

6 July 2016

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## Pre-quotation Disclosure

WestStar Industrial Limited (previously Antares Mining Limited) (**Company**) provides the following information to ASX for release to the market in connection with the official quotation of the Company's fully paid ordinary shares.

Capitalised terms which have not been otherwise defined in this document have the meaning given to them in the replacement prospectus lodged by the Company with the Australian Securities and Investments Commission on 14 June 2016 (**Prospectus**).

### 1. Public Offer

The Company confirms that the conditions of the Public Offer under the Prospectus have been satisfied and it has issued a total of 65,120,000 Shares at \$0.05 per Share pursuant to the Public Offer.

### 2. Vendor Offer and completion of the Share Sale & Purchase Agreement for the Acquisition of Precast

The Company confirms that the conditions precedent to completion of the Share Sale & Purchase Agreement for the Acquisition of Precast have been satisfied and it has issued 80,000,000 Shares, 20,000,000 Options and 80,000,000 Performance Shares to the shareholders of Precast under the Vendor Offer.

The Acquisition was completed on 6 July 2016.

### 3. Issue of Securities to Advisers and conversion of Convertible Notes

The Company confirms that:

- Sanston Securities has waived its right to receive 5,000,000 unquoted options as Lead Manager (as defined at pages 6 and 19 of the Prospectus) and those options have therefore not been issued;
- it has issued 4,000,000 Shares to Celtic Capital Pty Ltd (being the nominee of CPS Capital) (as defined at pages 6 and 18 of the Prospectus);

- 25,000,000 Shares at a deemed issue price of \$0.04 per Share have been issued to Mr Ong Lay Ann and his nominees upon conversion of the principal amount of the Convertible Notes issued to Mr Ong on 9 September 2015 (being \$1,000,000); and
- 1,629,400 Shares at a deemed issue price of \$0.04 per Share have been issued to Mr Ong Lay Ann upon conversion of the interest due and owing under the Convertible Notes.

#### 4. Change of Company name and ASX code

The Company confirms it has changed its name from Antares Mining Limited to WestStar Industrial Limited with effect from 28 June 2016. A copy of the certificate of name change from the ASIC has been provided to the ASX. The Company has also received confirmation from the ASX of the change of ASX Code to WSI.

#### 5. No impediments

There are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Prospectus.

#### 6. Performance Shares

The Company confirms that, in respect of the issue of the Performance Shares issued to the vendors of Precast, the Company will comply with the ASX decision dated 11 April 2016.

#### 7. Capital structure

The Company's capital structure as at the date of reinstatement of the Company's ordinary shares to quotation is as follows:

Shares	Number <sup>1</sup>
Shares currently on issue	23,338,549
Shares issued pursuant to the Public Offer	65,120,000
Shares Issued to Celtic Capital Pty Ltd (being the nominee of CPS Capital) as fees under the Public Offer	4,000,000
Shares issued to the Vendors as consideration for the Acquisition	80,000,000
Shares issued upon conversion of Convertible Notes	26,629,400
<b>Total Shares</b>	<b>199,087,949</b>
Options	Number
Unlisted options exercisable at \$0.10 expiring on 6 July 2019	20,000,000
Performance Shares <sup>2</sup>	Number
Performance Shares	<b>80,000,000</b>

##### Notes:

1. Numbers inclusive of Securities subject to escrow listed in Section 11 below.
2. The 80 million Performances Shares issued to the Precast Vendors will convert into Shares upon satisfaction of the following milestones (each, a **Milestone**):
  - **(FY16 Tranche)**: if Precast achieves earnings before interest, tax, depreciation and amortisation (**EBITDA**) of at least \$500,000 but less than \$1 million during the financial year ending 30 June 2016, a total of 13.6 million Performance Shares will convert into Shares;

- **(FY17 Tranche):** if Precast achieves EBITDA of at least:
  - (a) \$1 million during the period 1 July 2016 to 30 June 2017; or
  - (b) \$1.5 million during the period 1 July 2015 to 30 June 2017,
 a total of 26.4 million Performance Shares (less the sum of any Shares which have already been converted into Shares under the FY16 Tranche) will convert into Shares;
- **(FY18 Tranche):** if Precast achieves EBITDA of at least:
  - (a) \$1.5 million during the period 1 July 2017 to 30 June 2018; or
  - (b) \$3 million during the period 1 July 2015 to 30 June 2018,
 a total of 40 million Performance Shares (less the sum of any Shares which have already been converted into Shares under the FY16 Tranche and the FY17 Tranche) will convert into Shares; and
- **(Bonus tranche):** if Precast achieves EBITDA during the period 1 July 2015 to 30 June 2018:
  - (a) of greater than \$3 million in aggregate, a total of 80 million Performance Shares (less the sum of any Shares which have already been converted into Shares during the period 1 July 2015 to 30 July 2018) will convert into Shares; or
  - (b) of between \$500,000 and \$3 million, the number of Performance Shares determined in accordance with the following formula will convert into Shares:

$$A = ((B/C) \times D) - E$$

**Where:**

- A = The number of Performance Shares to convert into Shares
- B = EBITDA achieved in aggregate for period 1 July 2015 to 30 June 2018
- C = \$3,000,000
- D = 80,000,000
- E = Total number of Performance Shares already issued under the FY16 Tranche, the FY17 Tranche and the FY18 Tranche respectively.

## 8. Statement of commitments

The Company provides the following updated statement of commitments based on the funds raised under the Public Offer:

Activity	Subscription \$3,256,000
Cash as at Pro Forma Date	\$882,325
Capital Raising	\$3,256,000
<b>TOTAL CASH:</b>	<b>\$4,138,325</b>
Expenses of the Capital Raising	(\$378,825)
Partial repayment of loan from WestStar	(\$806,000)
Acquisition of additional plant and equipment (casting beds and upgrade of facilities and signage)	(\$350,000)
Expansion of operations both organically and through acquisitions	(\$300,000)

<b>Activity</b>	<b>Subscription \$3,256,000</b>
Sales and marketing	(\$500,000)
<b>TOTAL COMMITMENTS:</b>	<b>\$2,334,825</b>
<b>Working capital</b>	<b>\$1,803,500</b>

## 9. Securities subject to escrow

The following securities are subject to mandatory restrictions in accordance with Chapter 9 and Appendix 9B of the ASX Listing Rules and will not be quoted until the expiry of their respective restriction periods:

<b>Security</b>	<b>Number</b>	<b>Restriction period</b>
Ordinary shares	70,629,400	24 months from reinstatement
Ordinary shares	20,000,000	12 months from date of issue
Options exercisable at \$0.10 each on or before 6 July 2019	15,000,000	24 months from reinstatement
Options exercisable at \$0.10 each on or before 6 July 2019	5,000,000	12 months from date of issue
Performance Shares	60,000,000	24 months from reinstatement
Performance Shares	20,000,000	12 months from date of issue

None of the Company's securities are subject to voluntary escrow.

## 10. WestStar Precast Pte Ltd loan to Precast

The Company confirms that pursuant to the terms of the loan facility provided by WestStar to Precast there is, as at the date of this announcement and following the partial release referred to in Section 14 below \$962,510 in principal and interest outstanding of which \$121,355 is interest. As set out under Section 10 above, it is expected that \$806,000 will be repaid within 12 months of the Company's reinstatement to trading on the ASX. It is anticipated that the remaining balance will be repaid during the 2017/18 financial year.

The Company confirms that WestStar has not yet registered its security interest pursuant to the loan facility.

## 11. Company loan to Precast

The Company confirms that the loan facility of \$400,000 provided by the Company to Precast has been fully drawn. The Company expects the repayment to take place in October 2016, being 6 months from the draw down date.

## **12. Universal Constructions Pty Ltd**

The Company confirms that Universal Constructions Pty Ltd has not yet accepted the “without prejudice” offer of \$206,000 (exclusive of GST) made by Precast in relation to a possible claim for liquidated damages. However, Universal Constructions Pty Ltd has paid to Precast a total of \$67,000 exclusive of GST during the course of negotiations in relation to the matter and discussions are continuing to collect the balance of \$139,000 plus any outstanding interest.

## **13. Lease agreement for Precast premises**

The Company confirms that Precast has received written consent from Sanmar Properties Pty Ltd pursuant to clauses 19.1 and 19.3 of the lease agreement of 4 Beach Street Kwinana Beach, Western Australia regarding the deemed assignment of the lease arising from the change in control of Precast as a result of completion of the Acquisition.

## **14. Material subsequent events**

The Company confirms that there have been no material subsequent events to alter the Company’s consolidated statement of financial position as detailed at Section 9 of the Prospectus, save for:

- (a) as set out in Section 7.2.1 of the Prospectus, Precast’s receipts from customers have been less than payments to its suppliers and employees and its cash flow position has been dependent on borrowings. This continued to be the case for the period subsequent to the consolidated statement of financial position included in Section 9 of the Prospectus, and led to a reduction in Precast’s cash balance over the period of \$353,115 to the end of May 2016; and
- (b) WestStar Precast Pte Ltd has released Precast from its obligation to repay \$251,000 of the amounts owing to WestStar Precast Pte Ltd under the loan facility provided to Precast (as discussed at Section 10 above).

## **15. Compliance with the Listing Rules**

The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

For and on behalf of the Board of WestStar Industrial Limited



**Peter Torre**  
**Company Secretary**