

CENTURY AUSTRALIA

INVESTMENTS LIMITED



TO: AUSTRALIAN STOCK EXCHANGE LIMITED
FROM: CENTURY AUSTRALIA INVESTMENTS LIMITED
DATE: May 21, 2015
SUBJECT: Dispatch of Non-renounceable Entitlement Offer Document

The attached offer document was dispatched to eligible shareholders today.

Peter Roberts
Company Secretary



Century Australia Investments Limited ABN 11 107 772 761
Level 3, 99 Bathurst Street, Sydney NSW 2000 Australia
Telephone 61 2 8262 2800 Fax 61 2 9221 1194 www.centuryaustralia.com.au

**CENTURY
AUSTRALIA**
INVESTMENTS LIMITED



**Non-renounceable Entitlement Offer of 1
New Share for every 5 Existing Shares**

At an issue price of \$0.846 per New Share

Offer Booklet

This Offer opens on 21 May 2015 and closes at 5:00pm (Sydney time) on 11 June 2015 (unless extended)

This document is important and requires your immediate attention.

You should read this document and the accompanying Entitlement and Acceptance in their entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser without delay.

This Offer Booklet is not a prospectus under the *Corporations Act 2001* (Cth) and has not been lodged with ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Booklet.

Important information

This Offer Booklet is dated 12 May 2015. This Offer Booklet has been prepared by Century Australia Investments Limited (**Century Australia**).

This Offer Booklet is not a prospectus

The Offer is made under section 708AA of the Corporations Act. This Offer Booklet is not a prospectus and it does not contain all of the information that an investor would find in a prospectus or which may be required to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this Offer Booklet. It has not been and will not be lodged with ASIC. Neither ASIC, ASX nor their respective officers take any responsibility for the content of this Offer Booklet or for the merits of the investment to which this Offer relates.

As an Eligible Shareholder of Century Australia, this Offer Booklet is important and requires your immediate attention.

You should read the entire Offer Booklet before deciding whether to invest in the New Shares. Please carefully read the instructions on the accompanying Entitlement and Acceptance Form regarding the acceptance of the Offer. If you have any questions regarding your Entitlement or the Offer, please contact your legal, investment or other professional adviser.

No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw the application once it has been accepted. Further, Entitlements cannot be traded on the ASX or any other exchange, nor can they be privately transferred.

Professional advice

The information in this Offer Booklet is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. Century Australia is not licensed to provide financial product advice in respect of the New Shares. It is important that you read this Offer Booklet in its entirety before deciding whether to apply for New Shares. In particular, you should consider the risk factors that could affect the performance of Century Australia, some of which are outlined in Section 6. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to apply for New Shares. If you have any questions you should seek professional advice from your legal, investment or other professional adviser.

Foreign jurisdictions

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

The distribution of this Offer in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Offer outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Offer does not constitute an offer or invitation in any place outside Australia or New Zealand where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of the New Shares outside Australia and New Zealand.

New Zealand

The Entitlements and the New Shares being offered under this Offer Booklet are not being offered or sold to the public in New Zealand other than to Shareholders with registered addresses in New Zealand in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

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

United States

This document may not be released or distributed in the United States of America. 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 of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States.

No guarantee

Neither Century Australia nor any other party makes any representation or gives any guarantee or assurance:

- (a) as to the performance or success of Century Australia;
- (b) as to the rate of income or capital growth from Century Australia; or
- (c) that there will be no capital loss or particular taxation consequence of investing in Century Australia.

An investment in Century Australia does not represent a deposit or any other type of liability of the above parties. An investment in Century Australia is subject to investment risk. These risks are discussed in Section 6.

Investors should note that the past share price and investment performance of Century Australia provides no guidance as to its future share price and investment performance.

No representations other than in this Offer Booklet

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Offer Booklet. Any information or representation not contained in this Offer Booklet may not be relied on as having been authorised by Century Australia.

Future performance

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

Privacy

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing information to Century Australia (directly and/or via the Share Registry) that may constitute personal information for the purposes of the Privacy Act 1988 (Cth). Century Australia (and the Share Registry on its behalf) collects, holds and uses personal information provided on an Entitlement and Acceptance Form in order to assess your application and administer your holding of Shares.

If you do not provide the information requested in the Entitlement and Acceptance Form, Century Australia and the Share Registry may not be able to process or accept the form.

Access to your personal information may be provided to other companies within the Century Australia group and to Century Australia's agents and service providers on the basis that they deal with such information in accordance with this privacy disclosure statement. You have a right to request access to the personal information that Century Australia holds about you subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to Century Australia's share registrar:

Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Defined terms and conditions

Certain terms and abbreviations used in this Offer Booklet are defined in the Glossary in Section 8.

References to **Australian dollars** or **\$** are references to the lawful currency of Australia. Any discrepancies between the totals and the sum of all the individual components in the tables contained in this Offer Booklet are due to rounding.

All times and dates are a reference to Sydney time.

Important dates

Event	Date
Announcement of Offer	Tuesday, 12 May 2015
Lodgement Date – Appendix 3B and cleansing notice lodged with ASX	Tuesday, 12 May 2015
Despatch of notice to Shareholders containing the information required by Appendix 3B	Wednesday, 13 May 2015
<i>Ex Date</i> – The date on which Existing Shares commence trading without the Entitlement to participate in the Offer	Thursday, 14 May 2015
Record Date – The date for determining Entitlements of Eligible Shareholders to participate in the Offer (7:00pm Sydney time)	Monday, 18 May 2015
Offer opens	Thursday, 21 May 2015
Offer closes (5:00pm Sydney time)	Thursday, 11 June 2015
New Shares under the Offer quoted on a deferred settlement basis	Friday, 12 June 2015
Notification to ASX of under subscription	Tuesday, 16 June 2015
Issue Date – Issue of New Shares under the Offer completed and announced (deferred settlement trading in New Shares under the Offer ends)	Thursday, 18 June 2015
Expected commencement of normal trading in New Shares on ASX	Friday, 19 June 2015

The above dates and times are indicative only and subject to change.

Century Australia reserves the right to vary any of the above dates and times, including closing the Offer early or extending it subject to the Corporations Act, ASX Listing Rules and other applicable laws. In particular, Century Australia reserves the right to extend the Closing Date of the Offer, to accept late applications either generally or in particular cases or to withdraw the Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX.

Key Offer statistics

Issue Price per New Share	\$0.846
Total number of New Shares available under the Offer	13,644,284 ¹
Maximum total Shares on issue following the Offer	81,865,704 ²
Maximum gross proceeds of the Offer (before expenses of the Offer)	\$11,543,064

¹ The total number of New Shares that will be issued under the Entitlement Offer may be higher due to rounding up of Entitlements.

² The maximum total number of Shares that will be on issue following the Entitlement Offer may be higher due to rounding up of Entitlements.

Corporate directory

Issuer

Century Australia Investments Limited
Level 3, 99 Bathurst Street
Sydney NSW 2000
Telephone: (02) 8262 2800
Facsimile: (02) 9221 1194
Website: www.centuryaustralia.com.au

Directors

Mr Robert Turner (Chairman)
Mr Ross Finley
Mr Geoffrey Wilson
Mr Stephen Menzies

Company Secretary

Mr Peter Roberts

Investment Manager

Perennial Value Management Limited

Administration

White Outsourcing Pty Limited
Level 3, 99 Bathurst Street
Sydney NSW 2000
Telephone: (02) 8262 2800
Facsimile: (02) 9221 1194
Website: www.whiteoutsourcing.com.au

Registry

Link Market Services Limited
GPO Box 3560
Sydney NSW 2001
Telephone: 1300 363 136 and
+61 1300 363 136 (outside Australia)
Email: capitalmarkets@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Solicitors to the Offer

Watson Mangioni Lawyers Pty Limited
Level 13, 50 Carrington Street
Sydney NSW 2000
Telephone: (02) 9262 6666
Facsimile: (02) 9262 2626
Website: www.wmlaw.com.au

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1. Chairman's letter

18 May 2015



Dear Shareholder

On behalf of Century Australia, I am pleased to offer you the opportunity to participate in the Offer.

Century Australia is undertaking a non-renounceable Entitlement Offer of 1 New Share for every 5 Existing Shares held. The issue price of each New Share is \$0.846, representing a discount of approximately 7% to the volume weighted average price of the shares on the ASX on 8 May 2015, the day 2 trading days prior to the date of announcement of the Entitlement Offer. The volume weighted average price of the shares on the ASX on 8 May 2015 represents a discount of over 8% to the estimated net tangible asset backing per Share (after all tax balances) as at that date. The issue price represents a discount of over 15% to the net tangible asset backing per Share (after all tax balances) as at 8 May 2015.

If fully subscribed, the Entitlement Offer will result in the issue of 13,644,284 New Shares (subject to rounding) raising \$11,543,064 before expenses of the Entitlement Offer.

The on market share buy back approved at Century Australia's 2014 Annual General Meeting has resulted in an approximate 14% reduction in the Company's shares on issue as Shareholders wishing to exit their investment at close to NTA did so. Consistent with previous announcements, the Directors considered various capital structure options available and have decided to undertake a rights issue to increase the scale of the Company to partially address the increased management expense ratio brought about by the recent buy back.

The net proceeds from the Entitlement Offer will be used by Century Australia for further investments consistent with Century Australia's investment objective of providing long-term capital growth and income by investing in quality, undervalued Australian companies.

The Entitlement Offer provides Eligible Shareholders with an opportunity to benefit from the future growth of Century Australia.

It is Century Australia's corporate policy to pay a regular fully franked dividend reflecting the underlying dividend yield of the portfolio.

Eligible Shareholders may apply for all or part of their Entitlement under the Entitlement Offer (provided that such allocation does not breach the Listing Rules or any applicable law) and may also apply for additional Shares under the Shortfall Offer. To participate in the Shortfall Offer, you must apply at the same time as you apply for your Entitlement under the Entitlement Offer.

If there is a shortfall in applications for New Shares under the Entitlement Offer, Eligible Shareholders who have taken up their Entitlement in full and have applied for additional New Shares in the Shortfall Offer will be allocated additional Shares (provided that such allocation does not breach the Listing Rules or any applicable law).

The Directors unanimously support the raising and recommend to Shareholders that they fully participate in the Entitlement Offer and the Shortfall Offer. The Directors cannot participate in the Shortfall Offer due to the restriction under ASX Listing Rule 10.11. However the ASX has confirmed that the Directors may participate by way of underwriting the Entitlement Offer to the extent that they would otherwise be entitled to participate in the Shortfall Offer.

To that end, Century Australia Directors, Messrs Robert Turner, Ross Finley, Geoff Wilson and Stephen Menzies have arranged for their associated shareholding entities to enter into Underwriting Agreements with



the Company to **partially underwrite** the Entitlement Offer up to a maximum aggregate amount of \$5,302,476.³ No underwriting fee or commission is payable to the underwriters in respect of the Entitlement Offer. Details regarding the terms of the Underwriting Agreements are outlined in Section 3.6.

In the event that the aggregate of:

- applications for the Shortfall under the Shortfall Offer; and
- applications for New Shares made by the Underwriters under the Underwriting Agreements that exceed the Entitlements of the Underwriters not applied for under the Entitlement Offer,

exceeds the Shortfall, such applications will be scaled back pro-rata to holdings of Shares on the Record Date. See Section 3.5 for details.

As the Entitlement Offer is only partially underwritten, it is possible that a Shortfall will remain following completion of the Offer.

The Offer closes at 5:00pm (Sydney time) on Thursday, 11 June 2015 (unless extended). To participate, you need to ensure that you have lodged your Entitlement Acceptance Form with your Application Monies so that they are received before this time.

The Board urges you to read this Offer Booklet carefully before making a decision in respect to your Entitlement. You should consult your stockbroker, accountant or other professional adviser for advice in relation to the Offer.

I commend this Offer to you and thank you for your continued support of Century Australia.

Yours sincerely



Robert Turner
Chairman
Century Australia Investments Limited

³ The final maximum amount may be between \$2,581,853 and \$5,302,476 as a result of the cap on the underwriting commitment of the Underwriters nominated by Mr Geoff Wilson on both their participation in the Entitlement Offer and their underwriting commitment to the number of Shares that would result in their voting power being 3% higher than it was 6 months prior to the issue date. See Section 3.6 for further details.



2. Frequently asked questions

Question	Answer	Where to find more information
Who is the issuer?	Century Australia Investments Limited.	Section 3.1
What is the Offer?	<p>A pro rata non-renounceable Entitlement Offer and Shortfall Offer to raise up to \$11,543,064 (before expenses of the Entitlement Offer). Eligible Shareholders may apply for all or part of their Entitlement under the Entitlement Offer and may also apply for additional New Shares under the Shortfall Offer.</p> <p>There is no broker to the Offer.</p>	Section 3.2
What are the terms of the Entitlement Offer?	<p>1 New Share for each 5 Existing Shares at an issue price of \$0.846 per New Share.</p> <p>As the issue is non-renounceable, Eligible Shareholders do not have the right to sell their Entitlements on the ASX or privately. Eligible Shareholders who do not take up their Entitlements under the Entitlement Offer in full or in part will not receive any value in respect of those Entitlements that they do not take up.</p>	Section 3.23.3
Who can invest?	Eligible Shareholders of Century Australia as at 7:00 pm (Sydney time) on the Record Date (18 May 2015).	Section 3.4
What are the terms of the Underwriting Agreements?	<p>Each of Messrs Robert Turner, Ross Finley, Geoff Wilson and Stephen Menzies have arranged for their associated shareholding entities to enter into Underwriting Agreements with the Company to partially underwrite the Entitlement Offer up to a maximum aggregate amount of \$5,302,476.⁴</p> <p>Under the terms of the Underwriting Agreements, the Underwriter will underwrite any Shortfall remaining after acceptances under the Entitlement Offer have been satisfied in full, up to their maximum respective underwriting commitments.</p> <p>However, if the aggregate of:</p> <ul style="list-style-type: none"> • applications for the Shortfall under the Shortfall Offer; and • applications for New Shares made by the Underwriters under the Underwriting Agreements that exceed the Entitlements of the Underwriters not applied for under the Entitlement Offer, <p>exceeds the Shortfall, all such applications will be scaled back pro-rata to shareholding of Eligible Shareholders applying for the Shortfall Shares and Underwriters making such applications as at the Record Date.</p> <p>This ensures that, in such circumstances, the number of New Shares to be issued to the Underwriters that exceeds their Entitlements will be scaled back pro-rata to their shareholding as at the Record Date on the same basis as the other Eligible Shareholders who have applied for additional New Shares under the Shortfall Offer.</p> <p>No underwriting fees will be payable to the Underwriters and Century Australia will not be under any obligation to reimburse the costs of the Underwriters.</p> <p>The associated shareholding entities (that have entered into Underwriting Agreements) in relation to:</p> <ul style="list-style-type: none"> • Mr Robert Turner is Robert J Turner, Janice S Turner, Michael A Turner trustees Robert Turner Superannuation Fund; • Mr Ross Finley is Coolal Pty Ltd (ACN 001 663 627); • Mr Geoff Wilson are WAM Capital Limited (ACN 086 587 395), WAM Active Limited (ACN 126 420 719) and Botanical Nominees Pty Limited (ACN 081 032 000) ATF Wilson Asset Management Equity Fund; and 	Section 3.6

⁴ The final maximum amount may be between \$2,581,853 and \$5,302,476 as a result of the cap on the underwriting commitment of the Underwriters nominated by Mr Geoff Wilson on both their participation in the Entitlement Offer and their underwriting commitment to the number of Shares that would result in their voting power being 3% higher than it was 6 months prior to the issue date. See Section 3.6 for further details.

Question	Answer	Where to find more information
	<ul style="list-style-type: none"> Mr Stephen Menzies is Gyton Pty Ltd ATF two Menzies Superannuation Funds. 	
What are the terms of the Shortfall Offer?	<p>Eligible Shareholders who take up their Entitlement in full also have the ability to apply for Shortfall Shares, by completing the Entitlement and Acceptance Form and paying the additional Application Monies.</p> <p>You may apply for up to the same number of additional New Shares under the Shortfall Offer equal to your Entitlement, provided that the issue of such additional New Shares to you would not result in a breach of the ASX Listing Rules or any applicable law.</p> <p>However, if the aggregate of:</p> <ul style="list-style-type: none"> applications for the Shortfall under the Shortfall Offer; and applications for New Shares made by the Underwriters under the Underwriting Agreements that exceed the Entitlements of the Underwriters not applied for under the Entitlement Offer, <p>exceeds the Shortfall, all such applications will be scaled back pro-rata to shareholding of Eligible Shareholders applying for the Shortfall Shares and Underwriters making such applications as at the Record Date.</p> <p>There can be no certainty that there will be a Shortfall or that Eligible Shareholders will receive the number of additional New Shares applied for under the Shortfall Offer. Century Australia's decision on the number of New Shares to be allocated to Eligible Shareholders under the Shortfall Offer will be final.</p> <p>The Directors are not permitted to apply for additional New Shares under the Shortfall Offer.</p>	Section 3.5
What are the rights of New Shares?	New Shares rank equally in all respects with Existing Shares from their date of issue.	Section 3.7
How will the proceeds be applied?	Net proceeds of the Offer will be used for further investments consistent with Century Australia's investment strategy.	Section 5.2
What are the potential significant risks?	<p>Eligible Shareholders of Century Australia are exposed to a number of risks in acquiring and holding Shares. Key risks specific to Century Australia include:</p> <ul style="list-style-type: none"> Market risk - by nature as a listed investment company, Century Australia will always carry investment risk because it must invest its capital in securities which are not risk free. Investment Manager risk - the success and profitability of Century Australia in part depends upon the ability of the Investment Manager to make investment decisions which result in increases in value over time, the retention of the Investment Manager as manager of the portfolio and the retention of key personnel within the Investment Manager. 	Section 6
What are the expenses payable by Century Australia?	The total expenses of the Offer are expected to be approximately \$58,000 (exclusive of GST).	Section 7.1
What are my alternatives?	<p>You may either:</p> <ul style="list-style-type: none"> take up all or part of your Entitlement; take up all your Entitlement and apply for additional New Shares under the Shortfall Offer; or do nothing and allow the rights to acquire all of the New Shares representing your Entitlement to lapse. <p>You should note that if you do not take up all of your Entitlement, your percentage shareholding in Century Australia will be diluted.</p>	Section 4
How can further information be obtained?	If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.	Section 3.13

3. Details of the Offer

3.1 Description of the issuer

Century Australia is the issuer of New Shares under this Offer Booklet.

3.2 Description of the Offer

The Offer consists of a total of 13,644,284 New Shares to be offered by Century Australia by way of a pro rata non-renounceable Entitlement Offer and the Shortfall Offer to raise up to \$11,543,064 (before expenses of the Offer).⁵ This takes the form of a 1 for 5 Entitlement Offer together with a right to apply for additional New Shares to meet the shortfall in applications under the Entitlement Offer (if any).

There is no broker to the Offer. The Offer is explained in more detail in this Section 3.

3.3 Entitlement Offer

If you are an Eligible Shareholder, you are being offered an Entitlement to acquire 1 New Share for every 5 Existing Shares held as at the Record Date. Eligible Shareholders have the opportunity to subscribe for all, part or none of their Entitlement to New Shares, provided that the issue of such New Shares will not result in a breach of the ASX Listing Rules or any applicable law. New Shares will be issued on a fully paid basis and will rank equally with Existing Shares on issue.

The Issue Price per New Share is \$0.846.

The Entitlements are non-renounceable, meaning the entitlements to participate in the offer are not transferable and therefore cannot be traded on the ASX or any other exchange or transferred privately. Eligible Shareholders who do not take up their entitlements under the Entitlement Offer in full or in part, will not receive any value in respect of those entitlements that they do not take up.

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form. If the result is not a whole number your Entitlement will be rounded up to the nearest whole number. If you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each holding.

3.4 Eligible Shareholders

Under the Entitlement Offer, Eligible Shareholders are being offered the opportunity to subscribe for 1 New Share for every 5 Existing Shares held as at the Record Date (7:00pm Sydney time on 18 May 2015), at the Issue Price of \$0.846 per New Share.

Eligible Shareholders are those Shareholders who:

- (a) are registered as a holder of Shares as at the Record Date, being 7:00pm (Sydney time) on 18 May 2015;
- (b) as at the Record Date, have a registered address in Australia or New Zealand;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- (d) are eligible under all applicable securities laws to receive an offer under the Offer without any requirement for a prospectus or offer document to be lodged or registered.

Nominees and custodians which hold Shares on behalf of other persons will have received or will shortly receive, a letter from Century Australia. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Offer is only being made to Eligible Shareholders and that when they are holding Shares on behalf of persons in a jurisdiction outside Australia and New Zealand they may participate on behalf of that person if that person is otherwise eligible under applicable securities laws to receive an offer, and be issued New Shares, under the Offer without any requirement for a prospectus or offer document to be lodged or registered. Nominees and custodians should refer to "Foreign Jurisdictions"

⁵ The total number of New Shares that will be issued under the Entitlement Offer may be higher due to rounding up of Entitlements.

contained in the "Important Information" Section of this Offer Booklet. Eligible Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

3.5 Shortfall Offer

ASX Listing Rule 7.11.4 and section 708AA(13)(a) of the Corporations Act (as modified by ASIC Class Order 08/35) permit the Company to make an additional offer of the New Shares that may be comprised in any shortfall. Accordingly, in addition to applying for their Entitlement, Eligible Shareholders may apply for additional New Shares out of any Shortfall. It is a condition of participating in the Shortfall Offer that the New Shares being offered may only be issued to a successful applicant where an offer of the New Shares has first been made to, but not accepted by, another Eligible Shareholder under the Entitlement Offer. New Shares that might otherwise have been offered to persons outside Australia and New Zealand will not be included in the Shortfall Offer.

The Shortfall Offer is only open to persons to whom Offers were made under the Entitlement Offer (i.e. to Eligible Shareholders). Application may be made for these New Shares at the same time as applying for Entitlements under the Entitlement Offer by completing the relevant box in the Entitlement and Acceptance Form and including the appropriate Application Monies. The Shortfall Offer has the same Closing Date as the Entitlement Offer.

Each Eligible Shareholder may apply for up to such number of additional New Shares out of the Shortfall that is equal to their Entitlement under the Entitlement Offer, provided that the issue of such New Shares will not result in a breach of the ASX Listing Rules or any applicable law. To the extent the issue of such New Shares to any Eligible Shareholder would result in such a breach, the number of New Shares to be issued under the Shortfall Offer to that Shareholder will be reduced to ensure compliance with the ASX Listing Rules or any applicable law. There can be no certainty that there will be a Shortfall or that Eligible Shareholders will receive the number of additional New Shares applied for under the Shortfall Offer.

The Directors may not participate in the Shortfall Offer due to the restriction under ASX Listing Rule 10.11.

If there is no Shortfall, the Application Monies relating to the Shortfall will be returned to Eligible Shareholders as soon as practicable following the Closing Date without interest. Please note it is not practical to refund amounts of less than \$2.00 and any refunds owing for this amount will be retained by Century Australia.

If the aggregate of:

- applications for the Shortfall from Eligible Shareholders under the Shortfall Offer; and
- applications for New Shares made by the Underwriters under the Underwriting Agreements that exceed the Entitlements of the Underwriters not applied for under the Entitlement Offer,

exceeds the Shortfall, all such applications will be scaled back pro-rata to shareholding of Eligible Shareholders applying for the Shortfall Shares and Underwriters making such applications as at the Record Date, and the number of New Shares produced from that scaling back will be issued. If scaling back occurs, Application Monies relating to New Shares applied for but not issued will be returned to Shareholders as soon as practicable following the Closing Date without any interest. Any excess Application Monies of less than \$2.00 will be retained by Century Australia.

If there remain any unallocated New Shares following the issue of New Shares to the Underwriters and pursuant to the Shortfall Offer, subject to the requirements of the ASX Listing Rules, the Directors reserve the right to place those New Shares at their discretion.

3.6 Partial Underwriting

Each of Messrs Robert Turner, Ross Finley, Geoff Wilson and Stephen Menzies have arranged for their associated shareholding entities (Underwriters) to partially underwrite the Entitlement Offer up to a maximum aggregate amount of \$5,302,476⁶, minus any New Shares applied for by the Underwriters under the Entitlement Offer.

Under the terms of the Underwriting Agreements, the Underwriter will partially underwrite any Shortfall remaining after acceptances under the Entitlement Offer (but before applications under the Shortfall Offer) have been satisfied in full, up to their maximum respective underwriting commitments. However, if the aggregate of:

⁶ The final maximum amount may be between \$2,581,853 and \$5,302,476 as a result of the cap on the underwriting commitment of the Underwriters nominated by Mr Geoff Wilson at on both their participation in the Entitlement Offer and their underwriting commitment to the number of Shares that would result in their voting power being 3% higher than it was 6 months prior to the issue date.

- applications for New Shares received under the Shortfall Offer; and
- applications for New Shares made by the Underwriters under the Underwriting Agreements that exceed the Entitlements of the Underwriters not applied for under the Entitlement Offer,

exceeds the Shortfall, such applications of the Underwriters will be scaled back pro-rata to shareholding of Eligible Shareholders applying for the Shortfall Shares and Underwriters making such applications as at the Record Date on the same basis as the other Eligible Shareholders who have applied for additional New Shares under the Shortfall Offer. The structure of, and cap on, the underwriting commitment means that the Directors are in the same position as the other Eligible Shareholders in the distribution of any Shortfall on a pro-rata basis (as if they had taken up their Entitlements in full under the Entitlement Offer).

The table below sets out the maximum underwriting commitments of the Directors and illustrates the maximum potential increase in their shareholdings as a consequence of partially underwriting the Entitlement Offer.

Underwriting Director	Maximum underwriting commitment	Maximum number of New Shares it will receive	Existing shareholding		Maximum potential shareholding following Offer	
			Number	Percentage	Number	Percentage
Mr Robert Turner	\$52,023	61,494	153,739	0.23%	215,233	0.26%
Mr Ross Finley	\$8,460	10,000	25,000	0.04%	35,000	0.04%
Mr Geoff Wilson	\$5,233,664	6,186,365	18,668,062	27.36%	24,854,427	30.36%
Mr Stephen Menzies	\$ 8,328	9,844	24,614	0.04%	34,458	0.04%

Notes:

- Each of the Directors has nominated one or more controlled entities to enter into the Underwriting Agreement with the Company.
- The maximum underwriting commitment only applies if the Director does not take up any of his Entitlements under the Entitlement Offer. The Director's underwriting commitment will be reduced to the extent he has taken up its Entitlement under the Entitlement Offer. For example, if Mr Robert Turner has taken up his Entitlement in full, his underwriting commitment under the Underwriting Agreement will be reduced to \$26,013. Further, the final maximum underwriting commitment of the Underwriters nominated by Mr Geoff Wilson may be between \$2,513,041 and \$5,233,664 as a result of the cap on both their participation in the Entitlement Offer and their underwriting commitment at the maximum amount that would not result in their voting power being more than 3% higher than it was 6 months prior to the issue date.
- The maximum potential shareholding percentage of each Director will occur in circumstances where no other person (other than the Underwriters) takes up New Shares under the Entitlement Offer and the Shortfall Offer. With the exception of Mr Wilson, the percentages shown in this column will be lower to the extent other persons take up New Shares. For Mr Wilson, the percentage will decrease but only after more than 7,376,581 New Shares are applied for under the Offer by Shareholders other than the Underwriters.
- For the Underwriters nominated by Mr Geoff Wilson, the maximum underwriting commitment, maximum number of New Shares they will receive and maximum potential shareholding following the Offer may decrease as a result of the additional cap on both their participation in the Entitlement Offer and their underwriting commitment at the maximum amount that would not result in their voting power being more than 3% higher than it was 6 months prior to the issue date. See the paragraph immediately following this note for further details.

The existing shareholding outlined in the table above for Mr Geoff Wilson is held through the Wilson Asset Management Group. As the Wilson Asset Management Group already has a substantial holding with voting power of 27.36%, Century Australia has imposed an additional cap on both the participation of the Wilson Asset Management Group in the Entitlement Offer and their underwriting commitment to the number of Shares that would result in its voting power being 3% higher than it was 6 months prior to the issue date. The purpose of this cap is to limit the increase in voting power of the Wilson Asset Management Group as a result of it participating in the Offer to the maximum amount permissible under the 3% creep exception to the takeover provisions in sections 611 item 9 of the Corporations Act as if it was not an Underwriter and there was no Offer. As a result, in a scenario where no other person (other than the Underwriters) takes up New Shares under the Entitlement Offer and the Shortfall Offer, this cap will restrict the Wilson Asset Management Group to its Entitlement only, resulting in it having a total shareholding of 21,638,561 Shares, representing 30.36% voting power, and Wilson Asset Management Group will not participate in any further underwriting unless the level of take-up of the Offer is such that the issue of further New Shares to it would not result in its voting power exceeding 30.36%.

Each Underwriting Agreement will only be terminable by the Underwriter in the event of a material breach of the agreement by Century Australia, a decrease in the net tangible asset backing per Share (after all tax

balances) as at the Closing Date of 10% or more from net tangible asset backing per Share (after all tax balances) as at 8 May 2015, insolvency of Century Australia, withdrawal of Entitlement Offer or Century Australia ceasing to be admitted to the official list of ASX.

No underwriting fees will be payable to the Underwriters or the Underwriting Directors and Century Australia will not be under any obligation to reimburse the costs of the Underwriters or the Underwriting Directors.

3.7 Ranking of New Shares

The New Shares will be fully paid and rank equally in all respects with Existing Shares from their date of issue.

3.8 Allotment and ASX quotation

Century Australia expects to allot all New Shares on 18 June 2015. Subject to approval being granted, quotation of the New Shares is expected to commence on a normal basis on 19 June 2015.

Holding statements will be despatched in accordance with the Listing Rules. It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving confirmation of their holding in the form of a holding statement will do so at their own risk. Century Australia disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Century Australia or the Share Registry or otherwise.

3.9 Application Monies

Until the time of allotment of New Shares, Century Australia will hold all Application Monies in relation to those New Shares in a purpose specific bank account. Interest earned on any Application Monies (whether or not allotment takes place) will remain the property of Century Australia.

Amounts received by Century Australia in excess of the Issue Price multiplied by your Entitlements may be treated as an Application to apply for as many additional New Shares as your excess amount will pay for in full under the Shortfall Offer.

Application has been made to ASX for quotation of the New Shares to be issued under the Offer. If application is not so made or if quotation of the New Shares is not granted by ASX within 3 months of the date of this Offer, any allotment of New Shares in response to an application made under this Offer will be void, and all Application Monies received will be returned without interest.

3.10 No minimum subscription

There is no minimum subscription for the Offer.

3.11 Ineligible Shareholders

All Shareholders who are not Eligible Shareholders are ineligible Shareholders (Ineligible Shareholders). Ineligible Shareholders will not be entitled to participate in the Offer.

Century Australia is of the view that it is unreasonable to make the Offer to the Ineligible Shareholders having regard to:

- the number of Ineligible Shareholders;
- the number and value of New Shares that would be offered to Ineligible Shareholders; and
- the cost of complying with overseas legal requirements.

This Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Century Australia is not required to make offers under this Offer to Ineligible Shareholders. Where this Offer has been despatched to Shareholders with registered address outside Australia or New Zealand, this Offer is provided for information purposes only.

Shareholders with registered address in Australia or New Zealand who are holding Shares on behalf of persons who are resident overseas are responsible for ensuring that applying for New Shares under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by Century Australia to constitute a representation that there has been no breach of such regulations.

As the Entitlement Offer is non-renounceable, Ineligible Shareholders will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to them if they were eligible to participate in the Entitlement Offer.

3.12 Taxation

The taxation consequences of investing in the New Shares will depend on your particular circumstances. It is your responsibility, as a potential investor, to make your own enquiries concerning the taxation consequences of an investment in Century Australia. See Section 7.4 for a general discussion of taxation issues. If you are in doubt as to the consequences of an investment, you should consult with your taxation or other professional adviser before investing.

3.13 Enquiries

If you require advice as to whether to accept your Entitlement, you should seek professional advice from your legal, investment or other professional adviser.

4. Action required by Eligible Shareholders

4.1 Your Entitlement

Your entitlement is shown on the accompanying Entitlement and Acceptance Form. Before taking any action in relation to the Offer, you should read this Offer Booklet in its entirety and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser.

You may:

- take up all or part of your Entitlement;
- take up all of your Entitlement and apply for additional New Shares under the Shortfall Offer; or
- do nothing and allow the rights to acquire all of the New Shares representing your Entitlement to lapse.

4.2 What happens if I accept my full Entitlement?

If you take up your full Entitlement under the Entitlement Offer, you will not have your shareholding in Century Australia diluted by the Offer.

4.3 What happens if I do not accept my full Entitlement?

If you do not take up your full Entitlement, your proportional shareholding in Century Australia will be diluted.

As the Entitlements are non-renounceable, if you decide not to take up all or part of your Entitlement, it will lapse on the Closing Date to the extent not taken up. Any New Shares that you would have otherwise been entitled to under the Entitlement Offer (or New Shares that relate to the portion of your Entitlement that has not been accepted) may be sold under the Shortfall Offer or become part of the shortfall subscribed for by the Underwriters under the Underwriting Agreements.

4.4 How do I accept all, or part, of my Entitlement?

You may accept your Entitlement following the despatch of this Offer Booklet (expected to be 21 May 2015). Century Australia will accept applications until the Closing Date (5:00pm on 11 June 2015), unless extended.

If you decide to take up all or part of your Entitlement, or apply for additional New Shares, please complete and return the Entitlement and Acceptance Form with the requisite Application Monies OR pay your Application Monies via BPAY® by following the instructions set out on the Entitlement and Acceptance Form. Century Australia will treat you as applying for as many New Shares as your payment will pay for in full.

If you are paying by cheque, the relevant Entitlement and Acceptance Form must be accompanied by cheque or bank draft in Australian dollars drawn on an Australian branch of an Australian bank for the Issue Price of the New Shares for which application is made. All cheques must be made payable to "Century Australia Investments Limited – Entitlement Offer Account" and crossed "Not Negotiable". Do not forward cash. Receipts for Application Monies will not be issued.

Completed Entitlement and Acceptance Forms and accompanying cheques must be returned to the following address and received no later than 5:00 pm (Sydney time) on 11 June 2015 (unless extended).

Mailing Address:

Century Australia Investments Limited
C/- Link Market Services Limited
GPO Box 3560
SYDNEY NSW 2001

Hand Delivery:

Century Australia Investments Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138

(Please do not use this address for mailing purposes)

A reply paid envelope is enclosed for your convenience. If mailed in Australia, no postage stamp is required.

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

Please note that should you choose to pay by BPAY®:

- you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations set out in Section 4.8 and the declarations on that Entitlement and Acceptance Form; and
- if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application Monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded as soon as practicable following the Closing Date. No interest will be paid on any Application Monies received or refunded

You should read this Offer Booklet in its entirety before deciding to take up your Entitlement.

4.5 How do I accept the Shortfall Offer?

To participate in the Shortfall Offer, you must accept your full Entitlement in the manner outlined in Section 4.4 and complete the relevant section on the Entitlement and Acceptance Form.

If you are paying by cheque, you must also mark on your Entitlement and Acceptance Form the number of additional New Shares for which you wish to apply under the Shortfall Offer and include Application Monies for those additional New Shares. You must then include the Application Monies and return the relevant Entitlement and Acceptance Forms in the manner outlined in Section 4.4.

If you are paying by BPAY®, you must also pay the additional Application Monies for the additional New Shares you are applying for under the Shortfall Offer in the same payment. You will be treated as having applied for a total number of New Shares under both the Entitlement Offer and the Shortfall Offer equal to the total amount you have paid divided by the Issue Price.

Your application for additional New Shares under the Shortfall Offer may not be successful (wholly or partially). The decision by the Directors in relation to the number of additional New Shares in excess of your Entitlement to be allocated to you under the Shortfall Offer will be final. If you are unsuccessful in the Shortfall Offer or your Application in respect of the Shortfall Offer is only part accepted, any excess Application Monies will be returned to you by cheque as soon as possible following the Closing Date, without interest. Please note it is not practical to refund amounts of less than \$2.00 and any refunds owing for this amount will be retained by Century Australia.

4.6 Acceptance of applications under the Offer

Completing and lodging an Entitlement and Acceptance Form for the Offer or using the BPAY® facility referred to in the Entitlement and Acceptance Form for the Offer is an offer by you to Century Australia to subscribe for the number of New Shares specified in the Entitlement and Acceptance Form, or the number of New Shares equal to the amount paid using the BPAY® facility divided by the Issue Price, at the Issue Price on the terms and conditions set out in this Offer and the Entitlement and Acceptance Form.

An application for New Shares may be accepted in respect of the full amount applied for, or any amount less than that amount, without further notice to the relevant Eligible Shareholder. Acceptance of an application will give rise to a binding contract with acceptance to take place after the quotation of the New Shares on ASX.

4.7 No duty, brokerage or commission

No stamp duty, brokerage or commission is payable by applicants.

4.8 Effect of participating in the Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate in the Offer, you will be deemed to have represented to Century Australia that you are an Eligible Shareholder and:

- (a) declare that:
 - (i) all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
 - (ii) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Offer;
 - (iii) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (b) acknowledge that:
 - (i) once Century Australia receives the Entitlement and Acceptance Form with the requisite Application Monies or payment by BPAY®, you may not withdraw it except as allowed by law;
 - (ii) you have read and understood this Offer Booklet and the personalised Entitlement and Acceptance Form in their entirety;
 - (iii) the information contained in this Offer Booklet is not investment advice or a recommendation that the New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
 - (iv) you have read the statement of risks in the "Risk Factors" section that is included in Section 6 of this Offer Booklet;
 - (v) investments in Century Australia are subject to risks;
- (c) agree to:
 - (i) apply for, and be issued with up to, the number of New Shares that you apply for at the Issue Price of \$0.846 per New Share; and
 - (ii) be bound by the terms of this Offer Booklet and the provisions of Century Australia's constitution;
- (d) authorise Century Australia to register you as the holder of New Shares and authorise Century Australia and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of Century Australia's Share Registry by using the contact details set out in the personalised Entitlement and Acceptance Form;
- (e) authorise Century Australia to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (f) represent and warrant that the law of any place (other than Australia and New Zealand) does not prohibit you from being given this Offer Booklet or making an application for New Shares;
- (g) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Offer to any such person; and
- (h) will be treated as having represented and warranted:
 - (i) that you are not in the United States and are not applying for New Shares on behalf of, or for the account or benefit of, a person in the United States;
 - (ii) that you and each person on whose account you are acting are not engaged in the business of distributing securities;

- (iii) that you and each person on whose account you are acting have not and will not send any materials relating to the Offer, including this Offer Booklet and the Entitlement and Acceptance Form, to any person that is in the United States or that is acting for the account or benefit of a person in the United States; and
- (iv) on your own behalf and on behalf of each person on whose account you are acting that (i) neither the Entitlements nor the New Shares offered in the Offer have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, or in any other jurisdiction outside Australia or New Zealand, (ii) the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of a person in the United States), and (iii) the New Shares to be offered and sold in the Offer may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

5. Purpose and effect of the Offer

5.1 Overview

If the Offer is fully subscribed:

- the New Shares issued pursuant to the Offer will constitute approximately 16.7% of the total number of issued Shares immediately after the allotment of the New Shares; and
- the total number of Shares on issue after the allotment will be 81,865,704.⁷

The Offer will provide Century Australia with net proceeds of up to approximately \$11,485,064 after issue expenses of approximately \$58,000. Please refer to Section 5.3 for further information regarding the effect of the Offer on the capital structure.

5.2 Use of funds

The proceeds raised from the Offer will be used for further investments consistent with Century Australia's investment strategy.

5.3 Impact on capital structure

The table below shows the capital structure of Century Australia on completion of the Offer:

	Number of Shares	Percentage of post-Offer Shares
Existing Shares	68,221,420	83.3%
New Shares (if fully subscribed) ⁸	13,644,284	16.7%
Total immediately after Offer (if fully subscribed) ⁹	81,865,704	100.0%

5.4 Impact on control

The issue of New Shares under the Offer is not expected to have a material effect on the control of Century Australia.

The largest Shareholder of Century Australia is Wilson Asset Management Group, which currently has voting power of 27.36%. Wilson Asset Management Group is associated with Mr Geoff Wilson, a Director of Century Australia. Wilson Asset Management Group is accordingly not permitted to participate in the Shortfall Offer due to the restriction under ASX Listing Rule 10.11. Wilson Asset Management Group will be entitled to participate in the Entitlement Offer and is also one of the Underwriters of the Entitlement Offer. However, the Entitlement Offer and the underwriting arrangements have been structured so that, irrespective of the level of take-up of the Offer, the increase in voting power of Wilson Asset Management Group as a result of the Offer may not exceed an amount which is more than 3% higher than it was 6 months prior to the date of issue of New Shares under the Offer. This limits the increase in voting power of the Wilson Asset Management Group as a result of it participating in the Offer to the maximum amount that it would be entitled to acquire under the 3% creep exception to the takeover provisions in sections 611 item 9 of the Corporations Act as if it was not an Underwriter and there was no Offer.

5.5 Pro forma balance sheet

Set out below is a pro forma balance sheet of Century Australia on successful completion of the Offer (assuming the Offer is fully subscribed). It is based upon Century Australia's balance sheet as at 31 December 2014 contained in the Half-Year Financial Report for Century Australia for the half-year ended 31 December 2015 as lodged with ASX on 23 February 2015.

The balance sheet has been prepared in accordance with the Corporations Act, the Corporations Regulations 2001, Accounting Standards and other mandatory financial reporting requirements in Australia.

⁷ The total number of New Shares that will be issued under the Entitlement Offer may be higher due to rounding up of Entitlements.

⁸ The total number of New Shares that will be issued under the Entitlement Offer may be higher due to rounding up of Entitlements.

⁹ The total number of Shares that will be on issue following the Entitlement Offer may be higher due to rounding up of Entitlements.

The pro forma balance sheet reflects the impact of the Offer and all transaction costs as if they had occurred on 31 December 2014.

	31 December 2014 (before the entitlement offer)	31 December 2014 after the entitlement offer)
	\$'000	\$'000
ASSETS		
Current assets		
Cash and cash equivalents	2,000	13,543
Trade and other receivables	72	72
Financial assets at fair value through profit or loss	6	6
Other current assets	29	34
Total current assets	2,107	13,655
Non-current assets		
Financial assets at fair value through other comprehensive income	61,680	61,680
Deferred tax assets	3,398	3,398
Total non-current assets	65,078	65,078
Total assets	67,185	78,733
LIABILITIES		
Current liabilities		
Trade and other payables	249	313
Total current liabilities	249	313
Non-current liabilities		
Deferred tax liabilities	2,597	2,597
Total non-current liabilities	2,597	2,597
Total liabilities	2,846	2,910
Net assets	64,339	75,823
EQUITY		
Issued capital	62,944	74,487
Reserves	6,411	6,411
Accumulated losses	(5,016)	(5,075)
Total equity	64,339	75,823

6. Risk factors

6.1 Overview

There are a number of factors, both specific to Century Australia and of a general nature, which may affect the future performance of Century Australia and the outcome of an investment in Century Australia. There can be no guarantees that Century Australia will achieve its stated objectives, that forecasts will be met or that forward looking statements will be realised.

This Section 6 describes certain, but not all, risks associated with an investment in Century Australia. Prior to making an investment decision, prospective investors should carefully consider the following risk factors, as well as the other information contained in this Offer or of which they are otherwise aware. Directors emphasise that the risk factors set out in this Section are not the only risk factors that could affect the operations of the Company, its financial position and the value of Shares.

Nothing in this Offer Booklet is financial product advice and this document has been prepared without taking into account your investment objectives or personal circumstances. You should also consider consulting your financial or legal adviser so as to ensure you understand fully the terms of the Offer and the inherent risks associated with Century Australia and the listed investment company industry before applying for New Shares.

6.2 Risks associated with your holding of Shares

The risks associated with a holding of Shares include the following:

(a) *Market risk*

By nature as a listed investment company, Century Australia will always carry investment risk because it must invest its capital in securities which are not risk free. However, Century Australia seeks to reduce this investment risk by a policy of diversification of investments across industries and companies operating in various sectors of the market. The Investment Manager is required to act in the Board approved investment management agreement and reports to the Board monthly on the portfolios performance and provides a monthly portfolio review which highlights key performers and underperforming stocks and intended actions.

(b) *Investment Manager risk*

The success and profitability of Century Australia in part depends upon the ability of the Investment Manager to make investment decisions which result in increases in value over time.

It also in part depends upon the retention of the Investment Manager as manager of the portfolio of Century Australia and the retention of key personnel within the Investment Manager with responsibility for managing the portfolio.

The ability of the Investment Manager to continue to manage Century Australia's portfolio is dependent upon the maintenance of its AFSL and its continued solvency. Maintenance of its AFSL depends, among other things, on the Investment Manager continuing to comply with the ASIC imposed licence conditions and the Corporations Act.

6.3 General risk factors

(a) *Share market conditions*

The market price of Century Australia shares may rise or fall between the date that the Offer opens and the date that the shares are issued to you under the Offer. This means that the Issue Price that you pay for the New Shares under the Offer may be either higher or lower than the Share price at the time you apply for the New Shares under the Offer or at the time the New Shares are issued to you pursuant to the Offer. There can be no guarantee that the price of the New Shares will increase.

The price at which the New Shares trade on ASX may be affected by the financial performance of Century Australia and by external factors over which Century Australia have no control. Century Australia does not warrant the future performance of New Shares or any return on investments in those securities.

(b) *Economic conditions*

The performance of Century Australia is influenced by a variety of general economic and business conditions including the level of inflation, international share markets, interest rates and exchange rates, government

fiscal, monetary and regulatory policies and factors peculiar to the investment industry. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have a material adverse impact on Century Australia's performance.

(c) *Dilution risks*

You should note that if you do not take up all of the Shares offered to you under the Entitlement Offer, then your percentage shareholding in Century Australia will be diluted. By not participating to the full extent in the Entitlement Offer you will not be exposed to future increases or decreases in Century Australia's share price in respect of those New Shares which would have been issued to you had you taken up all of your Entitlement.

7. Additional information

7.1 Expenses of the Offer

Expenses connected with the Offer are being borne by Century Australia. The approximate expenses of the Offer including legal fees, registry fees, printing fees and other general costs are estimated to be \$58,000 (exclusive of GST).

7.2 Disclosure

This Offer Booklet contains an Offer to subscribe for continuously quoted securities (as defined in the Corporations Act) of Century Australia and the Offer has been made in accordance with Section 708AA of the Corporations Act.

In broad terms, section 708AA relates to rights issues by certain listed companies that do not require the provision of a prospectus or other disclosure document to investors under Part 6D.2 of the Corporations Act. Accordingly, the level of disclosure in this Offer Booklet is significantly less than that required in a prospectus. This document does not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in Century Australia. It does not contain all the information which would be required to be disclosed in a prospectus. Eligible Shareholders should therefore rely upon their own knowledge of Century Australia, refer to disclosures already made by it to ASX, and refer to their professional adviser before deciding to accept the Offer.

Neither this Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC.

This Offer Booklet does not contain financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Century Australia is not licensed to provide financial product advice in respect of the New Shares. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Offer Booklet, you have any questions about the Offer, you should contact your stockbroker, accountant or other independent professional adviser.

7.3 Continuous disclosure and documents available for inspection

Century Australia is a disclosing entity within the meaning of the Corporations Act and is, and has for the past twelve months been, subject to regular reporting and disclosure obligations.

Century Australia believes that it has fully complied with the general and specific requirements as set forth by the ASIC and ASX in relation to continuous disclosure, which includes the provisions of Chapter 2M of the Corporations Act as they apply to Century Australia and section 674 of the Corporations Act.

Copies of documents lodged with ASIC in relation to Century Australia may be obtained from, or inspected at, an office of the ASIC.

7.4 Taxation

Set out below is a summary of the Australian tax implications of the Offer for Eligible Shareholders who are residents of Australia for tax purposes and who hold their Shares as capital assets.

The summary below also does not take account of any individual circumstances of any particular Eligible Shareholder. **Eligible Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.**

The summary below does not necessarily apply to Eligible Shareholders who hold their Shares as assets used in carrying on a business or who may carry on the business of security trading, banking or investment. The summary below does not necessarily apply to Eligible Shareholders whose Shares are held as revenue assets or trading stock. The summary below is based on the law in effect as at the date of this Offer Booklet.

(a) Issue of Entitlements

Subject to the qualifications noted above, the issue of the Entitlements will not itself result in any amount being included in the assessable income of an Eligible Shareholder.

(b) Exercise of Entitlements

Eligible Shareholders who exercise their Entitlements and subscribe for New Shares will acquire those shares with a cost base for capital gains tax (**CGT**) purposes equal to the Issue Price payable by them for those shares plus any non-deductible incidental costs they incur in acquiring those shares, but will not make any capital gain or loss, or assessable income, from exercising the Entitlements or subscribing for the New Shares.

(c) New Shares

Eligible Shareholders who exercise their Entitlements will acquire New Shares. Any future dividends made in respect of those New Shares will be subject to the same taxation treatment as dividends made on Shares held in the same circumstances.

On any future disposal of New Shares, Eligible Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Shares. The cost base of those shares is described above.

New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Shareholder exercised the Entitlement to subscribe for them. Accordingly, in order to benefit from the CGT discount in respect of a disposal, the New Shares must have been held for at least 12 months from the date the Entitlements are exercised.

(d) Other Australian taxes

No Australian Goods and Services Tax (GST) or stamp duty is payable in respect of the grant or exercise of the Entitlements or the acquisition of New Shares.

7.5 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by Century Australia or any of their related bodies corporate in connection with the Offer. Except as required by law, and only to the extent so required, none of Century Australia or any other person, warrants or guarantees the future performance of Century Australia or any return on any investment made pursuant to this Offer Booklet.

7.6 Withdrawal of Offer

Century Australia reserves the right to withdraw all or part of the Offer and this Offer Booklet at any time, subject to applicable laws, in which case Century Australia will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Century Australia will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Century Australia.

7.7 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded up to the nearest whole number of New Shares.

7.8 Governing law

This Offer Booklet, the Offer and the contracts formed on acceptance of the Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

8. Glossary

AFSL	an Australian Financial Services Licence
Application	a valid application by way of an Entitlement and Acceptance Form made to subscribe for a specified number of New Shares under the Offer
Application Monies	the monies received from applicants for New Shares in accordance with this Offer Booklet
ASIC	the Australian Securities and Investments Commission
ASX	the ASX Limited (ABN 98 008 624 691)
ASX Listing Rules	the listing rules of ASX
Board	the board of directors of Century Australia
Business Day	a day on which ASX is open for trading
Century Australia	Century Australia Investments Limited (ACN 107 772 761)
Closing Date	5:00pm (Sydney time) on 11 June 2015, unless extended by Century Australia
Constitution	the constitution of Century Australia as amended from time to time
Corporations Act	the <i>Corporations Act</i> 2001 (Cth)
Directors	the directors of Century Australia
Eligible Shareholder	a person who is eligible to participate in the Offer and satisfies the requirements set out in Section 3.4.
Entitlement	the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every 5 Existing Shares held at the Record Date
Entitlement Offer	the pro rata non-renounceable entitlement offer of 1 New Share for every 5 Existing Shares held at the Record Date at the Issue Price
Entitlement and Acceptance Form	the personalised form attached to or accompanying this Offer Booklet
Existing Shares	Shares on issue immediately before the Record Date
GST	goods and services tax
Ineligible Shareholder	a Shareholder who is not an Eligible Shareholder
Investment Manager	Perennial Value Management Limited (ACN 090 879 904)
Issue Price	the issue price of \$0.846 per New Share
Licensee	a holder of an AFSL
New Shares	the Shares offered under this Offer Booklet
Offer	the Entitlement Offer and the Shortfall Offer
Offer Booklet	this document and any supplementary or replacement Offer Booklet in relation to this document
Record Date	the date for determining Entitlements under the Entitlement Offer,

being 7:00pm (Sydney time) on 18 May 2015

Section	a section of this Offer Booklet
Shareholder	a registered holder of Shares
Share Registry	Link Market Services Limited (ACN 083 214 537)
Share	a fully paid ordinary share in Century Australia
Shortfall	the shortfall in applications for New Shares under the Entitlement Offer (if any)
Shortfall Offer	the facility described in Section 3.5 under which Eligible Shareholders may apply for additional New Shares in excess of their Entitlements
Shortfall Shares	the New Shares for which applications are not received under the Entitlement Offer prior to the Closing Date
Underwriter	<p>the associated shareholding entities of a Director that have entered into an underwriting agreement with Century Australia, being, in relation to:</p> <ul style="list-style-type: none"> ➤ Mr Robert Turner - Robert J Turner, Janice S Turner, Michael A Turner trustees Robert Turner Superannuation Fund; ➤ Mr Ross Finley - Coolal Pty Ltd (ACN 001 663 627); ➤ Mr Geoff Wilson - WAM Capital Limited (ACN 086 587 395), WAM Active Limited (ACN 126 420 719) and Botanical Nominees Pty Limited (ACN 081 032 000) ATF Wilson Asset Management Equity Fund; and ➤ Mr Stephen Menzies - Gyton Pty Ltd ATF two Menzies Superannuation Funds
Underwriting Agreement	each underwriting agreement between Century Australia and a Underwriter in which the Underwriter has partially underwritten the Entitlement Offer
Wilson Asset Management Group	Wilson Asset Management (International) Pty Limited (ACN 081 147 118), MAM Pty Limited (ACN 100 276 395), WAM Capital Limited (ACN 086 87 395), Botanical Nominees Pty Limited (ACN 081 032 000) ATF Wilson Asset Management Equity Fund, WAM Research Limited (ACN 100 504 541) and WAM Active Limited (ACN 126 420 719)