocation of Securities, in accordance with their instructions and by the deadline set out in their offer to you. Do not submit your Application Form and your Application Amount to either the Company or Boardroom Pty Limited.

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Privacy Statement

Barrack St Investments advises that Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form. Our privacy policy is available on our website (<http://www.barrackst.com>).

The Corporations Act requires some of this information to be included in the Company's Shareholder and Option holder register, which will be accessible by the public. The Company will collect, use, hold, and disclose your personal information in accordance with the Privacy Policy. For more detail on how the Company collects, stores, uses and discloses your information, please refer to our Privacy Policy. Alternatively contact the Company and the Company will send you a copy. It is recommended that you obtain a copy of the Privacy Policy and read it carefully.

General Offer Application Form

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

[illegible]

Declaration By submitting this Application Form with your Application Amount, I/we declare that I/we:

- ✓ have read the prospectus in full;
- ✓ have read the Privacy Policy (available at www.barrackst.com in full;
- ✓ have received a copy of the electronic Prospectus or a print out of it;
- ✓ have this Application Form in accordance with the Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at www.barrackst.com);
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our application may be rejected by the Company in consultation with the Lead Manager in its absolute discretion;
- ✓ authorise the Lead Manager and the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Securities to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Securities, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia unless the Securities may be offered in my/our jurisdiction without contravention of the security laws of the jurisdiction or any need to register the Prospectus, the Securities or the Offer.

Guide to the General Offer Application Form

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Instructions

- A** If applying for Shares insert the **number** of Share for which you wish to subscribe at Item **A** (not less than 2,500 Shares and then in multiples of 500 Shares). Multiply by A\$1.00 to calculate the total Application Amount for Shares and enter the **A\$amount** at Item **B**.
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- G** Complete **cheque details** as requested. Make your cheque payable to Barrack St Investments Limited – OFFER. Cross it and mark it 'Note negotiable'. Cheques must be in Australian currency, and cheques must be drawn on an Australian bank. Alternatively you can apply online at www.boardroomlimited.com.au/BarrackStInvestmentsGeneralOffer and pay by BPAY.
- H** Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.
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Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

Mailing address:

BarrackSt Investments Limited
C/-Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

BarrackSt Investments Limited
C/-Boardroom Pty Limited
Level 7, 207 Kent Street
SYDNEY NSW 2000

The Offer closes at 5.00pm (AEST) 31 July 2014

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and + 61 2 9290 9600 outside Australia.

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Investment Manager

ECP Asset Management Pty Ltd
(ACN 158 827 582)

Suite 5, Level 3
343 George Street
Sydney NSW 2000

T +61 2 8651 6800
F +61 2 8651 6899

www.ecpam.com



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