



ENVERRO LTD

ACN 009 027 178

Prospectus

For the offer of 3,500,000 Shares at an Offer Price of \$1.00 per Share to raise a minimum of \$3,500,000.

Oversubscriptions for up to a further 500,000 Shares may be accepted.

The minimum subscription under the Offer is underwritten by KTM Capital Pty Ltd ACN 086 281 950.

enverro 
WORKFORCE MANAGEMENT

IMPORTANT NOTICE

Some terms used in this Prospectus are defined in the Glossary.

This replacement Prospectus is dated 23 October 2014, and a copy of this Prospectus was lodged with ASIC on that date. It replaces the Original Prospectus lodged with ASIC on 13 October 2014. The Company applied to the official of ASX and for the quotation of its Shares on ASX within seven days of the Original Prospectus. Neither ASIC or ASX takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No Shares will be allotted or transferred on the basis of this Prospectus after the expiry date. This Prospectus expires at 5.00pm AEDT on 13 months after the date of this Prospectus.

This replacement Prospectus has been issued primarily to include further explanation of the Company's business operations and business model, and additional disclosure of risks associated with the business.

The Offer is available to Australian residents in each State and Territory of Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. Prospective investors should seek advice on and observe any restrictions. This Prospectus is not an Offer in any place where, or to any person to whom, it would not be lawful to make the Offer.

This document may not be distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States. Any securities described in this document have not been and will not be, registered under the US Securities Act 1993 and may not be offered or sold in the United States except in transactions exempt from or not subject to, registration under the US Securities Act 1993 and applicable US state securities law.

No person is authorised to give any information or make representations about the Offer which is not contained in this Prospectus. Information or representations not contained in this Prospectus must not be relied on as authorised by the Company, or any other person, in connection with the Offer.

This Prospectus provides information for investors to decide if they wish to invest in Enverro Ltd. Investors should read this document in its entirety, examine the risk factors that could affect the financial performance of Enverro Ltd, consider these factors carefully in light of your personal financial circumstances, and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest. The Offer does not take into account the investment objectives, financial situation or needs of particular investors.

This Prospectus is available electronically at www.enverro.com. The Application Form attached to the electronic version of this Prospectus must be used within Australia. Electronic versions of this Prospectus should be downloaded and read in their entirety. You may obtain a paper copy of the Prospectus (free of charge) by telephoning 1300 737 760.

Applications for Shares may only be made on the Application Form attached to this Prospectus or in its paper copy form downloaded in its entirety from www.enverro.com.

Under the Corporations Act, Enverro Ltd must not process Application Forms during the seven day period after the date of lodgement of the Original Prospectus with ASIC. This period has been extended by ASIC for a further seven days. This exposure period enables the Prospectus to be examined by market participants. Application Forms received during the exposure period will not be processed until after the expiry of that period. No preference will be given to Application Forms received during the exposure period.

Monetary amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated. Photographs used in this Prospectus without descriptions are only for illustration. The people shown are not endorsing this Prospectus or its contents. Diagrams used in this Prospectus may not be drawn to scale. The assets depicted in photographs in this Prospectus are not assets of the Group unless otherwise stated.

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Corporate Directory

Company

Enverro Ltd
Level 14, 145 Ann Street
Brisbane Queensland 4000
www.enverro.com

Corporate Advisor

KTM Capital Pty Ltd
Level 2, 16 O'Connell Street
Sydney NSW 2000
www.ktmcapital.net.au

Investigating Accountant

Moore Stephens Sydney Corporate Finance
Pty Limited
Level 15, 135 King Street
Sydney NSW 2000
www.moorestephens.com.au

Auditor

Moore Stephens Sydney
Level 15, 135 King Street
Sydney NSW 2000
www.moorestephens.com.au

Solicitors to Enverro

Mills Oakley Lawyers
Level 14, 145 Ann Street
Brisbane Queensland 4000
www.millsoakley.com.au

Share Registry

Boardroom Pty Ltd
Level 7, 207 Kent Street
Sydney NSW 2000
www.boardroomlimited.com.au

Key Dates

Prospectus date	23 October 2014
Offer opens	9:00am 28 October 2014
Offer closes	5.00pm 21 November 2014
Anticipated date of allotment	28 November 2014
Anticipated commencement of ASX trading	5 December 2014
Shareholding statements expected to be dispatched	8 December 2014

All dates and times are subject to change and are indicative only. All times are AEDT. Enverro Ltd, with the consent of the Underwriter, reserves the right to vary these dates and times without prior notice. It may close the Offer early, withdraw the Offer, or accept late Applications. Applicants are encouraged to submit their Application Forms as soon as possible.

Letter to Investors

Dear Investor

As Director and CEO of Enverro Ltd, it gives me great pleasure to offer you this opportunity to invest in the Company.

As one of the pioneers in Cloud application development for workforce mobilisation, Enverro Ltd has grown from a one-person start-up to a skilled and experienced software application development and professional consulting and support services team. The Company has witnessed first-hand the rapid pace of change and growth within the Cloud computing sector and we see major opportunity in exploiting these new paradigms with our technologies.

Today, Enverro Ltd is an international company in the Cloud computing sector with a team comprised of highly trained and experienced personnel, with operations across three continents. In recent years, the Company has had the privilege of assisting global oil, gas, mining and construction organisations to demonstrate significant business value and address major business challenges using our products and services.

With the Cloud computing sector anticipated to expand over the next five years and beyond, there is significant opportunity to leverage the positioning, experience and application expertise which the Group has developed. Spear-heading our growth over the next period will be our flagship application product, Enverro™.

Enverro™ was developed to manage the challenges surrounding workforce mobilisation in the resources sector. Currently, these mobilisations are generally managed using spreadsheets, paper based systems, and legacy software and technology. Enverro™ will enable companies in the global resources sector to replace these existing legacy systems with our automated Cloud-based technology.

In addition to developing specific applications, the Group's business has been underpinned to date by its professional consulting and support services team which provides technical best practice, management consultancy services, change management, technical expertise and support, all of which are specifically related to the 'salesforce.com' suite of products. The professional consulting and support services division will continue to provide a stable business unit to complement the Group's development and 'roll-out' of the Enverro™ product.

Through this Prospectus, the Company is inviting investors to subscribe for 3,500,000 Shares, at an Offer Price of \$1.00 per Share. Oversubscriptions of up to a further 500,000 Shares at an Offer Price of \$1.00 each may be accepted.

The minimum subscription of \$3,500,000 under the Offer is underwritten by KTM Capital Pty Ltd.

The funds raised by this Offer will provide the Group with capital to expand its sales, marketing and development activities, and to support its growth strategy. An ASX listing will provide Enverro Ltd with access to equity capital markets for expected future growth.

This Prospectus contains detailed information about the Group's operations, financial performance, experienced management team and future plans. It also outlines the potential risks associated with this investment. I encourage you to read this document carefully before making your investment decision.

I look forward to welcoming you as a fellow shareholder in the Company.

Yours faithfully

Leigh Kelson
Chief Executive Officer
Enverro Ltd

1 Glossary

Term	Definition
AEDT	Australian Eastern Daylight Savings Time.
Applicant	a person or entity who submits an Application Form.
Application Form	an application form attached to this Prospectus.
Application Money	the money received by the Company pursuant to the Offer, being the Offer Price multiplied by the number of Shares for which an Applicant applies.
Auditor	Moore Stephens Sydney, the auditor of the Company.
A-IFRS	the adopted Australian equivalents of IFRS.
AGAAP	Australian generally accepted accounting principles incorporating Australian Accounting Standards.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
ASX Settlement	ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Operating Rules	the ASX Settlement Operating Rules, being the operating rules of the Settlement Facility for the purposes of the Corporations Act.
Board	the board of directors of the Company.
CHESS	Clearing House Electronic Subregister System, operated by ASX Settlement.
Closing Date	the date on which the Offer closes, being 21 November 2014, or another date nominated by the Company.
Cloud	refers to 'Cloud computing', which is defined by the National Institute of Standards and Technology (U.S. Department of Commerce) as an Internet-based model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.
Company or Enverro	Enverro Ltd ACN 009 027 178
Constitution	the constitution of the Company as amended from time to time.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Directors	the directors of the Company.
Director Shareholders	the parties associated with each of the Directors as noted in section 10.8.
EBIT	earnings before interest and income tax.
EBITDA	earnings before interest, income tax, depreciation and amortisation.
Enverro or Company	Enverro Ltd ACN 009 027 178.
Enverro™	the Company's Cloud-based workforce mobilisation and contractor

Term	Definition
	management business software application.
Force.com	a Cloud based platform provided by salesforce.com, which connects with various applications and technologies, and allows external developers to create applications that are hosted on the Force.com infrastructure. It is used by the Company to provide its workforce mobilisation software application, Enverro™.
Group	means the group of companies which includes Enverro Ltd and its wholly owned subsidiaries.
IFRS	International Financial Reporting Standards.
KTM	KTM Capital Pty Ltd ACN 086 281 950.
Listing Rules	listing rules of ASX.
Mills Oakley	Mills Oakley Lawyers.
Moore Stephens	Moore Stephens Sydney Corporate Finance Pty Limited ACN 122 561 184.
NASDAQ	A licensed national securities exchange in the United States.
NPAT	Net profit after tax.
NPBT	Net profit before tax.
Offer	the offer of Shares under this Prospectus.
Offer Price	\$1.00 per Share.
Option	an option to acquire a fully paid ordinary share in the Company.
Option Holder	the holder of an Option.
Original Prospectus	the original prospectus issued by the Company and lodged with ASIC on 13 October 2014.
Personnel	employees and professional services contractors of the Company.
Plan	the Company's Employee Incentive Plan, a summary of which is contained in section 9.8 of this Prospectus.
Plan Rules	the rules relating to the Plan, a summary of which is contained in section 9.8 of this Prospectus.
Plan Shares	Shares issued pursuant to the Plan. Refer to section 9.8 of this Prospectus.
Prospectus	this replacement prospectus dated 23 October 2014, for the issue of Shares to raise \$3,500,000 with the right to accept oversubscriptions of a further \$500,000, which replaces the Original Prospectus lodged with ASIC on 13 October 2014.
Quotation Date	the first date on which Shares are granted quotation on ASX.
Rights	Rights to acquire a Plan Share. Refer to section 9.8 of this Prospectus.
salesforce.com	salesforce.com Inc, a NASDAQ listed technology company.
Settlement Facility	has the meaning specified in the ASX Settlement Operating Rules.
Shareholders	holders of Shares in the Company.

Term	Definition
Share	a fully paid ordinary share in the Company.
Underwriter	KTM Capital Pty Limited ACN 086 281 950.
You	the investors under this Prospectus.

2 Investment overview

2.1 Key Offer statistics

	Minimum subscription	Maximum subscription
Offer Price per Share	\$1.00	\$1.00
No. of Shares to be issued under this Prospectus	3,500,000	4,000,000
Total number of Shares on issue following the Offer	8,504,546	9,004,546
Amount to be raised under the Offer	\$3,500,000	\$4,000,000
Market capitalisation at the Offer Price	\$8,504,546	\$9,004,546

2.2 Key Offer dates

Event	Date
Prospectus date	23 October 2014
Offer opens	9:00am 28 October 2014
Offer closes	5.00pm 21 November 2014
Anticipated date of allotment	28 November 2014
Anticipated commencement of ASX trading	5 December 2014
Shareholding statements anticipated to be dispatched	8 December 2014

Dates and times are subject to change and are indicative only. All times are AEDT. The Company reserves the right to vary these dates and times without prior notice. It may close the Offer early, withdraw the Offer, or accept late Applications.

2.3 Summary financial information

The key financial information and performance of the Company is summarised below. Section 6 sets out greater detail regarding the Company's financial position and performance.

	Actual FY2012	Actual FY2013	Actual FY2014
	\$	\$	\$
Revenue	985,130	878,029	1,261,007
EBITDA	86,578	99,621	(686,280)
EBIT	76,571	74,952	(764,490)
Profit before Tax	45,909	39,227	(824,681)
Profit After Tax	45,909	39,227	(824,681)

2.4 Investment Summary

Question	Answer	Section
Who is the Issuer of this Prospectus?	<p>Enverro Ltd ACN 009 027 178.</p> <p>Enverro Ltd is the provider of a Cloud based application for workforce mobilisation in the oil, gas, mining and construction industries. It also provides associated professional consulting and support services.</p>	Sections 4 and 5
What is the business of the Company?	<p>The Group's revenue is generated through two arms: software development and sales, and professional consulting and support services.</p> <p>The software development arm of the Company centres around its Enverro™ application, a workforce management product which enables project and human resource managers in the oil, gas, mining and construction industries to manage the complex logistics of moving personnel to and from remote worksites while assisting them to control costs, minimise risks and maximise efficiency. In conjunction with the licence fees for using this application, fees are also charged for enablement and customisation services which are also provided to users.</p> <p>Separately, the Company also generates revenue from its professional consulting and support services. This division has generated the majority of revenue to date.</p> <p>Section 4 of this Prospectus contains further information regarding the Group's business operations.</p> <p>Detailed financial information regarding the Group's activities is contained in section 6 of this Prospectus.</p>	Sections 4 and 6
What is Enverro™?	<p>Enverro™ is a software application which is designed to manage and mobilise workforce personnel specifically in</p>	Section 4

Question	Answer	Section
	<p>the oil, gas, mining and construction industries sectors. It is a Cloud-based (or Internet-based) application, which allows project managers and human resources managers to manage, coordinate and monitor workforce movements across sites in the oil, gas, mining and construction sectors. Using the Enverro™ application, customers are able to:</p> <ul style="list-style-type: none"> • verify skills and credentials of personnel against job, worksite and owner requirements; • ensure compliance with safety requirements; • schedule personnel into required induction and training courses or medical exams; • manage travel and accommodation logistics for personnel to and from worksites; • approve and authorise visitor access to worksites; • manage personnel changes against project budgets; and • track mobilisation progress on an individual, contractor or owner level. 	
How does Enverro™ operate?	<p>Enverro™ operates on a Cloud-based software platform (Force.com) provided by salesforce.com, a NASDAQ listed technology company based in the United States.</p> <p>The Company has entered into a reseller agreement with salesforce.com. When licences to use the Company's Enverro™ application are sold, users also acknowledge the terms and conditions applicable for access to the salesforce.com platform.</p>	Section 4
What is Force.com?	<p>Force.com is a Cloud (or Internet-based) platform which is used by the Company to deliver and operate the Enverro™ application.</p> <p>The Force.com platform allows external developers to create applications that are hosted on Force.com's infrastructure.</p> <p>The Force.com platform is provided by salesforce.com, a NASDAQ listed technology company which specialises in delivering enterprise Cloud-based (ie. Internet based) computing solutions and social and mobile Cloud applications and platform services.</p>	Section 4
What are the key strengths of Enverro™?	<p>The Enverro™ application is provided as a Cloud-based service designed specifically to address the challenges of workforce mobilisation within the oil, gas, mining and construction sectors. For project managers and human resources managers, using the Enverro™ application:</p> <ul style="list-style-type: none"> • Removes the need to use multiple databases, spreadsheets and processes, and legacy software and technology which are generally time consuming, 	Sections 4 and 5

Question	Answer	Section
	<p>laborious, inefficient and costly;</p> <ul style="list-style-type: none"> Increases efficiency and accuracy in accessing relevant data regarding workforce personnel and worksite needs and requirements. 	
What are the key strengths of the Company?	<ul style="list-style-type: none"> The Company derives revenue from two arms - both the software development and licensing arm of the Company, and its professional consulting and support services arm. The Company's software development and professional consulting and support services teams are comprised of highly trained and experienced technology personnel, with operations across three continents. The Board of Enverro Ltd all have Cloud based software company experience and have been involved in the marketing of the 'software as a service' (SaaS) delivery model (whereby software is licensed on a subscription basis and is centrally hosted), which the Company uses to sell and distribute the Enverro™ application. The Company believes that the market opportunities in the oil, gas, mining and construction sectors are significant for software applications which assist in addressing workforce mobilisation and management needs. 	Section 4
What risks are involved with an investment in the Company?	<p>An investment in the Company is subject to certain risks, both general and specific, some of which may be beyond the control of the Company. A summary of these risks is contained in section 7 of the Prospectus.</p> <p>Prospective investors should read this entire Prospectus, including section 7, before deciding whether or not to invest.</p> <p>Key risks specific to the Company's business model also include:</p> <p>Demand for the Enverro™ application</p> <ul style="list-style-type: none"> The demand for the Enverro™ application may not be as expected. The marketing strategies of the Company may not result in the adoption of the Enverro™ application at the rate anticipated by the Company. This would impact on the Company's revenues and its ability to expand its operations. <p>Disruption to third party platform</p> <ul style="list-style-type: none"> The Company currently relies on salesforce.com's platform, Force.com to deliver the Enverro™ application to its customers in a Cloud-based environment. Significant or extended disruption of the Force.com platform due to, for example, 	Section 7

Question	Answer	Section
	<p>catastrophic destruction of infrastructure or global disruption of the Internet, would also disrupt access to the Enverro™ application. This would impact the Company's brand image and potentially result in loss of customers.</p> <p>Competition</p> <ul style="list-style-type: none"> The Cloud based technology market is evolving rapidly, with new technologies and applications being developed. There is a risk that other applications which assist in managing workforce mobilisation in the oil, gas, mining and construction sectors compete with the Enverro™ application and result in decreased demand and revenue. <p>Liquidity</p> <ul style="list-style-type: none"> There is a risk that the market for the Company's Shares may be illiquid and that Shareholders may be unable to readily exit or realise their investment. 	
Directors and key personnel	<p>The Board consists of:</p> <ul style="list-style-type: none"> Anthony Harris (Chairman and Non-Executive Director) Leigh Kelson (CEO and Executive Director) Christopher Doran (COO and Executive Director) <p>Each member of the Board has experience in the Cloud-based technology industry, and has been involved in the marketing of the 'software as a service' delivery model, which is utilised by the Company.</p> <p>In addition to the Board, key personnel include:</p> <ul style="list-style-type: none"> Garry Edwards (Chief Financial Officer and Company Secretary) Stacey Steiger (Vice President of Product and Marketing) Philippe Tulula (Vice President of Technology) 	Section 5
Interests, key benefits and related party transactions	<p>The Company has agreements with each of its Directors and key personnel.</p>	Sections 9.6 and 10.8

2.5 Key terms of the Offer

Question	Answer	Section
What is the Offer?	<p>The Offer is an initial public offer of 3,500,000 Shares in Enverro Ltd. Oversubscriptions of up to a further 500,000 Shares at an Offer Price of \$1.00 each may be accepted.</p>	Section 3

Question	Answer	Section
	An application for admission of the Shares to quotation on the ASX was made on 20 October 2014. Subject to ASX approval and the quotation of the Shares, Shareholders will be able to trade their Shares on ASX.	
Why is the Offer being made?	The purpose of the Offer is to raise funds to provide the Company with working capital to support its growth strategy.	Sections 2.6 and 4.7
How will the funds be used?	The Company intends to use the funds from the Offer over the first two years following official quotation of the Company's Shares on ASX to pay the costs of the Offer, and to invest the major proportion in marketing and development of the Enverro application and provide working capital as and where needed. Further details regarding the application of funds, depending on the amount raised under the Offer, are set out in Section 2.6 of this Prospectus.	Section 2.6
What is the Offer Price of the Shares?	The Shares are being issued at \$1.00 per Share.	Section 3.1
What rights and liabilities attach to the Shares?	The Shares issued under this Prospectus will rank equally in all respects with the Shares held by the existing Shareholders. The rights and liabilities attaching to all Shares are detailed in the Company's Constitution.	Sections 3.2 and 10.2
Is the Offer underwritten?	The minimum subscription of \$3,500,000 under the Offer is underwritten by KTM Capital Pty Ltd. If the Company does not raise the minimum amount of \$3,500,000 under this Offer, the Underwriter will subscribe for, or procure subscriptions for, any shortfall of up to 3,500,000 Shares.	Sections 3.6 and 9.3
Will I receive dividends on my Shares?	The Directors of the Company have no immediate intention of declaring or distributing dividends as its focus will be on generating capital growth. The distribution of dividends by the Company depends upon the availability of distributable earnings, and the Company's franking credit position, operating results, available cash flows, financial condition, taxation position, future capital requirements, general business and financial conditions, and other factors the Directors consider relevant. The Company gives no assurances about the payment of dividends, the extent of payout ratios or the future level of franking of dividends.	Section 6.10
How do I participate in the Offer?	To participate in the Offer, please complete the Application Form attached to this Prospectus and return it with payment of the Application Money before 5.00pm AEDT on 21 November 2014. Electronic applications may be made using BPAY® in accordance with the directions on the	Section 3.4

Question	Answer	Section
	Application Form.	
How do I calculate the Application Monies payable if I wish to participate in the Offer?	The Application Monies are calculated by multiplying the number of Shares you wish to apply for by the Offer Price of \$1.00 per Share.	Section 3.4
What is the minimum number of Shares for which I can apply?	Applications under the Offer must be for a minimum of 2,000 Shares, then in multiples of 1,000 Shares.	Section 3.4
Is commission payable to financial advisers or brokers?	No commission is payable in relation to applications for Shares under this Offer.	

2.6 Utilisation of funds

The Company intends to use the proceeds from the Offer over the first two years following official quotation of the Company's Shares on ASX as follows, depending on the amount raised under this Offer:

Use of proceeds	\$3,500,000 raised		\$4,000,000 raised	
Capital raising and listing costs	\$428,000	12.2%	\$456,000	11.4%
EnverroTM marketing costs	\$1,700,000	48.5%	\$1,700,000	42.5%
EnverroTM development costs	\$750,000	21.5%	\$750,000	18.8 %
Working capital	\$622,000	17.8%	\$1,094,000	27.3%
Total	\$3,500,000	100%	\$4,000,000	100%

The Company has sufficient working capital to carry out its objectives, detailed in this Prospectus. The Company does not currently intend to raise additional funds within the first two years following official quotation of the Company's Shares on ASX.

2.7 Shareholding structure

The following table shows the shareholding structure of the Company at the date of this Prospectus and on completion of the Offer:

Shareholder	Current Shares	Post Offer Shares		Post Offer %	
Director Shareholders		Minimum subscription	Maximum subscription	Minimum subscription	Maximum subscription
Leigh Kelson*	1,008,129	1,008,129	1,008,129	11.85%	11.20%
Other Shareholders					
	3,996,417	3,996,417	3,996,417	47.00%	44.38%
Offer Shares					
		3,500,000	4,000,000	41.15%	44.42%
Total	5,004,546	8,504,546	9,004,546	100%	100%
Options	1,200,004	1,200,004	1,200,004		
Total Shares on fully diluted basis**	6,204,550	9,704,550	10,204,550		

* This number includes Shares in which Leigh Kelson has an interest both directly and indirectly through his interest in the Lecarlia Trust, and also includes those Shares to be issued under the Company's Employee Incentive Plan.

**The fully diluted number of Shares and Options on issue immediately following the Offer assumes that all Options have been exercised for the maximum number of Shares which can be issued under those Options.

Entities associated with Leigh Kelson (as well as certain other parties who hold Shares and Options in the Company as at the date of this Prospectus) have agreed to enter into agreements with the Company restricting them from dealing in the Shares held by them at the date of this Prospectus. Details of these arrangements are set out in section 9.5.

In addition, the Company has agreed to enter into certain agreements for the issue of Options and Shares as part of its senior management remuneration packages. Details of these arrangements are set out in section 9.8.

2.8 Further questions

If you have questions in relation to the Offer, please contact the Share Registry 1300 737 760 or the Company Secretary on +61 419 768 130.

3 Details of the Offer

3.1 Description of the Offer

This Prospectus offers prospective investors the opportunity to subscribe for up to 3,500,000 Shares at \$1.00 per Share to raise up to \$3,500,000.

Oversubscriptions of up to a further 500,000 Shares at an offer price of \$1.00 each to raise up to a further \$500,000 may be accepted.

The minimum subscription under the Offer is \$3,500,000, through the issue of 3,500,000 Shares at an issue price of \$1.00 per Share. The Company will not issue any Shares pursuant to this Prospectus until the minimum subscription is satisfied. Should the minimum subscription not be reached within 4 months from the date of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and be repaid their Application monies. No interest will be paid on these monies.

Applicants who have questions in relation to the Offer should contact the Company on +61 419 768 130.

3.2 Rights attaching to Shares

The Shares will rank equally in all respects with the shares held by the existing shareholders. The rights and liabilities attaching to all shares are detailed in the Company's Constitution. A summary of the major provisions of the Constitution is set out in section 9.2.

3.3 Timetable

All dates and times are subject to change and are indicative only. All times are AEDT. Enverro Ltd reserves the right to vary these dates and times without prior notice, including the right to close the Offer early, to withdraw the Offer, or to accept late Applications.

3.4 How to apply for Shares

Applications may only be made on the Application Form attached to or accompanying this Prospectus or in its paper copy form as downloaded in its entirety from www.enverro.com. Detailed instructions on how to complete the Application Form are set out on the reverse of the Application Form.

The Offer Price is \$1.00 per Share. Applications must be for a minimum of 2,000 Shares (\$2,000) and then in multiples of 1,000 Shares (\$1,000).

Payment by cheque

Complete a paper copy of the Application Form (Enverro will not accept Application Forms electronically) and send it, with payment in Australian currency, by the Closing Date to:

Post:

Enverro Ltd
C/- Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery:

Enverro Ltd
C/- Boardroom Pty Limited

Level 7, 207 Kent Street
SYDNEY NSW 2001

Cheques or bank drafts must be made payable to 'Enverro Ltd – Share Offer' and should be crossed and marked 'Not Negotiable'.

Payment by BPAY®

You may apply for Shares online and pay your Application Monies by BPAY®.

Applicants wishing to pay by BPAY® should complete the online Application Form accompanying the electronic version of this Prospectus which is available at boardroomlimited.com.au/enverrooffer, and follow the instructions on the online Application Form (which includes the Biller Code and your unique Customer Reference Number (**CRN**)).

You should be aware that you will only be able to make a payment via BPAY® if you are the holder of an account with an Australian financial institution which supports BPAY® transactions.

When completing your BPAY® payment, please ensure that you use the specific Biller Code and your unique CRN provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid. It is your responsibility to ensure that payments are received by 5.00pm (AEDT) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY®, and policies with respect to processing BPAY® transactions may vary between banks, credit unions or building societies.

Enverro Ltd accepts no responsibility for any failure to receive Application Monies or payments by BPAY® before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

Questions

Applicants with questions on how to complete the Application Form, or who require additional copies of the Prospectus, should contact the Share Registry on tel. 1300 737 760, or visit the website www.enverro.com to download a copy of the Prospectus.

3.5 Allocation of Shares

The Company will allocate Shares to Applicants under the Offer at its discretion.

The Company may allocate all, or a lesser number, of Shares for which an application has been made, accept a late application or decline an application. Where applications are scaled back, there may be a different application of the scale-back policy to each Applicant.

Where no allocation is made to a particular Applicant or the number of Shares allocated is less than the number applied for by an Applicant, surplus Application Monies will be returned to that Applicant. No interest will be paid on refunded Application Monies. Any interest earned on Application Monies is the property of the Company.

Successful Applicants will be notified in writing of the number of Shares allocated to them as soon as possible after the Closing Date. It is the responsibility of Applicants to confirm the number of Shares allocated to them prior to trading in Shares. Applicants who sell Shares before they receive notice of the Shares allocated to them do so at their own risk.

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

3.6 Underwriting

The minimum subscription of \$3,500,000 under the Offer is underwritten by KTM Capital Pty Limited.

Further details of the Underwriting Agreement, including the circumstances in which the Underwriter may terminate its obligations, are set out in section 9.3.

3.7 Validity of Application Forms

By completing and lodging an Application Form received with this Prospectus, the Applicant represents and warrants that the Applicant has personally received a complete and unaltered copy of this Prospectus prior to completing the Application Form.

The Company will not accept a completed Application Form if it has reason to believe the Applicant has not received a complete copy of the Prospectus or it has reason to believe that the Application Form has been altered or tampered with in any way.

An Application Form is an irrevocable acceptance of the Offer.

3.8 ASX listing

An application was made to ASX on 20 October 2014 for the Company to be admitted to ASX, and for official quotation of the Shares. Acceptance of the application by ASX is not a representation by ASX about the merits of the Company or the Shares. Official quotation of Shares, if granted, will commence as soon as practicable after the issue of initial shareholding statements to successful Applicants.

It is expected that trading of the Shares on ASX will commence on or about 5 December 2014.

If permission is not granted for official quotation of the Shares on ASX within three months of the date of this Prospectus, all Application Monies received will be refunded without interest as soon as practicable in accordance with requirements of the Corporations Act.

3.9 CHESS

The Company will apply for the Shares to participate in CHESS. Applicants who are issued Shares under this Offer will receive shareholding statements in lieu of share certificates, which will set out the number of Shares issued to each successful Applicant.

The shareholding statement will also provide details of the Shareholder's HIN (in the case of a holding on the CHESS sub-register) or SRN (in the case of a holding on the issuer sponsored sub-register).

Shareholders will need to quote their HIN or SRN, as applicable, in all dealings with a stockbroker or the Share Registry. Further statements will be provided to Shareholders which summarise changes in their shareholding during a particular month. Additional statements may be requested at any time, although the Company reserves the right to charge a fee.

3.10 Withdrawal

Enverro Ltd reserves the right to withdraw the Offer, at any time before the allotment of Shares. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.

3.11 Taxation considerations

The taxation consequences of an investment in the Company will depend upon the investor's particular circumstances. Investors should make their own enquiries about the taxation consequences of an investment in the Company.

3.12 Foreign selling restrictions

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

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

Each Applicant warrants and represents that:

- (a) the Applicant is an Australian citizen or resident in Australia, is located in Australia at the time of the application and is not acting for the account or benefit of any person in the United States or any other foreign person; and
- (b) the Applicant will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia or to a United States person, except in transactions exempt from registration under the US Securities Act 1933 as amended, and in compliance with all applicable laws in the jurisdiction in which the Shares are offered and sold.

4 Business Operations

4.1 Business model

The Company's business model comprises revenue streams from two separate arms:

- software licences, with fees for related enablement and customisation services of its Enverro™ application; and
- professional consulting and support services.

In the past, the two revenue generating arms operated within one entity. However, each arm has now been separated into different subsidiaries. The Group now consists of:

- a subsidiary in Australia focusing on software development, marketing and sales of the Enverro™ application;
- a subsidiary in the United States focusing on software development, marketing and sales of the Enverro™ application; and
- a third subsidiary in Australia which provides professional support and consulting services, known as the 'PRM Cloud Services' business.

An organisational structure chart demonstrating the above corporate group is set out in Section 5.4.

A summary of each of these separate revenue streams is contained in the following table:

The Enverro™ software application	Professional consulting and support services
Products and Services	
The Enverro™ application is a Cloud-based workforce mobilisation and contractor management solution developed and marketed by the Group. It assists companies in the oil, gas, mining and construction sectors to manage the complex logistics of worksite personnel deployment and management while assisting to control costs, minimising risks and maximising efficiency.	The Group's business has been underpinned to date by its professional consulting and support services team which provides technical best practice, management consultancy services, change management, and technical expertise and support, all of which are specifically related to the third party 'salesforce.com' suite of products.
Current Operations	
The Enverro™ application is currently being used by several significant operators in the oil, gas, mining and construction sectors who have subscribed to access the product under the 'software as a service' delivery model.	The Company's staff and contractors (both domestic and international) provide services to customers on an as required basis, or pursuant to contracts with customers to provide ongoing support, configuration and development of the 'salesforce.com' environments.
Expected future operations	
The funds from this Offer will be used to actively grow the Enverro™ application	The professional consulting and support services division will continue to provide a

The Enverro™ software application	Professional consulting and support services
business allowing the Company to invest in product development, sales, and marketing.	stable business unit and revenue stream to complement the Group's development and 'roll-out' of the Enverro™ application.
Income generation and recognition	
<p>Income is generated through licence fees and enablement and customisation services in respect of the Enverro™ application.</p> <p>The Group offers its Enverro™ application as a subscription-based service, typically for a one-year initial term, with subscription fees based on the number of users. Customers generally pay yearly in advance and agreements typically automatically renew unless notice of cancellation is provided in advance.</p> <p>Revenues derived from subscription fees are recognised pro-rata over the term of the agreement.</p> <p>Income from the enablement and customisation of the Enverro™ application is recognised as it is performed and invoiced to customers.</p>	<p>Income from professional consulting and support services is recognised as it is performed and invoiced to customers.</p> <p>This arm of the Company has generated the majority of revenue for the Group to date.</p>

Further details are set out below.

4.2 The Enverro story

The Enverro business originally began in 1996 as a web development and digital marketing company but later moved into delivering Cloud-based software development and salesforce.com implementation services.

The business was founded by Leigh Kelson, who remains its chief executive officer and executive director, and a significant Shareholder.

Through developing Cloud based solutions to build customer success, a unique business need of the oil, gas, mining and construction sector was identified. The mobilisation of workers to project sites had, until that time, been managed by inefficient, cumbersome spreadsheets and legacy software and technology creating significant business inefficiencies and creating potential safety risks. The Company developed an initial version of the Enverro™ application to address this business challenge.

The application delivered noteworthy value to its initial customers and was met with extremely positive reviews. Through additional investigation and diligence, the Company determined that there was a significant opportunity to build a software application to address this problem on an international level. A strategic decision was made to focus the Company on this specific business need.

As a result, Enverro™ is now a Cloud-based workforce mobilisation and contractor management solution that assists companies in the oil, gas, mining and construction sectors to

manage the complex logistics of worksite deployment while helping them control costs, minimise risks and maximise efficiency.

The Company's traditional professional consulting and support services arm continues to operate today under the Enverro Ltd umbrella, providing a steady revenue stream to support the strategic expansion of the Enverro™ application.

The proceeds of this Offer will be used to fund the development, sales and marketing of the Enverro™ workforce mobilisation application to address this specific need in the oil, gas, mining and construction sectors.

4.3 Industry and market dynamics

The use of Cloud technology

The Cloud computing market has experienced, and is expected to continue to experience, strong worldwide growth. It is predicted that the value of the worldwide Cloud software market will surpass \$75 billion by 2017.

Cloud-based solutions provide several advantages to more traditional technology systems, as Cloud-based applications facilitate more efficient access by users, and lower the costs of distribution and licensing.

The Company participates in the current demand for Cloud-based technology both by:

- providing professional consulting and support services for Cloud-based systems such as those provided by salesforce.com; and
- developing and distributing the Enverro™ application, which operates as a Cloud-based solution for workforce management and mobilisation needs identified specifically within the oil, gas, mining and construction industries.

Opportunities in the oil, gas, mining and construction industries

The Company believes that market opportunities in the oil, gas, mining and construction sectors are significant for software applications which assist in addressing workforce mobilisation and management needs.

The Company has identified what it believes is a unique opportunity in the oil, gas, mining and construction sectors, where a large number of workforce personnel must be trained appropriately, deployed across multiple worksites, and monitored on an ongoing basis. Medical, transport and incident reports attaching to individuals and their organisations must also be able to be recorded, tracked and accessed across different areas and locations.

The Enverro™ application is a specific offering, bringing the power of Cloud computing (which enables easy access via the Internet) to these challenges within a large, unaddressed market, where the mobilisation and management of workers with unique skills is critical.

Market competition

Although there are various providers of professional support services to Cloud-based technology, and various Cloud based workforce management solutions which vary in application, scope and customer base, the Company strives to distinguish the products and services it delivers. However, it is possible that some of these other service providers and solutions may compete with the Company's business operations. Further discussion regarding the risks of competition is set out in section 7.

Commercialisation and protection of intellectual property

The intellectual property in software developed by the Company is a valuable asset. Accordingly, the Company continues to monitor and review the intellectual property created by its employees, consultants and contractors, who are required to enter into agreements for the assignment of all relevant intellectual property rights to the Company. The Company also relies on contractual provisions to protect its proprietary rights in the software applications it develops and, where appropriate, the software services it provides.

In addition to these contractual and proprietary rights, the Company believes that the technical skills of its software developers will assist in creating enhanced features and functionality for its software applications. The Company believes that striving to develop technology which is at the forefront of solutions for the workforce management and mobilisation needs of the oil, gas, mining and construction sectors will assist the Enverro™ application to be successful.

4.4 The Enverro™ software application

Enverro™, the Company's workforce management application, enables project and human resource managers in the oil, gas, mining and construction industries to manage and monitor the complex logistics of moving personnel to and from remote worksites while controlling costs, minimising risks and maximising efficiency. The application provides a solution to a vexing issue for organisations with large workforces that need to be mobilised across single or multiple projects. Currently, processes to mobilise a large workforce are primarily managed by multiple databases, spreadsheets and processes, and legacy software and technology which are time consuming, laborious, inefficient and costly.

The Enverro™ application has been designed specifically to address these challenges.

Enverro™ operates on a Cloud-based software platform (**Force.com**) provided by salesforce.com, a NASDAQ listed technology company based in the United States. Force.com is a Cloud (or Internet-based) platform which is used by the Company to deliver and operate the Enverro™ application. The Force.com platform allows external developers to create applications that are hosted on Force.com's infrastructure.

The Force.com platform is provided by salesforce.com, a NASDAQ listed technology company which specialises in delivering enterprise Cloud-based computing solutions and social and mobile Cloud applications and platform services.

The Company has entered into a reseller agreement with salesforce.com. When licences to use the Company's Enverro™ application are sold, users also acknowledge the terms and conditions applicable for access to the salesforce.com platform.

Enverro™ features

Using Enverro™, the Company's customers are able to:

- verify skills and credentials of personnel against job, worksite, and owner requirements;
- ensure contractor compliance with corporate safety requirements;
- schedule personnel into required induction and training courses or medical exams;
- manage travel and accommodation logistics for personnel to and from worksites;
- approve and authorise visitors to access worksites;
- manage personnel changes against project budgets; and

- track mobilisation progress on an individual, contractor or owner basis.

Accordingly, for project managers and human resources managers in the oil, gas, mining and construction sectors, using the Enverro™ application:

- Removes the need to use multiple databases, spreadsheets and processes, and legacy software and technology which are generally time consuming, laborious, inefficient and costly;
- Increases efficiency and accuracy in accessing relevant data regarding workforce personnel and worksite needs and requirements.

Security

The Force.com platform on which the Enverro™ application sits, operates within the salesforce.com security infrastructure. Further details regarding the potential security risks and measures implemented to mitigate these risks are set out in Section 7.3(h).

Revenue

Income is generated through the issue of software licences to use the Enverro™ application, as well as fees for the associated enablement and customisation services for customers.

Enverro™ licences are granted under 12 month licence agreements with licence fees paid annually on a non-refundable basis.

Although the Company's current customer base for the Enverro™ application is relatively small, the Company intends to use the funds from this Offer to actively grow the Enverro™ product business allowing the Company to invest in product development, sales, and marketing.

4.5 Professional consulting and support services

The Company also generates revenue from its professional consulting and support services. The PRM Cloud Services arm provides technical best practice advice, strategy, management consulting services, change management, technical expertise and support specific services to the salesforce.com suite of products including Sales Cloud, Service Cloud, Marketing Cloud and Force.com.

- *Management consulting:* The Group provides services to enterprise and mid-market companies which encompass advice in relation to strategy and architecture, business process reengineering, change management, solution implementation, integration, training and service/support contracts;
- *Technical services:* The Group's technical services team provides configuration, development, integration and web services, user interface (UI) and user experience (UE) design;
- *Service and support agreements:* The Company enters into contracts with organisations to provide ongoing support, configuration and development of the salesforce.com environments. These support and service contract durations vary depending on the client's needs. All support services are fulfilled through the Group's Chennai technical operations;
- *Mobile and enterprise application development:* The Company has an experienced team of certified technical architects, engineers and developers who specialise in building and deploying enterprise grade mobile applications on the Force.com platform. Utilising this platform, the Company has the ability to deploy to any device on any platform.

4.6 Customer base

The Company has an established track record in delivering Cloud solutions across a wide variety of industries, including large customers operating internationally.

It has expanded its presence in the Western Australia and Queensland markets recently to increase focus on the delivery of professional services in oil, gas, mining and construction.

The relationships developed, both in Australia and internationally, have provided a springboard for the launch of the Enverro™ application into those sectors where workforce mobilisation is a regular requirement and critical to success.

4.7 Growth strategy and anticipated future operation

Enverro Ltd has identified this specific business challenge in the market. Oil, gas, mining and construction companies require that skilled labor be mobilised around the globe to conduct their business. To date, they have often used multiple databases, spreadsheets and processes, and legacy software and technology to manage this process, creating large inefficiencies and introducing safety and business risks, both of which could reduce revenues and profitability.

Enverro Ltd's Cloud-based solution significantly mitigates these risks by automating mobilisations and streamlining processes. This solution offers the opportunity for customers to drive top-line and bottom-line growth.

Proceeds from this Offer will be used to actively pursue this significant, addressable market.

5 Board & management

5.1 Board of Directors

Anthony Harris – Non-executive Chairman

Anthony Harris was appointed as chairman of the Board of Directors in September 2014.

He is an owner and Director at Blink Mobile Interactive, a cloud based Mobile Enterprise Applications Platform provider. Anthony has extensive experience in managing and growing computer software companies. He has held senior positions with Tibco software, Retriever communications and with SAP including CEO ANZ.

Leigh Kelson, Executive Director and Chief Executive Officer

Leigh Kelson was appointed as chief executive officer in 1997. He is a web technologies veteran and Australian Cloud computing pioneer.

After commencing his career in the technology sector in the mid 1980s, Leigh founded the Company in 1996 and helped to pioneer Cloud computing in Australia by establishing the first salesforce.com professional services practice in Melbourne, which is now one of the longest serving salesforce.com partners in Australia. With a background in the media and advertising sectors, Leigh moved to the United States in 1999 to head global sales for a digital media technology company. Since his return to Australia in 2002 he has focused on developing the Enverro business.

Christopher Doran, Executive Director and Chief Operating Officer

Christopher Doran was appointed as an executive director in 2013. Mr Doran is a marketing executive with a background in engineering, a deep knowledge of Cloud technology, and a track record of leading revenue growth through high impact marketing programs at companies including salesforce.com, Manticore Technology, and AMD.

He is recognised as a thought leader and expert in demand generation, digital marketing technology and utilising social media to drive new business. Christopher is skilled at developing effective marketing programs with lean teams and cost effective budgets within both start-up firms and Fortune 1000 companies.

5.2 Other Officers

Garry Edwards, Company Secretary and Chief Financial Officer

Garry Edwards was appointed as Company Secretary and Chief Financial Officer in 2014.

He is an accountant by profession, and has been company secretary for a number of ASX listed entities such as China Magnesium Corporation Limited and G8 Education Limited.

Garry has over 25 years' experience in accounting and company secretarial roles.

5.3 Senior Management

The Company's senior management is made up of experienced and technically skilled individuals, including Philippe Tulula and Stacey Steiger.

Phillipe Tulula, Vice-President of Technology

Phillipe Tulula is based in Austin, Texas and joined Enverro in August 2014 as Vice President of Technology. He has a Master's degree in Computer Science and 22 years of experience as a software developer, architect and technology leader. He has wide breadth of experience on

various software stacks and platforms and in diverse industries including telecom, logistics, travel and live event management.

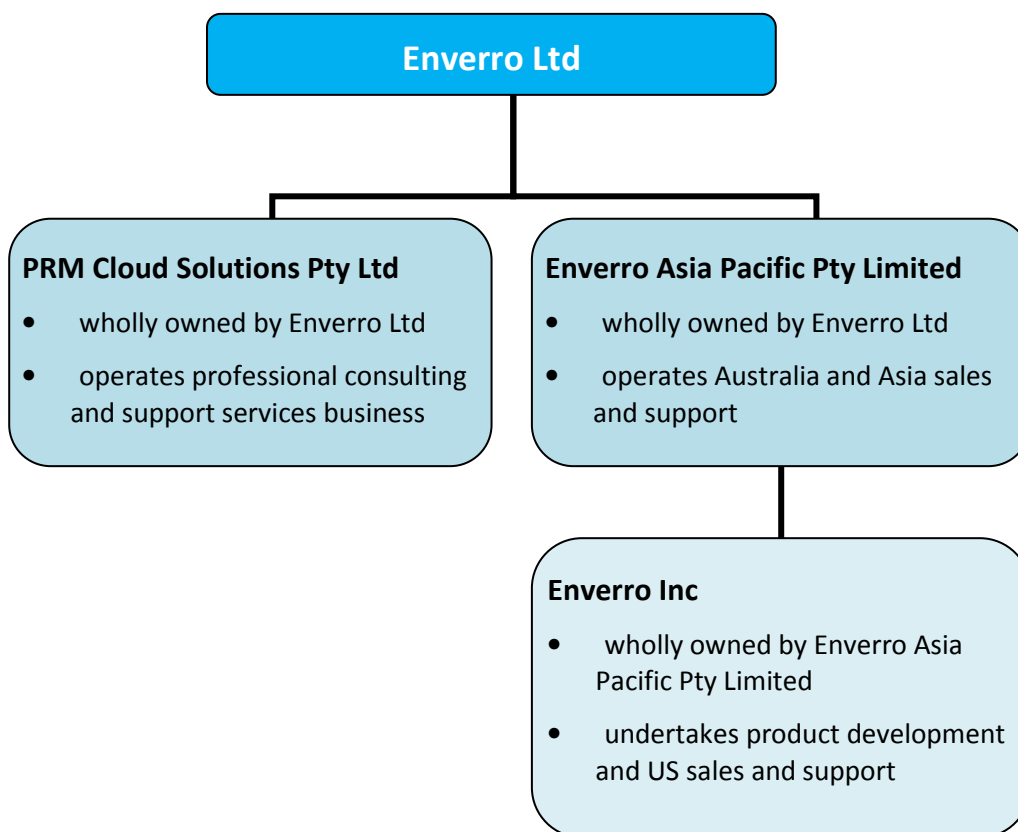
Before joining Enverro Ltd, Philippe was Vice-President of Technology for Front Gate Ticketing Solutions, a ticketing and live event management company. He is also a passionate advocate of lean and agile methodologies.

Stacey Steiger, Vice-President of Product & Marketing

Stacey Steiger is based in Austin, Texas and joined the Group in July 2013. Stacey has 18 years' experience in building, managing and marketing web-based applications. Her experience includes executive ownership of product management, product market and corporate marketing functions for B2B enterprise products across multiple industries (including human resources), healthcare and marketing. Before joining the Group, Stacey was vice-president of product management and marketing at Sales Engine International.

5.4 Organisational structure

The structure of the Group is represented diagrammatically below, with Enverro Ltd being the ultimate holding company of its professional consulting and support services arm and its software development arms in Australia and the United States.



5.5 Corporate Governance

The Directors monitor the business affairs of the Company on behalf of Shareholders and have formally adopted a corporate governance policy which is designed to encourage Directors to focus their attention on accountability, risk management and ethical conduct. The Company's key corporate governance policies and practices are summarised below.

5.6 Board of Directors

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

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Group's conduct and activities; and
- (c) ensure compliance with the Group's legal and regulatory objectives.

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

- (a) developing initiatives for profit and asset growth;
- (b) reviewing the corporate, commercial and financial performance of the Group on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

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

5.7 Composition of the Board

The election of Board members is subject primarily to the wishes of Shareholders in general meeting. However, subject to that consideration, the Company is committed to the following principles:

- (a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Group and its business; and
- (b) the principal criterion for the appointment of new Directors is their ability to add value to the Group and its business.

No formal nomination committee or procedures have been adopted for the identification, appointment and review of the Board membership. However, an informal assessment process, facilitated by the Chairman in consultation with the Company's professional advisors, has been committed to by the Board.

Independent professional advice

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

Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision making process.

The total maximum remuneration of non-executive Directors is the subject of a Shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Group of the respective contributions by each non-executive Director.

The Board may award additional remuneration to non-executive Directors who are called upon to perform extra services or make special exertions on behalf of the Company.

In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

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

5.8 External audit

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

5.9 Audit and risk management committee

The Company has adopted an audit committee charter. Due to the size and nature of activities, the function of the audit and risk management committee will be undertaken by the full Board.

5.10 Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Group's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

5.11 Ethical standards

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

5.12 Trading Policy

Under the Company's securities trading policy, an executive or Director must not trade in any securities of the Company at any time when they are in possession of unpublished, price-sensitive information in relation to those securities.

Before commencing to trade, an executive and Director must first obtain the approval of the Chairman. Only in exceptional circumstances will approval be forthcoming inside of the period commencing on the tenth day of the month in which the Company is required to release its Quarterly Cashflow Report and ending two days following the date of that release.

5.13 Shareholder Communication Policy

The Company's objective is to promote effective communication with its Shareholders at all times. The Company is committed to:

- (a) ensuring that Shareholders and the financial markets are provided with full and timely information;
- (b) complying with continuous disclosure obligations contained in the Listing Rules and the Corporations Act in Australia; and
- (c) communicating effectively with its Shareholders and making it easier for Shareholders to communicate with the Company.

To promote effective communication with Shareholders and encourage effective participation at general meetings, information will be communicated to Shareholders:

- (a) through the release of information to the market via the ASX;
- (b) through the distribution of the annual report and notices of annual general meeting;
- (c) through Shareholder meetings and investor relations presentations;
- (d) through letters and other forms of communications directly to Shareholders; and
- (e) by posting relevant information on Enverro's website at www.enverro.com.

6 Financial information

6.1 Overview

This section contains a summary of the historical financial information for Enverro Ltd including:

- statutory historical statement of comprehensive income FY2012, FY2013 and FY2014 (Historical Results);
- statutory historical statement of cash flows for FY2012, FY2013 and FY2014 (Historical Cash Flows); and
- statutory historical statement of financial position as at 30 June 2014 (Historical Statement of Financial Position)

(the **Historical Financial Information**), and

- Pro forma historical financial information for the Company being the pro forma consolidated historical statement of financial position as at 30 June 2014 (Pro Forma Historical Statement of Financial Position)

(the **Pro Forma Historical Financial Information**).

The Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards issued by the Australian Accounting Standards Board, which are consistent with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB).

The Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Company's key accounting policies have been consistently applied throughout the periods presented and are set out in Section 6.9.

The Company's financial year ends on 30 June. References to 'financial 2014', for example, refer to its financial year ended 30 June 2014.

The information in this Section 6 should be read in conjunction with the risk factors set out in Section 7 and other information contained in this Prospectus.

6.2 Preparation of historical and Pro Forma Historical Financial Information

The Historical Financial Information has been extracted from the Company's reviewed financial statements for FY2012, FY2013 and audited financial statements for FY2014.

The statutory financial statements for FY2012 and FY2013 were reviewed by, and the FY2014 statutory financial statements of the Company were audited by its external auditor, Moore Stephens Sydney, which issued an unqualified audit opinion in respect of the FY 2014 statutory financial statements.

The Historical Financial Information is summarised in Table 1 of Section 6.3, Table 2 of section 6.4, and Table 3 of Section 6.8.

The Pro Forma Historical Financial Information has been prepared for the purposes of inclusion in this Prospectus. It has been derived from the Historical Financial Information, with

pro forma adjustments being made to reflect the Company's operating and capital structure that will be in place following completion of the Offer.

The Historical and Pro Forma Historical Financial Information included in this Prospectus has been reviewed by Moore Stephens Sydney Corporate Finance Pty Ltd but has not been audited. Investors should note the scope and limitations of the Investigating Accountant's Report (see Section 8 of this Prospectus).

Investors should note that past results are not a guarantee of future performance. The revised capital structure and plans to escalate sales and development of the Company's software product Enverro™ are likely to produce significantly different performance results from those in the past which were primarily derived from software consulting activities.

6.3 Statement of Financial Performance

TABLE 1

	2012	2013	2014
	\$	\$	\$
Revenue	985,130	878,029	1,261,007
Operating Expenditure	(898,552)	(778,408)	(1,544,438)
Restructuring costs	-	-	(402,849)
EBITDA	86,578	99,621	(686,280)
Depreciation & Amortization	(10,007)	(24,669)	(78,210)
EBIT	76,571	74,952	(764,490)
Interest Expense	(30,662)	(35,725)	(60,191)
Net Profit Before Tax	45,909	39,227	(824,681)
Tax Expense / Benefit	-	-	-
Net Profit After Tax	45,909	39,227	(824,681)

Notes

FY 2014 involved a significant amount of management time and expenditure in capital raising efforts and market development for the Enverro™ software which, in addition to corporate restructuring costs, have impacted the result.

FY 2014 restructuring costs include the write-off of an historic director / shareholder loan and the write-down of development costs in relation to software applications other than the Enverro™ product.

The historic financial performance disclosed above has not been adjusted for the incremental annual costs that the Company will incur as a listed public company. These incremental costs include share registry fees, non-executive director remuneration, Directors' & Officers' Insurance premiums, additional audit and legal costs, listing fees, investor relation costs as well as annual general meeting and annual report costs.

The Company has estimated the incremental costs to be approximately \$260,000.

6.4 Actual and Pro Forma Consolidated Statement of Financial Position as at 30 June 2014

TABLE 2

	ACTUAL (AUDITED) 2014	PRE-IPO CAPITAL RAISING & DEBT REDUCTION	IPO RAISING		PROFORMA STATEMENT OF FINANCIAL POSITION 30 JUNE 2014	
	\$	\$	Minimum subscription of \$3.5 million \$	Maximum subscription of \$4 million \$	Minimum subscription of \$3.5 million \$	Maximum subscription of \$4 million \$
ASSETS						
Current assets						
Cash and cash equivalents	4,508	1,257,000	3,072,000	3,544,000	4,333,508	4,805,508
Trade and other receivables	143,694				143,694	143,694
Loans	6,441				6,441	6,441
Total Current Assets	154,643				4,483,643	4,955,643
Non-current assets						
Property, plant and equipment	38,450				38,450	38,450
Intangibles	619,348				619,348	619,348
Total Non-Current Assets	657,798				657,798	657,798
Total assets	812,441				5,141,441	5,613,441
LIABILITIES						
Current liabilities						
Trade and other payables	319,917	(623,000)			319,917	319,917
Borrowings	640,262				17,262	17,262
Provisions	36,177				36,177	36,177
Total Current Liabilities	996,356				373,356	373,356
Non-current liabilities						
Borrowings	25,378				25,378	25,378
Total Non-current Liabilities	25,378				25,378	25,378
Total liabilities	1,021,734				398,734	398,734
Net (liabilities) / assets	(209,293)				4,742,707	5,214,707
EQUITY						
Contributed equity	663,559	1,880,000	3,072,000	3,544,000	5,615,559	6,087,559
Accumulated losses	(872,852)				(872,852)	(872,852)
Total equity	(209,293)				4,742,707	5,214,707

6.5 Pro Forma adjustments to the Statement of Financial Position

The pro forma adjustments made to the Historical Statement of Financial Position of the Company as at 30 June 2014 (being the most recently audited statement of financial position) reflect the following events and assumptions:

- A pre-IPO raising was completed on 18 July 2014 and consisted of 80,000,000 fully paid ordinary shares at \$0.025 per share, raising \$2,000,000 before costs of the issue.
- Costs of the issue were \$120,000 cash and the grant of 40,000,000 Options exercisable at \$0.025 each (since consolidated to 1,200,004 Options exercisable at \$0.84 each) on or before 18 July 2019.
- Part of the proceeds were used to repay debt of approximately \$623,000 consisting of bank overdraft, convertible notes and unsecured loans.
- Shares issued and Options granted pursuant to the pre-IPO raising, and shares on issue prior to that raising have since been consolidated on the basis of 33.33:1.
- The IPO raising which is the subject of this Prospectus is for a minimum of 3,500,000 Shares at an issue price of \$1.00 per Share. Costs of the issue are expected to be approximately \$428,000 based on the minimum subscription.
- Over subscriptions of up to a further 500,000 Shares at an offer price of \$1.00 each to raise up to a further \$500,000 may be accepted. The maximum subscription is \$4,000,000 and costs of the issue are expected to be approximately \$456,000 at the maximum subscription.
- Issued capital has been adjusted by a net \$4,952,000 (minimum subscription level) and \$5,424,000 (maximum subscription level) respectively to reflect the gross proceeds from both the completed pre-IPO raising and the Offer which is the subject of this Prospectus less the capitalised costs of both.
- The Company established two Australian subsidiaries to carry out consulting and software development activities respectively, with another subsidiary established in the United States which focusses on development and licensing. All entities form part of the consolidated group.

6.6 Key items in the Statement of Financial Position and management analysis of historical financial information

The key items included in the Statement of Financial Position as at 30 June 2014 are:

- Receivables are due on ordinary commercial terms and relate substantially to funds receivable from customers for consulting services.
- Intangible assets comprise the Company's own developed intellectual property.
- The Company does not currently have, and will not on completion of the Offer have, any financing arrangements or financial indebtedness other than vehicle leases of approximately \$40,000.
- Trade and other payables include amounts payable in the normal course of business plus an amount of approximately \$70,000 recognising income received in advance from customers.
- Borrowings include \$200,000 convertible notes plus unsecured loans, which were repaid in July 2014.

- For the Company's financial year ended 30 June 2014, revenues were made up of:
 - 69% consulting services;
 - 13% Enverro™ software sales and support;
 - 12% R&D grant income; and
 - 6% from the sale of a domain name.

The Company's Enverro™ solution is accessible through an Internet connection and a web browser, or a mobile device, such as an iPad. The Company offers its Enverro™ application as a subscription-based service, typically for a one-year initial term, with subscription fees based on the number of users. Enverro™ customers generally pay yearly in advance for the use of its solution, and agreements typically automatically renew unless notice of cancellation is provided in advance.

Revenues derived from subscription fees are recognised pro-rata over the term of the agreement, while revenues from professional services are generally recognised as the services are performed.

The Company markets its solutions and services - through its own direct sales team.

The Company's Enverro™ product is aimed primarily at the oil, gas, mining and construction sectors where there are deployments of large numbers of personnel to projects, often across international borders and involving multiple stakeholders requiring access to common information.

The Company intends to continue to develop the Enverro™ product to add additional modules to expand the role of the product within customer organisations.

To date, the Company has funded its business primarily with proceeds of capital raising via the issue of share capital and cash flows from operations. It plans to continue to invest in the development of its solutions, sales and marketing to drive long-term recurrent licence revenue and customer success.

6.7 Key factors affecting Enverro Ltd's performance

Product development

The Company has commenced its investment and intends to continue to invest actively in expanding the functions and market penetration of the Enverro™ product.

The Company is planning to recruit additional employees in sales and marketing, and product development. Subsequently, the Company expects its total operating expenses to increase over time, and, in some cases, have adverse impacts on its net income, particularly in light of the lag between receipt of subscription fees and the recognition of those fees over the term of the subscription.

Retention and acquisition of customers

The Company applies a 'seed and grow' strategy with certain customers who utilise the Enverro™ product for some projects but not others. The Company focusses on achieving customer success with one project, then expanding the adoption and application of the Enverro™ product by other areas and projects within that organisation, and externally by external organisations.

Mix of subscription and professional services revenues

The Group has provided consulting services for a number of years, including support for initial deployment and ongoing support for the salesforce.com product suite. That is expected to

continue. However, a greater portion of revenue is expected to come from subscription fees, enablement, customisation and support of Enverro™ as the adoption of the product increases.

Foreign exchange rate

The Group's operations will be conducted in both United States and Australian Dollars, but reported in Australian Dollars. Movements in the exchange rates of these currencies will affect reported financial performance.

6.8 Statements of Cash Flows

Set out in the table below are the summarised historical statements of cash flows for the Company for FY2012, FY2013 and FY2014. This information should be read in conjunction with information provided elsewhere in the Prospectus.

Table 3

Statement of cash flows for the year ended 30 June	2012	2013	2014
	\$	\$	\$
Cash flows from operating activities			
Receipts from customers	841,892	937,685	1,092,773
Payments to suppliers and employees	(807,917)	(767,503)	(1,560,280)
Other revenue	5,146	4,657	226,671
Interest and other costs of finance paid	(30,662)	(35,725)	(46,074)
Net cash (outflow) / inflow from operating activities	8,459	139,114	(286,910)
Cash flows from investing activities			
Payments for property plant and equipment	(3,376)	(37,126)	(1,679)
Payments for proprietary software development	(11,679)	(379,081)	(444,630)
Loans	(10,973)	(14,994)	(6,441)
Net cash (outflow) from investing activities	(26,028)	(431,201)	(452,750)
Cash flows from financing activities			
Proceeds from issue of shares	20,000	-	660,000
Share issue costs	-	(7,166)	(89,289)
Proceeds from borrowings	80,000	294,443	225,001
Repayment of borrowings	(42,364)	(41,008)	(53,781)
Net cash inflow from financing activities	57,636	246,269	741,931
Net increase / (decrease) in cash and cash equivalents	40,067	(45,818)	2,271
Cash and cash equivalents at the beginning of the year	7,988	48,055	2,237
Cash and cash equivalents at the end of the year	48,055	2,237	4,508

6.9 Summary of significant accounting policies

Set out below are the main accounting policies that have been used in the preparation of the financial information in Section 6.

Basis of preparation

The financial information has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements of the Company comply with International Financial Reporting Standards (IFRS).

Historical cost convention

The financial information has been prepared under the historical cost convention.

Going Concern

The financial report has been prepared on a going concern basis.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of discounts, refunds, rebates and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities, being sale of software and related support activities, as follows:

Domestic and export sales of goods are recognised when the Company has delivered products or services to the purchaser and there is no unfulfilled obligation that could affect the purchasers acceptance of the products or service.

Income Tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets have not been recognised to date.

Deferred tax liabilities and assets are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Intangibles

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service, employee costs and an appropriate portion of relevant overheads.

Development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset.

The group amortises intangible assets with a limited useful life using the straight-line method over the following period: Capitalised software development costs; 6 years

Borrowings

All loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the loans and borrowings using the effective interest method. Fees paid for establishing loan facilities are recognised as transaction costs if it is probable that some or all of the facility will be drawn down, and deferred until the draw down occurs. If it is not probable that the facility will be drawn down, fees are capitalised as prepayments for liquidity services and amortised over the period to which the facility relates.

Borrowings are derecognised from the statement of financial position when the obligation specified in the contract has been discharged, cancelled or expires. The difference between the carrying amount of the borrowing derecognised and the consideration paid is recognised in profit or loss as other income or finance costs

Where the terms of a borrowing are renegotiated and the Company issues equity instruments to a creditor to extinguish all or part of a borrowing, the equity instruments issued as part of the debt for equity swap are measured at the fair value of the equity instruments issued, unless the fair value cannot be measured reliably, in which case, they are measured at the fair value of the debt extinguished. The difference between the carrying amount of the debt extinguished and the fair value of the equity instruments issued is recognised as a gain or loss in profit or loss.

All borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. Where the GST is not recoverable from the taxation authority it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

6.10 Dividend policy and forecast distribution

Enverro Ltd has no immediate intention to declare or distribute any dividends.

Payment of dividends by the Company in the future will depend upon the availability of distributable earnings, and the Company's franking credit position, operating results, available cash flows, financial condition, taxation position, future capital requirements, general business and financial conditions, and other factors the Directors consider relevant. Enverro Ltd gives no assurances about the payment of dividends, the extent of payout ratios or the future level of franking of dividends.

7 Risk factors

7.1 Factors influencing success and risk

This section identifies the areas believed by the Board to be the major risks associated with an investment in Enverro Ltd.

The Enverro business is subject to risk factors, both specific to its business activities, and of a general nature. Individually, or in combination, these might affect the future operating performance of the Company and the value of an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives or that any forward looking statements will eventuate. 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 the Company's operating performance and profits, and the market price of the Shares.

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

- (a) read the entire Prospectus;
- (b) consider the financial information and the risk factors that could affect the financial performance of the Company;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

7.2 General investment risks

(a) Share market investments

Prior to the Offer, there has been no public market for the Shares. It is important to recognise that, once the Shares are quoted on ASX, their price might rise or fall and they might trade at prices below or above the Offer Price. There can also be no assurance that an active trading market will develop for the Shares.

Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Such fluctuations might adversely affect the price of the Shares.

(b) General economic conditions

The Company's operating and financial performance may be influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

(c) Accounting Standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the Directors' and the Company's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in the Company's financial statements.

(d) Taxation risks

A change to the current taxation regime in Australia or overseas may affect the Company and its Shareholders. Personal tax liabilities are the responsibility of each individual investor. The Company is not responsible either for taxation or penalties incurred by investors.

(e) Legal proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

7.3 Risks specific to the Company and its business

(a) Development and demand risk

The Company's primary business focus is to develop and market Cloud-based software for the oil, gas, mining and construction sectors, and to provide professional support and consulting services. Its ability to generate revenue and profit is dependent upon developing applications and products for which there is sufficient demand. Enverro™ is the first application to be developed, and does not yet have a proven revenue track record.

There is a risk that the Company may not be able to develop such products, that demand may not be as expected, or that competition and substitutes result in reduced demand.

(b) Intellectual property risks

The Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. Such intellectual property may not be capable of being legally protected, it may be the subject of unauthorised disclosure or unlawfully infringed, or the Company may incur substantial costs in asserting or defending its intellectual property rights.

The Company has applied for registration of the trademark Enverro™ in Australia, the United States and the United Kingdom. The Company has not applied to register any patents for the intellectual property that it has developed. The intellectual property under development or in use by the Company may be subject to patent applications by unrelated parties in Australia or in other jurisdictions, with the result that the Company may, in carrying out its business activities, inadvertently infringe the patents of such parties.

Alternatively, other parties may develop intellectual property in other very similar, potentially substitutable products, processes or technologies. Such events may be outside the control of the Company and may have adverse consequences for its business.

The Company has developed an Intellectual Property Strategy to deal with such matters to the extent practicable. This strategy includes the assignment of all intellectual property generated by employees, consultants and contractors, to the Company, and the trademark registration of the Company's flagship product Enverro™ in key markets.

The Company also relies on contractual provisions to protect its proprietary rights in the software applications it develops and, where appropriate, the software services it provides.

In addition to these contractual and proprietary rights, the Company believes that the technical skills of its software developers will assist in creating enhanced features and functionality for its software applications. The Company believes that striving to develop technology which is at the forefront of solutions for the workforce management and mobilisation needs of the oil, gas, mining and construction sectors will assist the Enverro™ application to be successful.

(c) Distribution and usability risk

Product distribution and usability of the Company's products depends upon various factors outside the control of the Company including (but not limited to) device operating systems, mobile device design and operation and platform provider standards.

Any changes in such platforms, operating systems or devices that adversely affect the functionality of the Company's products or give preferential treatment to competitive products could adversely affect usage of the Company's products.

(d) Third party platform reliability risks

The Company relies on platform based software and services to deliver its services. Significant or extended disruption of this platform caused by equipment, software or Internet service failure may impact the Company's brand image and potentially result in the loss of customers.

The Company has mitigated this risk by utilising the Force.com platform, and aligning itself with salesforce.com, a NASDAQ listed company which provides the platform and redundancies, upgrades and data backups to that platform, so that Enverro Ltd is able to focus on innovation, development, sales and marketing, and operations. A summary of the security protocols and back-up systems employed by salesforce.com is set out in section 7.3(h) of this Prospectus.

The Company relies on a continuing licence from salesforce.com to use the Force.com platform (which can be renewed or denied at the discretion of salesforce.com on a yearly basis from 25 July 2015) at an acceptable cost in order to continue to supply customers with the Enverro™ solution. There is a risk that if salesforce.com terminates the agreement or changes key terms of the agreement, Enverro will be unable to continue to provide the Enverro™ product to customers, or would be required to increase charges to customers. The Company acknowledges that there is a key operational risk in relying on a sole platform provider. However, in its assessment of this risk, the Company has considered the size of the salesforce.com business, which is based on the sales of licences to access its Cloud-based platform and customer relationship management (**CRM**) services. As the salesforce.com business relies on the sales of these licences to organisations such as Enverro Ltd to generate revenue, the Company anticipates that it is very unlikely that the licence required from salesforce.com would not be renewed.

Nevertheless, to combat this risk, however small, the Company is assessing other platforms and backup systems.

(e) Disruption to internet services

Users of the Enverro™ application are currently based predominantly in Australia and the United States. However, the Company anticipates that users will expand to various other countries where oil, gas, mining and construction projects operate.

The Company also has employees, contractors and consultants situated in three continents: Australia, the United States and India.

There is a risk that disruption to Internet services in countries where the Company's customers or personnel are based as a result, for example of technical outages or the catastrophic destruction of internet infrastructure due to war or natural disaster, could significantly impact upon the use and access of the Enverro™ application and the provision of professional software support services.

This could have a materially adverse impact on the Company's brand, business operations and its ability to generate revenue while the disruption is taking place, and result in a loss of customers.

However, as a safeguard, various back-up and disaster recovery systems are utilised through the security infrastructure employed by salesforce.com. A summary of these is set out in section 7.3(h) of this Prospectus.

(f) Risks associated with customer usage

Customers of the Enverro™ application input various data into the application. The content of this data is not monitored by the Company.

There is a risk that the Company could be implicated in any unlawful use by customers of the Enverro™ application. This could affect the Company's reputation and adversely impact on its business revenue.

(g) Market adoption of the Enverro™ application

The Company anticipates that the software development arm of the business which focusses on the delivery of the Enverro™ application will generate increased revenue as a result of focused marketing and sales endeavours. If the rate of adoption by potential customers is less than anticipated, this would have an adverse impact on the Company's ability to expand.

(h) Internet attacks

Because the Company's Enverro™ application operates in the Cloud-based environment, it is susceptible to potential attacks by hackers. This could result in data loss, theft, or corruption of information.

However, the Force.com platform on which the Enverro™ application sits, operates within the salesforce.com security infrastructure. Salesforce.com implements the following security protocols to try to ensure that the applications operated on its platforms (such as the Enverro™ application), and customer data, are secure:

- *Physical Security:* The salesforce.com production equipment is located in Sunnyvale, California at a facility which provides 24-hour physical security, palm print and picture identification systems, redundant electrical generators, redundant data center air conditioners, and other backup equipment designed to keep servers continually up and running.

- *Perimeter Defense:* The network perimeter is protected by multiple firewalls and monitored by intrusion detection systems. In addition, salesforce.com monitors and analyses firewall logs to proactively identify security threats.
- *Data Encryption:* Salesforce.com uses encryption products to protect customer data and communications.
- *User Authentication:* Users access the Force.com platform only with a valid username and password combination which is encrypted, and are prevented from choosing weak or obvious passwords. An encrypted session identification cookie is used to uniquely identify each user.
- *Application Security:* Customers are not able to access the data of another customer whose application rests on the Force.com platform.
- *Internal Systems and Operating Systems Security:* Inside of the perimeter firewalls, the systems are safeguarded by internal security protocols. In addition, the operating system is secured by using a minimal number of access points to all production servers, with strong password protection of operating system accounts.
- *Server Management Security:* All data entered into the Enverro™ application on the Force.com platform by a customer is owned by that customer. Salesforce.com employees do not have direct access, except where necessary for system management, maintenance, monitoring, and backups.
- *Reliability and Backup:* All customer data is stored on a database served by a database server cluster for redundancy which provides back-up in the event of a failure on the part of one element of that cluster. All customer data, up to the last committed transaction, is automatically backed up to a primary tape library on a nightly basis. Backup tapes are immediately cloned to verify their integrity, and the clones are moved to secure, fire-resistant, off-site storage on a regular basis.
- *Disaster Recovery:* Salesforce.com has an agreement in place with a third-party provider of availability services to provide access to a geographically remote disaster recovery facility, along with required hardware, software, and Internet connectivity, in the event that facilities were to be rendered unavailable. Salesforce.com has disaster recovery plans in place and tests them regularly.

Although the Company has access to the above systems in place through its use of the Force.com platform, there is no guarantee that these strategies would be sufficient to mitigate the effects of such attacks.

This could damage the Company's reputation to deliver reliable products and services and thereby adversely affect potential revenue growth.

(i) **Contract Risk**

There is a risk that the Company, or a third party with whom the Company has contracted, will be unable or unwilling to perform its obligations under a material contract involving the Company.

The Company may or may not be able to recover damages or other amounts from third parties if they fail to uphold the terms of their contracts with the Company. In addition, limitation and capping of liability under these contracts may result in the

amounts that the Company may recover not being sufficient to cover the Company's actual loss or damage.

There is also a risk that material contracts may not be renewed or re-contracted upon expiry or may be terminated early, or that counterparties may require amendments to the fee structure of the contracts.

These risks may adversely affect the Company's financial performance and the value of Shares.

(j) Confidentiality

Confidential information disclosed to the Company's employees is protected by agreement.

All employees and consultants of the Company have entered into agreements which require them to comply with provisions regarding confidentiality, and to assign relevant intellectual property rights created during the course of their employment or engagement, to the Company. There is a risk that the employees and contractors may breach these obligations of confidentiality and disclose this information to a competitor.

(k) Industry Competition

There are various service providers and Cloud based workforce management solutions which vary in application, scope, and customer base, some of which could compete with the Company's business operations. The Company's performance may be affected by the level of competition in the regions and industries in which it operates.

In addition, other Cloud services companies may partner with competitors of the Company and cause downward price pressure on fees, thus reducing margins and revenue available to the Company.

(l) Industry growth risk

The Company has strategically identified opportunities within the oil, gas, mining and construction sectors (such as the proliferation of mobile applications to drive human resource efficiency) which it believes will experience significant ongoing growth in the future.

There is a risk that these sectors experience either slower than expected growth, or are surpassed in importance by other industry drivers or other market segments. In such situations, the Company may experience a lower than expected demand for its services. Furthermore, any acquisitive or other strategic measures to be implemented by the Company which focus on addressing these business drivers or market segments may be less profitable than initially anticipated by the Company.

(m) Dependence upon key personnel

The success of the Company's product and consulting services depends on the talent and experience of its Personnel. Should any of its key Personnel leave Enverro Ltd, this may have a negative impact on the Company's business development. It may be difficult to replace such Personnel, or to do so in a timely manner or at comparable expense. Additionally, if any key Personnel of the Company leave to work for a competitor, this may adversely impact the Company.

The Company's ability to attract and retain sufficiently experienced and skilled Personnel will have a direct impact upon its ability to deliver project commitments and achieve revenues. Additionally, increases in recruitment, wages and contractor costs may adversely impact upon the financial performance of the Company.

(n) Material contracts

The Company has entered into several key agreements which are material to the operation of its business. These are summarised in section 9 of this Prospectus.

Some of these contracts are governed by the laws of countries other than Australia. There may be practical difficulties in enforcing the provisions of these contracts in other jurisdictions.

In addition, if the counterparties to these agreements experience financial difficulties or become insolvent, this may have an adverse impact on the Company's business operation and ability to generate revenue. In particular, if salesforce.com were to suffer financial difficulties and reduce its operations by terminating licences, this would have a significant impact on the ability of the Company to generate revenue through the sales of licences for the Enverro™ application and the provision of professional consulting and support services for software.com platforms.

(o) Dilution and liquidity risk

There is a risk that the market for the Company's Shares may be illiquid and that Shareholders may be unable to readily exit or realise their investment.

(p) Future funding requirements

The Directors expect that the Offer will provide sufficient capital resources to enable the Company to achieve its immediate business objectives. However, the Directors can give no assurances that such objectives will in fact be met without future borrowings or further capital raisings and if such borrowings or capital raisings are required, that they are able to be obtained on terms acceptable to the Company or at all.

(q) Foreign exchange risks

The operations of the Company will be in United States dollars and Australian dollars. As the Company's financial reports will be presented in Australian dollars, the Company will be exposed to the volatility and fluctuations of the exchange rate between the United States dollar and the Australian dollar.

(r) International regulatory environments

The Company's business operations are currently based in three continents: Australia, the United States and India. It is anticipated that its customer base for the Enverro™ application and its professional software and support services will expand internationally.

Because the regulatory environments in other countries are different to that of Australia, there is a risk that government laws policies affecting online commerce in other countries will impact on the Company's ability to provide its products and services to users in those countries.

If regulatory approvals are required, or if there is commercial or civil unrest in those countries, this may also impact on Enverro Ltd's ability to operate in a profitable manner.

(s) Management of future growth

Enverro Ltd has recently undergone significant growth in its business operations, both internally with increased personnel and externally through its customer base for products and services.

The Company faces challenges in managing this growth, to ensure that appropriate management practices are implemented and are effective.

Failure of the Company to effect appropriate management strategies to accommodate growth both internally and externally will likely adversely impact on the Company's business operations and revenue.

23 October 2014

The Directors
Enverro Ltd
Unit 8, 465 Oxley Drive
Runaway Bay, QLD 4216

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Sydney NSW 2000

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Dear Directors

PART 1: INDEPENDENT LIMITED ASSURANCE REPORT ON ENVERRO LTD HISTORICAL AND PROFORMA HISTORICAL FINANCIAL INFORMATION

8.1 INTRODUCTION

The Directors of Enverro Ltd (*"the Company"*) have engaged Moore Stephens Sydney Corporate Finance Pty Limited (*"Moore Stephens"*) to report on the historical and proforma historical financial information of the Company as at 30 June 2014.

We have prepared this Independent Limited Assurance Report (*"Report"*) to be included in a Prospectus dated on or about 23 October 2014 and relating to the offer of fully paid ordinary Shares at an offer price of \$1.00 each to raise a minimum of \$3,500,000 (*"Offer"*).

The minimum subscription required for the Offer to proceed is \$3,500,000. Oversubscriptions of up to a further 500,000 Shares at an Offer Price of \$1.00 each may be accepted. The minimum subscription of \$3,500,000 under the Offer is underwritten by KTM Capital Pty Limited.

Unless stated otherwise, expressions defined in the Prospectus have the same meaning in this Report and section references are to sections of the Prospectus.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence (*"AFSL"*) under the Corporations Act 2001. Moore Stephens holds the appropriate AFSL authority under the Corporations Act 2001. Refer to our Financial Services Guide included as Part 2 of this Report.

8.2 SCOPE

This Report deals with the historical financial information and the proforma historical financial information included in Sections 6.1 to 6.5, and Sections 6.8 and 6.9 of the Prospectus (*"Financial Information"*).

Historical Financial Information

The historical financial information consists of the following historical financial information of Enverro Ltd included in the Prospectus:

- the Statement of Financial Performance for the years ended 30 June 2012, 2013 and 2014;
- the Statement of Financial Position as at 30 June 2014; and
- the Statement of Cash Flows for the years ended 30 June 2012, 2013 and 2014.

The historical financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies as set out in Section 6.9. The historical financial information has been extracted from the Annual financial report of Enverro Ltd for each year. Enverro Ltd became a public company during the year ended 30 June 2014, and underwent its first audit for the 2014 Annual financial report. The audit was performed by Moore Stephens Sydney in accordance with the Australian Auditing Standards, who issued an unmodified audit opinion on the financial report for the year ended 30 June 2014. The historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Proforma Historical Financial Information

The proforma historical financial information consists of the proforma Statements of Financial Position as at 30 June 2014 and related notes as set out in Sections 6.4 and 6.5 of the Prospectus. The proforma historical financial information have been prepared to illustrate the impact of the Offer and the assumed transactions described in Section 6.5, on the Company's financial position as at 30 June 2014 as if the transactions had taken place as at that date.

Financial Information

The Financial Information of the Company have been prepared on the basis of the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events to which the proforma assumptions relate, as described in Section 6.5 of the Prospectus, as if those events had occurred as at the date of the historical financial information. Due to its nature, the proforma historical financial information does not represent the Company's actual or prospective financial position.

The proforma historical Statements of Financial Position are presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

We disclaim any responsibility for any reliance on this Report or the Financial Information to which it relates for any purpose other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus and has been prepared for inclusion in the Prospectus.

8.3 DIRECTOR'S RESPONSIBILITIES

The Directors of the Company are responsible for the preparation and fair presentation of the historical financial information and proforma historical financial information including the selection and determination of proforma assumptions and adjustments made to the historical financial information and included in the proforma historical information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and proforma historical financial information that are free from material misstatement, whether due to fraud or error.

8.4 OUR RESPONSIBILITIES

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

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

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

8.5 CONCLUSION

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information, as described in Sections 6.3, 6.4 (Actual Audited 2014 column only) and 6.8 of the Prospectus, and comprising:

- the Statement of Financial Performance for the years ended 30 June 2012, 2013 and 2014;
- the Statement of Financial Position as at 30 June 2014; and
- the Statement of Cash Flows for the years ended 30 June 2012, 2013 and 2014;

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 6.2 of the Prospectus.

Pro Forma historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma historical financial information being the Statement of Financial Position as at 30 June 2014 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in Sections 6.2 and 6.5 of the Prospectus.

8.6 RESTRICTION ON USE

Without modifying our conclusions, we draw attention to Section 6.1 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the public document. As a result, the Financial Information may not be suitable for use for another purpose.

Investors should consider the statement of investment risks set out in the Prospectus, in Section 7.

8.7 SOURCES OF INFORMATION

We have assumed, and relied on representations from the Directors and management of the Company and other parties as considered necessary during the course of our analysis, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and the information provided to us for the purpose of the work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

8.8 INDEPENDENCE OR DISCLOSURE OF INTEREST

Moore Stephens has no financial or other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion on the matters that are subject of this Report for which normal professional fees will be received.

Neither Moore Stephens Sydney Corporate Finance Pty Ltd, Moore Stephens Sydney Wealth Management Pty Limited, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which normal professional fees will be received.

Our associated partnership, Moore Stephens Sydney is the appointed auditor of the company and undertook the 30 June 2014 audit. Moore Stephens Sydney receives fees for performing audit services and our associated taxation advisory practice, Moore Stephens Sydney Pty Limited has provided tax services to the company for which normal professional fees apply.

8.9 CONSENT

Moore Stephens has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report, this consent has not been withdrawn.

The liability of Moore Stephens is limited to the inclusion of this Report in the Prospectus. Moore Stephens has not authorised the issue of the Prospectus. Accordingly, Moore Stephens makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from, the Prospectus.

8.10 FINANCIAL SERVICES GUIDE

We have included our Financial Services Guide as Part 2 of this Report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully

Moore Stephens Sydney Corporate Finance Pty Ltd



Scott Whiddett

Director

PART 2 - FINANCIAL SERVICES GUIDE

23 October 2014

1. Moore Stephens Sydney Corporate Finance Pty Ltd

Moore Stephens Sydney Corporate Finance Pty Ltd ("**Moore Stephens**") is an authorised representative of Moore Stephens Sydney Wealth Management Pty Ltd ("**Licence Holder**") in relation to Australian Financial Services Licence No. 336950.

Moore Stephens may provide the following financial services to wholesale and retail clients as an authorised representative of the Licence Holder:

- Financial product advice in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds, deposit and payment products, life products, retirement savings accounts and superannuation (collectively "**Authorised Financial Products**"); and
- Applying for, varying or disposing of a financial product on behalf of another person in respect of Authorised Financial Products.

2. Financial Services Guide

The Corporations Act 2001 requires Moore Stephens to provide this Financial Services Guide ("**FSG**") in connection with its provision of an Investigating Accountant's Report ("**Report**") which is included in the Prospectus provided by Enverro Ltd (the "**Entity**").

3. General Financial Product Advice

The financial product advice provided in our Report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in our Report is appropriate for you, having regard to your own personal objectives, financial situation or needs. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence ("**AFSL**") to assist you in this assessment.

4. Remuneration

Moore Stephens' client is the Entity to which it provides the Report. Moore Stephens receives its remuneration from the Entity. Our fee for the Report is based on a time cost or fixed fee basis. This fee has been agreed in writing with the party who engaged us. Neither Moore Stephens nor its Directors and employees, nor any related bodies corporate (including the Licence Holder) receive any commissions or other benefits in connection with the preparation of this Report, except for the fees referred to above.

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of Moore Stephens or related entities but any bonuses are not directly connected with any assignment and in particular not directly related to the engagement for which our Report was provided.

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connections with the reports that we are licensed to provide.

5. Independence

Moore Stephens is required to be independent of the Entity.

Neither Moore Stephens, Moore Stephens Sydney Wealth Management Pty Limited, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which professional fees in the order of \$30,000 (excluding GST) will be received. No pecuniary or other benefit, direct or indirect, has been received by Moore Stephens, their Directors or employees, or related bodies corporate for or in connection with the preparation of this Report.

Moore Stephens Sydney, a chartered accounting partnership associated with Moore Stephens is the appointed auditor of the Company, for which it receives normal professional fees.

6. Complaints Resolution

Moore Stephens is only responsible for its Report and this FSG. Complaints or questions about the Prospectus should not be directed to Moore Stephens which is not responsible for that document.

Both Moore Stephens and the Licence Holder may be contacted as follows:

- By phone: (02) 8236 7700
- By fax: (02) 9233 4636
- By mail: GPO Box 473
SYDNEY NSW 2001

If you have a complaint about Moore Stephens' Report or this FSG you should take the following steps:

1. Contact the Enquiries and Complaints Officer of the Licence Holder on (02) 8236 7700 or send a written complaint to the Licence Holder at Level 15, 135 King Street, Sydney NSW 2000. We will try and resolve your complaint quickly and fairly.
2. If you still do not get a satisfactory outcome, you have the right to complain to the Financial Industry Complaints Service at PO Box 579 Collins St West, Melbourne, Victoria 8007 or call on 1300 78 08 08. We are a member of this scheme.
3. The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

The Licence Holder, as holder of the AFSL, gives authority to Moore Stephens to distribute this FSG.

9 Material agreements

9.1 Key documents

The Board considers that certain agreements relating to the Company are significant to the Offer, the operations of the Company, or are otherwise relevant to investors. A description of material agreements or arrangements, together with a summary of the more important details of each of these agreements, is set out below.

9.2 Constitution

The following is a summary of the key provisions of the Company's Constitution:

(a) Shares

The Directors are entitled to issue and cancel Shares in the capital of the Company, grant Options over unissued shares and settle the manner in which fractions of a Share are to be dealt with. The Directors may decide the persons to whom and the terms on which Shares are issued or Options are granted as well as the rights and restrictions that attach to those Shares or Options.

The Constitution also permits the issue of preference shares on terms determined by the Directors.

(b) Variation of class rights

The rights attached to any class of Shares may, unless their terms of issue state otherwise, only be varied with the consent in writing of members holding at least 75 per cent of the Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of Shares of that class.

(c) Share certificates

Subject to the requirements of the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules, the Company need not issue share certificates if the Directors so decide.

(d) Calls

The Directors may, from time to time, call upon Shareholders for unpaid monies on their shares. If such a call is made, Shareholders are liable to pay the amount of each call in the manner, at the time and at the place specified by the Board. Calls may be made payable by installments.

A call is deemed to have been made when a Directors' resolution passing the call is made or on such later date fixed by the Board. A call may be revoked or postponed at the discretion of the Directors.

(e) Forfeiture

The Company may forfeit Shares in relation to any call or other amount payable in respect of Shares which remains unpaid following any notice to that effect sent to a Shareholder. Forfeited Shares become the property of the Company and the Directors may sell, reissue or otherwise dispose of the Shares as they think fit.

(f) Share transfers

Shares may be transferred by any method permitted by the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules or by a written transfer in

any usual form or in any other form approved by the Directors. The Directors may refuse to register a transfer of Shares where it is permitted to do so by the ASX Listing Rules or the ASX Settlement Operating Rules.

(g) General meetings

Each Shareholder, Director, ASX and such other person (including the auditor), as set out in the Constitution, are entitled to receive notice of and attend any general meeting of the Company. Two Shareholders must be present to constitute a quorum for a general meeting and no business may be transacted at any meeting except the election of a chair and the adjournment of the meeting, unless a quorum is present.

(h) Voting rights

Subject to any rights or restrictions attached to any Shares or class of shares, on a show of hands each Shareholder present has one vote and, on a poll, one vote for each fully paid Share held, and for each partly paid Share, a fraction of a vote equivalent to the proportion to which the Share has been paid up. Voting may be in person or by proxy, attorney or representative. The Chairman does not have a casting vote.

(i) Remuneration of Directors

Each Director is entitled to such remuneration from the Company for his or her services as decided by the Directors but the total amount provided to all Directors for their services as Directors must not exceed in aggregate the amount fixed by the Company in general meeting (see Section 10.8). The remuneration of a Director (who is not an executive Director) must not include a commission on, or a percentage of, profits or operating revenue.

Remuneration may be provided in such manner that the Directors decide, including by way of non-cash benefits. Directors who devote special attention to the business of the Company or who otherwise perform services which are outside their ordinary duties as directors may be paid extra remuneration.

(j) Interests of Directors

A Director who has a material personal interest in a matter that is being considered by the Board must not be present at a meeting while the matter is being considered nor vote on the matter, unless the Corporations Act allows otherwise.

(k) Election of Directors

There must be a minimum of three Directors and the maximum number of Directors may not be more than 10 unless the Company in general meeting resolves otherwise.

Where required by the Corporations Act or ASX Listing Rules, the Company must hold an election of directors each year. The number of Directors to retire is decided having regard to the composition of the Board at the date of the notice calling the Company's annual general meeting. No Director, other than the managing director, may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected.

With respect to the retirement of Directors, the Directors longest in office since last being elected must retire. If a number of Directors were elected on the same day, the Directors to retire shall (in default of agreement between them) be determined by ballot.

(l) Dividends

If the Directors determine that a final or interim dividend is payable, it will (subject to the terms of issue on any Shares or class of Shares) be paid on all Shares proportionate to the amount for the time being paid on each Share. Dividends may be paid by cash, electronic transfer or any other method as the Board determines.

The Directors may capitalise and distribute the whole or part of the amount from time to time standing to the credit of any reserve account or otherwise available for distribution to Shareholders. Such capitalisation and distribution must be in the same proportions which the Shareholders would be entitled to receive if distributed by way of a dividend.

Subject to the ASX Listing Rules, the Directors may pay a dividend out of any fund or reserve or out of profits derived from any particular source.

(m) Proportional takeover bids

The Company may prohibit registration of transfers purporting to accept an offer made under a proportionate takeover bid unless a resolution of the Company has been passed approving the proportional takeover bid in accordance with the provisions of the Constitution.

The rules in the Constitution relating to proportional takeover bids will cease on the third anniversary of the adoption of the Constitution or unless renewed by a special resolution of Shareholders.

(n) Indemnities and insurance

The Company must indemnify current and past Directors and other executive officers ('Officers') of the Company on a full indemnity basis and to the full extent permitted by law against all liabilities incurred by the Officer as a result of their holding office in the Company or of a related body corporate.

The Company may also, to the extent permitted by law, purchase and maintain insurance, or pay or agree to pay a premium for insurance, for each Officer against any liability incurred by the Officer as a result of their holding office in the Company or of a related body corporate.

9.3 Underwriting Agreement

Pursuant to the Underwriting Agreement entered into with the Company, KTM Capital Pty Ltd has agreed to subscribe for the balance of Shares for which applications are not received under this Prospectus, up to the minimum subscription of 3,500,000 Shares, subject to certain conditions. These conditions include the provision of a certificate by the Company's Directors, and the lodgement of the Prospectus with ASIC.

Effect on control of Company

As at the date of this Prospectus, the Underwriter does not have an interest in any securities of the Company, and it has indicated that it has no intention of acquiring securities in the Company prior to the Offer Date.

If the Underwriter were to take up the maximum shortfall under the Underwriting Agreement, it would obtain between 41.15% and 44.42% of the total Shares on issue following the Offer, depending on whether applications for 3,500,000 or 4,000,000 Shares were received and accepted. The Company believes it is unlikely that the underwriting of the Offer by the Underwriter will have such an impact on the control of the Company, because the

Underwriting Agreement gives the Underwriter the right to appoint sub-underwriters to sub-underwrite its obligations in relation to the Shares, and the Company anticipates that the Underwriter will do so.

Warranties

The Company is required to provide certain warranties to KTM Capital Pty Ltd under the Underwriting Agreement, in relation to its power to enter into the agreement, to issue the Shares, and to ensure that the Prospectus contains all relevant information and is not misleading or deceptive.

Termination

The Underwriter may terminate the agreement in certain circumstances, including in the event that any of the following (among other things) occur:

- (a) a statement in the Prospectus is misleading or deceptive or a material matter is omitted, or the Underwriter forms the opinion that the Prospectus fails to comply with the Corporations Act;
- (b) the Prospectus does not contain all information which investors and their professional advisors would reasonably require;
- (c) the due diligence report or any other information made available to the Underwriter is misleading or deceptive;
- (d) any adverse change occurs in the assets, liabilities, financial position or performance of the Company or the Group;
- (e) a proposal is introduced into Parliament which is likely to adversely affect the successful promotion of the Company's business;
- (f) at any time after the issue of the Prospectus:
 - (i) the Company becomes aware of a matter which is materially adverse from the point of view of an investor;
 - (ii) there occurs a significant change affecting any matter contained in the Prospectus;
 - (iii) there arises a significant new matter, the inclusion in the Prospectus of information about which would have been required under the Corporations Act if it had arisen when the Prospectus was prepared;
 - (iv) an event occurs in relation to the Company or the Group as set out in sections 652C(1) and (2) of the Corporations Act; or
 - (v) the Company withdraws the Prospectus;
- (g) hostilities not presently existing commence or a major escalation in existing hostilities occurs involving any one or more of Australia, New Zealand, the United States of America or certain other countries;
- (h) the S&P/ASX All Ordinaries Index decreases to a level which is at least 10% below the level of that index as at the close of trading on the date of the Underwriting Agreement and remains at that level for 3 consecutive business days;
- (i) the Small Ordinaries Index decreases to a level that is at least 10% below the level of that index as at the close of trading on the date of the Underwriting Agreement and remains at that level for 3 consecutive business days;

- (j) there is introduced or proposed into Parliament a new law, or the Reserve Bank adopts or proposes a new policy, any of which is likely to prohibit or regulate in a materially adverse way, the principal business of the Company, the Offer, capital issues generally or stock markets generally;
- (k) there occurs a material adverse change or disruption to the financial markets of Australia, the United States of America or other major international financial market, the effect of which is such as to make it, in the reasonable judgment of the Underwriter, impracticable to market the Offer or is reasonably likely to materially and adversely affect the success of the Offer;
- (l) a Director is charged with an indictable offence;
- (m) there occurs a contravention by the Issuer or any entity in the Group of the Corporations Act or its constitution;
- (n) approval to the official quotation of all of the Offer Shares on the ASX is refused, not granted or granted subject to any condition which is unacceptable to the Underwriter (acting reasonably);
- (o) approval to the official quotation of all of the Offer Shares on the ASX is withdrawn or qualified on a basis which the Underwriter on reasonable grounds considers unacceptable;
- (p) ASIC issues an order or indicates an intention to hold a hearing arising out of or in connection with the Offer or commences an examination of any person or requires any person to produce documents arising out of or in connection with the Offer or the Company;
- (q) an application is made by the ASIC for an order under Section 1324B of the Corporations Act in relation to the Prospectus;
- (r) any person (other than the Underwriter) who has previously consented to the inclusion of its name in the Prospectus or to be named in the Prospectus withdraws that consent;
- (s) any person gives a notice under Section 730 of the Corporations Act in relation to the Prospectus;
- (t) there is a default by the Company in the performance of any of its material obligations under the Underwriting Agreement;
- (u) a representation or warranty contained in the Underwriting Agreement on the part of the Company is or becomes untrue or incorrect in any material respect and the matters rendering the warranty untrue or incorrect are not remedied to the satisfaction of the Underwriter;
- (v) any of the material contracts are varied without the Underwriter's prior written consent;
- (w) any of the material contracts are repudiated, rescinded or terminated without the Underwriter's prior written consent;
- (x) any litigation, arbitration or other legal proceeding is commenced against any entity in the Group.

Indemnity

The Company unconditionally and irrevocably undertakes to indemnify the Underwriter and its officers, employees, advisers from and against all claims, losses, expenses and liabilities incurred directly or indirectly as a result of:

- any of the warranties or representations by the Company not being true and correct;
- any breach of the Underwriting Agreement by the Company;
- the distribution of the Prospectus and the making of the Offer; or
- any advertising or publicity of the Offer issued with the knowledge and consent of the Company and without the prior written consent of the Underwriter.

Fees and commissions

The Underwriter will be paid an underwriting commission of 6.0% of the Offer price per Share on all of the Offer Shares, and a management fee of \$50,000 plus GST.

9.4 Software licence agreements**(a) Salesforce.com**

The Company has entered into a Platform Solution Reseller Agreement (**Reseller Agreement**) with salesforce.com, Inc, a Delaware corporation (**salesforce.com**), pursuant to which salesforce.com has agreed to provide the Company with a non-exclusive, non-transferable licence to use salesforce.com's online technical platforms to sell its Enverro™ application. The Reseller Agreement has an initial term of three years from July 2012 until July 2015, and after the initial term is automatically renewed for one year terms unless a party gives notice of non-renewal.

The Company will pay salesforce.com a percentage of the net revenue from the sale of Enverro™.

(b) Enverro™ Master Subscription Agreement

The Company provides its Enverro™ application to customers under a master subscription agreement, the material terms of which are as follows:

- the application is provided on a per-user subscription basis, with each subscription for a term of 12 months;
- subscription agreements are automatically renewed for 12 months, unless either the Company or the customer terminates the term at least 30 days prior to the end of the term;
- user fees are invoiced and to be paid within 30 days of a subscription commencing, with limited price increases.

(c) Services Contracting Agreement with Exigo Software Solutions Pvt Ltd (Exigo**)**

Under the Company's Services Contracting Agreement with Exigo, an offshore technology services firm, Exigo agrees to provide software development and consulting services, as an independent contractor, to the Company.

The Company may limit the number of hours worked by Exigo and is not obligated to provide a minimum number or any guarantee on hours to be worked. This agreement includes a non-solicitation clause which prevents both parties from employing any person from the other party during the term of the agreement and for

two years following termination, The non-solicitation clause will not apply where the Company gives Exigo two months' notice of its intention to make an offer of employment to an employee of Exigo. This agreement can be terminated by giving written notice and is subject with the laws of India.

9.5 Restriction agreements

ASX Listing Rules require certain holders of Shares and Options as at the date of this Prospectus to enter into restriction agreements in a form consistent with the Listing Rules, which restrict the ability of those Shareholders to dispose of, create any security interest in or transfer effective ownership or control of, the restricted Shares.

A summary of the anticipated restriction arrangements is set out below:

Holder	No. of Shares subject to escrow (estimated)	% of escrowed Shares after completion of the Offer at minimum subscription	No. of Options subject to escrow (estimated)	% of fully diluted securities after completion of the Offer at minimum subscription
Caren Gollan as trustee for the Lecarlia Trust	853,129	10%	Nil	8.5%
Goode Nicholson Pty Ltd <Goode Nicholson Family Trust A/C>	486,758	5.7%	Nil	4.9%
Amberose Pty Ltd	Nil	Nil	300,001	3%
Gold Resources Ltd	Nil	Nil	300,001	3%
Barnaby Investments Pty Ltd <Super fund account>	Nil	Nil	300,001	3%
TM Consulting Pty Ltd	Nil	Nil	300,001	3%
Christopher Doran	Nil	Nil	136,500	1.4%
TOTAL	1,339,887	15.7%	1,336,504	26.8%

If oversubscriptions are received and accepted, the escrowed Shares and securities will represent a lower percentage of total Shares and fully diluted securities than the percentages shown in the above table.

These restrictions will terminate on the second anniversary of the date of admission of the Company to the Official List of the ASX. However, these restrictions may be released early to enable a Shareholder to accept an offer under a takeover bid in relation to their Shares, provided holders of not less than 50% of the Shares not subject to the restrictions then on

issue have accepted the takeover bid or to enable the Shares of a Shareholder to be transferred to cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act.

The execution of the restriction agreements may give the Company a 'relevant interest' in these Shares for the purposes of the Corporations Act. ASIC has made a declaration modifying Chapter 6 of the Corporations Act so that the voluntary escrow arrangements described above do not give rise to a relevant interest for the Company in respect of the escrowed Shares for the purposes of the takeovers provisions in Chapter 6.

9.6 Executive employment contracts

The Company entered into executive employment agreements with each of Leigh Kelson as CEO, and Christopher Doran as Chief Operating Officer of the Company.

Both agreements remain in force unless terminated by either party giving six months' notice. The terms of the employment agreements are generally the same, and require the executive Directors to work diligently for the Company and comply with customary confidentiality and intellectual property assignment provisions.

9.7 Deeds of indemnity and access

The Company has entered into standard deeds of indemnity and access with the Directors.

The Company has undertaken, consistent with the Corporations Act, to indemnify each Director in certain circumstances and to maintain Directors' and Officers' insurance cover in favour of the director for seven years after the Director has ceased to be a Director.

The Company has further undertaken with each Director to maintain a complete set of the Company's board papers and to make them available to the Director for seven years after the Director has ceased to be a Director.

9.8 Employee Incentive Plan

The Company has adopted an Employee Incentive Plan (**Plan**), which allows the Company to advance money or provide other financial accommodation to those officers and employees who fall within the definition of 'Eligible Employees' under the Plan, to assist Eligible Employees to acquire Rights or Shares, or to exercise Options which have been issued to them under the Plan.

Set out below is a summary of the terms of the Company's Employee Incentive Plan:

(a) Eligibility

The Board may, in its absolute discretion, invite persons currently employed by a Group Company (**Eligible Employees**) to participate in the Plan. **Group Company** means:

- the Company;
- any related body corporate of the Company;
- any other entity the Board determines is a Group Company.

(b) Terms of Offer

The Board may determine in its absolute discretion, and must state in the invitation to Eligible Employees:

- (i) the number of Plan Shares, Options and rights to acquire a Plan Share (**Rights**) for which the Eligible Employee may apply or how the number is calculated;
- (ii) any issue price or how it is calculated;
- (iii) any amount payable on exercise of the Option (**Exercise Price**) or how it is calculated;
- (iv) the expiry date of an Option or Right;
- (v) each exercise condition for an Option and any applicable measurement period or date;
- (vi) each performance condition for a Right and any applicable measurement period or date;
- (vii) each additional Forfeiture Event (described below) applying to a Plan Share, Option or Right;
- (viii) if Plan Shares are being issued and an employee trust exists, whether those Plan Shares are to be issued:
 - (ix) directly to the participant; or
 - (x) to the employee trustee to be held on trust for the participant;
- (xi) any disposal restrictions applicable to Plan Shares;
- (xii) the terms of any advance or other financial assistance; and
- (xiii) any other conditions that apply to Plan Shares, Options or Rights.

(c) Conditions

The Board may determine that Plan Shares, Options and Rights are subject to vesting conditions. The Board determines the nature of the conditions and has discretion to waive conditions.

(d) Advances and other financial accommodation

To assist with the issuance of Plan Shares, Options and Rights, the Company may provide advances or other financial accommodation to an Eligible Employee (or a nominated associate of the Eligible Employee (**Nominee Participant**) to fund the issue price of a Plan Share, Option or Right or Exercise Price of an Option (as applicable). The terms and conditions of the advance will be stated in the loan agreement.

Where Plan Shares, Options or Rights are to be held by a Nominee Participant, the Eligible Employee must on-lend the advance or other financial accommodation to the Nominee Participant on the same terms as the loan agreement.

The Company will have a lien over any Plan Shares which are funded using the proceeds of an advance until the total amount outstanding has been repaid.

(e) Exercise of Options or Rights

A participant may only exercise an Option or Right on or before its expiry date, provided that the Option or Right has not lapsed and all exercise conditions or performance conditions (as applicable) have been satisfied or waived by the Board.

The Board may extend the expiry date for an Option or Right.

(f) Lapsing of Options and Rights

An Option or Right which has not been exercised lapses after the earlier of:

- (i) its expiry date;
- (ii) any prior lapsing date in accordance with the Plan Rules or other offer document; or
- (iii) the date a Termination Event occurs (unless, pursuant to an offer document or waiver by the Board, the Option or Right is permitted to continue after a Termination Event).

(g) Acceleration Events

If an Acceleration Event occurs, the Board may determine that:

- (i) any unvested Plan Share becomes immediately vested;
- (ii) any exercise conditions for an Option cease to apply and the Option may be exercised within one month after the Acceleration Event (or within such extended period authorised by the Board);
- (iii) at the election of the participant, any performance conditions for a Right cease to apply and the Right may be exercised within one month after the Acceleration Event (or within such extended period authorised by the Board); or
- (iv) or any combination of the paragraphs above.

Acceleration Event is defined in the Plan Rules and includes the following events:

- the Board resolves to sell, transfer or dispose of all or substantially all of the Company's assets;
- a change of control event occurs in relation to the Company (other than as a result of listing on the ASX); or
- an insolvency event occurs in relation to the Company

(h) Variations of capital

Bonus issues

If the Company makes a bonus issue of Shares to ordinary shareholders, each unvested Plan Share and unexercised Option will, upon vesting or exercise (as applicable), entitle the participant to receive the number of bonus Shares that would have been issued to the participant had the Plan Share become vested or Option become exercised as at the record date for the bonus issue.

Rights issues

If the Company makes a pro-rata rights issue of Shares for cash to its ordinary shareholders, the Exercise Price of an unexercised Option may be adjusted to reflect the diluting effect of the issue in accordance with ASX Listing Rule 6.22.2.

Capital Reorganisations

If there is any reorganisation of the capital of the Company, the number of Plan Shares will be adjusted in accordance with the ASX Listing Rules.

(i) Termination Event

If a Termination Event occurs:

- (i) where the participant ceases to be employed by a Group Company by reason of resignation where the participant is not in breach of any material employment obligations, or death or mental incapacity (**Good Leaver**) and none of the events in paragraph (c) of the definition of “Termination Event” below has occurred before the date of cessation of employment:
 - any Plan Shares that are not vested and any Shares or other securities received by the participant as a holder of Shares (Share Benefits) may be bought back by the Company;
 - any exercise conditions for an Option may cease to apply and the Option may be exercised within one month after the date the participant ceased to be employed (or within such extended period authorised by the Board);
 - at the election of the participant, any performance conditions for a Right may cease to apply and the Right may be exercised within one month after the date the participant ceased to be employed (or within such extended period authorised by the Board); or
- (ii) in circumstances other than where the participant is a Good Leaver, the Directors may resolve in their absolute discretion that:
 - any Plan Shares that are not vested and any Share Benefit) are bought back by the Company; and/or
 - any Options or Rights are immediately cancelled.

Termination Event is defined in the Plan Rules and includes the following events:

- (A) the participant or Eligible Employee (as applicable) ceases to be employed by a Group Company; or
- (B) the participant deals with a Plan Share, Option or Right in breach of the Plan Rules or any offer document;
- (C) the participant or Eligible Employee (as applicable):
 - acts fraudulently or dishonestly in relation to a Group Company or in a way which brings the Group Company into disrepute;
 - is convicted of a criminal offence;
 - breaches any duty owed to a Group Company; or
 - breaches, or defaults in performing obligations under, a loan agreement in relation to a Plan Share; or
- (D) any change of control event occurs in respect of the participant or Eligible Employee (as applicable).

(j) Forfeiture Event

If a Forfeiture Event occurs, the Directors may resolve, at the election of the participant or in their absolute discretion, that:

- (i) any Plan Shares that are not vested and Share Benefits are immediately forfeited; and/or
- (ii) any Options or Rights are immediately cancelled.

Forfeiture Event is defined in the Plan Rules and includes the following events:

- the occurrence of a Termination Event at any time when a Plan Share has not become vested;
- the expiry date of an Option or Right has passed and the Option or Right has not been exercised;
- a forfeiture event as specified in the applicable offer document.

(k) **Invitations to USA employees**

The Plan Rules specifically provide for invitations to be made under the Plan to participants who are resident or citizen in the USA (USA Invitation). The key terms of any USA Invitation are as follows:

- (i) Payment for all or part of the issue price or Exercise Price may be made all or in part by:
 - “cashless exercise”, being an irrevocable direction to a securities broker to sell Plan Shares and deliver all or part of the sale proceeds to the Company; and/or
 - “net exercise”, being an arrangement under which the number of Plan Shares issued to the participant will be reduced by the Company’s retention of a portion of such Plan Shares.
- (ii) The maximum exercise period for an Option may not exceed 120 months from the USA Invitation’s date of grant.

The terms of any USA Invitation will operate alongside the Plan Rules and, to the extent of any inconsistency, the USA Invitation will apply

(l) **Restriction on dealing**

No Plan Share may be transferred, disposed of or otherwise dealt with by the participant (except with consent of the Board):

- until it has become vested;
- in breach of any disposal restrictions; or
- until such time as any amount outstanding under a loan agreement in relation to such Plan Share has been repaid in full.

No Right or Option may be transferred, disposed of or otherwise dealt with by the participant except with consent of the Board.

(m) **Quotation on ASX**

If Shares of the same class as Plan Shares are quoted on the ASX, the Company will apply to the ASX for the Plan Shares to be quoted

(n) Employee share trust

Plan Shares may be held by an employee trustee, for the benefit of a participant, on the terms of an employee trust deed established for or in connection with holding of Plan Shares

(o) Plan variations

The Board may vary the Plan Rules or any other offer document, or permit an employee trustee to vary the terms of an employee trust, except that any variation that has a material adverse effect on a participant or Eligible Employee requires the consent of the participant or Eligible Employee (unless the variation is made primarily to comply with law, correct a manifest error or address adverse tax implications).

(p) Administration

The Board administers the Plan and has absolute and unfettered discretion in connection with the terms or operation of the Plan and any offer document in relation to a Plan Share, Option or Right.

9.9 Finance facilities

The Company has no external finance facilities in place.

9.10 Leases

The Company has finance leases over two vehicles. Lease liabilities of \$42,696 (2013 - \$59,365) are included in current and non-current liabilities as borrowings in the Company's Annual Report to 30 June 2014.

9.11 Documents available for inspection

Copies of the following documents are available for inspection during normal office hours at the registered office of the Company for 13 months after the date of this Prospectus:

- (a) the Constitution of the Company; and
- (b) the consents to the issue of this Prospectus.

10 Additional information

10.1 Recent transactions

Since the end of the financial year on 30 June 2014, the following material transactions have occurred:

- (a) On 18 July 2014, the Company issued 80,000,000 ordinary Shares at \$0.025 per share raising \$2,000,000 before costs of the issue;
- (b) On 18 July 2014, the Company issued 40,000,000 Options, exercisable at \$0.025 at any time on or before 18 July 2019, for no cash consideration as a part of a fee arrangement in respect of the above issue of shares;
- (c) Current liabilities: Borrowings of \$622,944 as at 30 June 2014 were repaid after the end of the financial year from the proceeds of the above issue of shares; and
- (d) The Shares of the Company were consolidated on the basis of a 33.33:1 ratio in accordance with Shareholder approval.

10.2 Rights attaching to Shares

The rights attaching to Shares in the Company are set out in the Constitution and summarised in section 9.2 of this Prospectus.

10.3 Shareholding qualifications

Directors are not required under the Constitution to hold any Shares.

10.4 Options

The Company has on issue 1,200,004 Options, exercisable at \$0.84 at any time on or before 18 July 2019. The Options are unlisted and application will not be made to ASX for quotation of these Options.

The Company believes that the maximum individual equity ownership likely to result from the exercise of any of the existing holdings of Options would be 6.81% based on the minimum subscription being raised under this Offer. The percentage would be 6.45% based on the maximum subscription level.

This calculation assumes that holders of Options do not subscribe for and receive further Shares under the Offer.

10.5 Litigation

Litigation may arise from time to time in the course of the Company's business. As at the date of this Prospectus, the Company is not involved in any legal proceedings and the current Directors are not aware of any legal proceedings pending or threatened against the Company.

10.6 Consents and disclaimers of responsibility

None of the parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as specified below. Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this Prospectus, other than the reference to its name and a statement included in this Prospectus with the consent of that party, as specified below.

KTM has given, and has not withdrawn, its written consent to be named as Underwriter to the Offer in the form and context in which it is named.

Mills Oakley has given, and has not withdrawn, its written consent to be named as lawyers to the Company in the form and context in which it is named.

Moore Stephens Sydney Corporate Finance Pty Limited has given, and has not withdrawn, its written consent to be named as Investigating Accountant, in the form and context in which it is named and for the inclusion of its Investigating Accountant's Report in section 8 of this Prospectus in the form and context in which it is included.

Moore Stephens Sydney has given, and not withdrawn, its consent to be named as Auditor in the form and context in which it is named.

Boardroom Pty Limited has given, and not withdrawn, its written consent to be named as share registrar in the form and context in which it is named.

10.7 Interests of experts and advisers

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus:

- (a) has any interest or has had any interest during the last two years, in the formation or promotion of the Company, or in property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offer of the Shares; and
- (b) no amount has been paid or agreed to be paid, and no benefit has been given, or agreed to be given, to any such person in connection with the services provided by the person in connection with the formation or promotion of the Company, or the Offer of the Shares.

KTM has acted as Underwriter to the Offer. KTM will be paid a management and underwriting fee, details of which are disclosed in section 9.3 of this Prospectus.

Mills Oakley has acted as legal adviser to the Company in relation to the Offer and has been involved in undertaking due diligence enquiries and providing legal advice in relation to the Offer. Mills Oakley will be paid an amount of \$64,000 (GST exclusive) in respect of these services.

Moore Stephens Sydney Corporate Finance Pty Limited has acted as Investigating Accountant to the Offer and has prepared the Investigating Accountant's Report in section 8 and performed work in relation to due diligence enquiries. Moore Stephens Sydney Corporate Finance Pty Limited will be paid an estimated fee of \$30,000 (GST exclusive) in respect to these services. Further amounts may be paid to Moore Stephens Sydney Corporate Finance Pty Limited in accordance with their normal time-based charges.

Moore Stephens Sydney has acted as Independent Auditor to Enverro. Moore Stephens Sydney will be paid an estimated fee of \$13,000 (GST exclusive) in respect of the audit of the financial report for the year ended 30 June 2014. Further amounts may be paid to Moore Stephens Sydney in accordance with their normal time-based charges.

10.8 Interests of Directors

Other than set out above or elsewhere in this Prospectus:

- (a) no Director or proposed Director of the Company has, or has had in the two years before lodgement of this Prospectus, any interest in the formation or promotion of Enverro, or the Offer of Shares, or in any property proposed to be acquired by Enverro in connection with information or promotion of the Offer of the Shares; and
- (b) no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given, to any Director or proposed Director of the Company either to induce him or her to become, or to qualify him or her as a Director, or otherwise for

services rendered by him or her in connection with the promotion or formation of the Company or the Offer of Shares.

Shareholdings

The Directors of the Company or their associates have a beneficial interest in the following shares and options in the Company at the date of this Prospectus:

The Company has obtained Shareholder approval in relation to its Employee Incentive Plan, to offer:

- (a) Christopher Doran (or his nominee) the right to acquire Options under the Employee Incentive Plan with a total value of up to \$136,500, capped at 136,500 Options, as part of his remuneration package; and
- (b) Leigh Kelson (or his nominee) the right to acquire Shares under the Employee Incentive Plan with a total value of up to \$155,000, capped at 155,000 Shares, as part of his remuneration package. The Company has also granted a limited recourse, interest free loan to Mr Leigh Kelson to subscribe for the Shares.

Director	Shareholder	Shares	Options
Leigh Kelson	Caren Gollan <Lecarlia Trust Account>	1,008,129*	Nil
Christopher Doran	Nil	Nil	136,500**
Anthony Harris	Nil	Nil	Nil

* Including 155,000 Shares per (b) above, to be issued as part of Leigh Kelson's remuneration package under the Company's Employee Incentive Plan. These Shares will not be able to be sold without a corresponding proportional repayment of the loan advanced to Leigh Kelson to acquire those Shares.

** Including 136,500 Options as per (a) above, to be issued as part of Christopher Doran's remuneration package under the Company's Employee Incentive Plan.

Each of the Directors intends to apply for between 2,000 to 4,000 Shares under the Offer.

Transactions with related parties

The Directors are entitled to receive the fees and benefits set out below. In addition, the Company has agreed to provide the indemnity referred to in section 9.7.

In relation to Leigh Kelson, the Company has advanced a loan to him of \$155,000 as part of his remuneration package to acquire Shares in accordance with the Company's Employee Incentive Plan. As noted above, these Shares will not be able to be sold without a corresponding proportional repayment of the loan advanced to Leigh Kelson to acquire those Shares.

Payments to Directors

The Constitution of the Company provides that the Directors as a whole (other than the managing Director or an executive Director) may be paid or provided remuneration for their services the total amount of value of which must not exceed an aggregate maximum, with that sum to be divided amongst the Directors as they agree. The Constitution of the Company further provides that the remuneration of an executive Director may from time to time be fixed by the Directors.

The maximum aggregate amount which has been approved by Enverro Ltd shareholders for payment to the Directors (other than the managing Director and executive Directors) is \$300,000 per annum. The current non-executive Directors' fees are \$60,000 per annum for the Chairman and \$40,000 per annum for each of the non-executive Directors exclusive of superannuation. For the executive directors, the CEO's remuneration is \$250,000 and the remuneration of the Chief Operating Officer is \$170,000 per annum, exclusive of superannuation. Further details regarding the employment arrangements with the executive Directors are summarized in section 9.6.

Directors may also be reimbursed for all travelling and other expenses they incur in connection with the Company's business.

10.9 Expenses of the Offer

The total estimated expenses of the Offer payable by the Company including ASX and ASIC fees, underwriting fees, accounting fees, legal fees, share registry fees, printing costs, public relations costs and other miscellaneous expenses are estimated to be approximately \$428,000 at the minimum subscription level, and \$456,000 at the maximum subscription level.

10.10 Electronic Prospectus

- (a) This Prospectus is available in electronic form at www.enverro.com. Any person receiving this Prospectus electronically will, on request, be sent a paper copy of the Prospectus by the Company free of charge during the period of the Offer.
- (b) Applications must be made by completing a paper copy of the Application Form, or by completing the online Application Form accompanying the electronic version of this Prospectus which is available at boardroomlimited.com.au/enverrooffer, and following the instructions on the online Application Form (which includes the Biller Code and your unique Customer Reference Number (CRN)).
- (c) The Application Form may only be distributed attached to a complete and unaltered copy of the Prospectus. The Application Form included with this Prospectus contains a declaration that the investor has personally received the complete and unaltered Prospectus prior to completing the Application Form.
- (d) The Company will not accept a completed Application Form if it has reason to believe that the Applicant has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Application Form or electronic copy of the Prospectus has been altered or tampered with in any way.
- (e) While the Company believes that it is extremely unlikely that during the period of the Offer the electronic version of the Prospectus will be tampered with or altered in any way, the Company can not give any absolute assurance that this will not occur. Any investor in doubt about the validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from the Company or a financial adviser.

10.11 Privacy

When applying for Shares in the Company, Applicants will be asked to provide personal information to Enverro Ltd directly, and through the share registry, such as name, address, telephone and fax numbers, tax file number and account details. The Company and the share registry collect, hold and use that personal information to assess Applications, provide facilities and services to Applicants and undertake administration. Access to information may be disclosed by Enverro to its agents and service providers on the basis that they deal with such information under the *Privacy Act 1988* (Cth). Incomplete applications may not be processed. Under the *Privacy Act 1988* (Cth), Applicants may request access to their personal information held by or on behalf of the Company by contacting the share registry.

10.12 Authorisation

This Prospectus is issued by the Company. Each Director has consented to the lodgement of the Prospectus with ASIC.

Dated 23 October 2014

A handwritten signature in black ink, appearing to be 'AH', written over the date text.

Anthony Harris

Chairman

Enverro Ltd
ACN 009 027 178

General Offer Application Form

This is an Application Form for Shares in Enverro Ltd (**Company**) on the terms set out in the Prospectus dated 23 October 2014. Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 2,000 Shares and multiples of 1,000 Shares thereafter. This Application Form and your cheque or bank draft must be received by **5.00pm (AEST) on 21 November 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 23 October 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.

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 23 October 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 November 2015.

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

A	Number of Shares you are applying for	x \$1.00 per Share =	B	Total amount payable
	<input type="text"/>		\$	<input type="text"/>
	Minimum of 2,000 Shares to be applied for and thereafter in multiples of 1,000 Shares			

C	Write the name(s) you wish to register the Securities in (see reverse for instructions)
	Applicant #1 <input type="text"/>
	Name of Applicant #2 or <Account Designation> <input type="text"/>
	Name of Applicant #3 or <Account Designation> <input type="text"/>

D	Write your postal address here
	Number/Street <input type="text"/>
	<input type="text"/>
	Suburb/Town <input type="text"/>
	State <input type="text"/>
	Postcode <input type="text"/>

E	CHESS participant – Holder Identification Number (HIN)	<i>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.</i>
	<input type="text"/>	

F	Enter your Tax File Number(s), ABN, or exemption category
	Applicant #1 <input type="text"/>
	Applicant #2 <input type="text"/>
	Applicant #3 <input type="text"/>

G	Cheque payment details – PIN CHEQUE(S) HERE	<i>Please enter details of the cheque(s) that accompany this application.</i>			
	Name of drawer of cheque	Cheque no.	BSB no.	Account no.	Cheque Amount A\$
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

H	Contact telephone number (daytime/work/mobile)	I	Email address
	<input type="text"/>		<input type="text"/>

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

- ✓ have read the prospectus 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;
- ✓ 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 its absolute discretion;
- ✓ authorise 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

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A** If applying for Shares insert the **number** of Share for which you wish to subscribe at Item **A** (not less than 2,000 Shares and then in multiples of 1,000 Shares). Multiply by A\$1.00 to calculate the total Application Amount for Shares and enter the **A\$amount** at Item **B**.
- 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. Make your cheque payable to Enverro Limited – Share 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/EnverroGeneralOffer and pay by BPAY.
- 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 Amount or other correspondence.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
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

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

Mailing address:

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

Delivery address:

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

The Offer closes at 5.00pm (AEST) 21 November 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.

Privacy Statement

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) 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 share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. 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.boardroomlimited.com.au/Privacy.html>).