

LAND & HOMES GROUP LIMITED
(ACN 090 865 357)

RIGHTS ISSUE PROSPECTUS

For a pro rata, renounceable rights issue of 1 New Share for every 5.5 Shares held at the Record Date and 2 New Options for every 1 New Share subscribed for, to raise up to approximately \$7,975,233 before issue costs (“the Offer” or “the Rights Issue”).

The Offer is partially taken up and fully underwritten as to the balance.
Shareholders may apply for securities in excess of their Entitlement

Important Notice

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The securities offered under this Prospectus should be considered speculative.

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SUMMARY OF IMPORTANT DATES

Announcement of the Offer and Prospectus lodged with ASX and ASIC Appendix 3B lodged with ASX	28 June 2016
Company sends notice to Security holders containing the information required by Appendix 3B.	29 June 2016
"Ex" Date Rights trading commences on a deferred settlement basis	4 July 2016
Record Date	5 July 2016
Prospectus dispatched to Eligible Shareholders Opening Date of Offer	6 July 2016
Rights trading ends	15 July 2016
New Shares and New Options quoted on a deferred settlement basis	18 July 2016
Closing Date of Offer 5pm (Sydney time)	22 July 2016
Company to notify ASX of under subscriptions (if any)	27 July 2016
Despatch Date Allotment of securities Deferred settlement trading ends	29 July 2016
Expected date for normal trading of securities to commence on ASX	1 August 2016

This timetable is indicative only and subject to change. The Company in consultation with the Underwriter reserves the right to vary the above dates, subject to the Listing Rules and the Corporations Act.

IMPORTANT NOTES
Understanding this Prospectus

This Prospectus is dated 28 June 2016 and was lodged with ASIC on that date.

Neither ASIC nor ASX take responsibility for the content of this Prospectus. The Directors of the Company reserve the right to close the Offer earlier than the timetable or vary any of the important dates set out in this Prospectus without prior notice, including extending the closing date of the Rights Issue. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Company will apply to ASX for the New Shares and New Options to be granted Official Quotation within seven days of the date of this Prospectus.

This Prospectus 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. Applications for New Shares, New Options and Shortfall Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

The New Shares and New Options are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares and New Options is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

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

This Prospectus and any other materials relating to the New Shares and New Options have not been and will not be lodged or registered as a Prospectus with the Monetary Authority of Singapore.

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

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Except as required by law, and only to

the extent so required, neither the Company, nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

This Prospectus should be read in its entirety. The risks associated with investing in the Company are significant and potential investors should carefully consider those risks and seek professional advice before deciding whether to invest.

If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser. In particular, it is important that you consider the risk factors (see Section 5 of this Prospectus) that could affect the performance of the Company before making an investment decision.

Subject to the requirements of the Corporations Act and the Listing Rules, the Company reserves the right to vary the timetable summarised on page 3 of the Prospectus.

Some words and expressions used in this Prospectus have defined meanings which are explained in Section 8.

Additional copies of this Prospectus are available from the registered office of the Company during normal business hours. A copy of the Prospectus can be downloaded from the website of the Company at www.landnhomesgroup.com, or the website of ASX at www.asx.com.au. Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Prospectus available on the Company's website does not include an Entitlement and Acceptance Form. Eligible Shareholders wishing to take up their Entitlement should complete the paper copy of the personalised Entitlement and Acceptance Form which accompanies a paper copy of this Prospectus.

KEY INVESTMENT RISKS

Investment in Land & Homes should be considered speculative.

Land & Homes' business is the development of medium to high density residential apartments in South East Queensland, initially in the city of Brisbane.

Please refer to the Risk Factors set out in Section 5 of this Prospectus for further details.

The Shares offered pursuant to this Prospectus should be considered as a Speculative Investment. There are a number of risks associated with investing in Shares in the Company, which include the following:

New Business: The Company has only recently commenced the business of buying and developing properties. Accordingly it has no track record. In achieving success the Company will be dependant on the skills and experience of its Board of Directors and on the Company being able to recruit and retain appropriately qualified and experienced personnel.

NTA per New Share: On completion of the Offer and the Transaction, the pro forma NTA of each Share will be \$0.0136. Unless Shareholders believe that the Company will be able to create value by successfully developing its existing property at 207 Wharf Street, Brisbane, and the property at 44, 60-66 and 100 Barry Parade, Fortitude Valley and by acquiring and successfully developing other properties, the shares may trade at a discount to the Offer Price of \$0.050 per share.

Acquisition Financing: The Company will need to finance the acquisition of the property at 44, 60-66 and 100 Barry Parade, Fortitude Valley by way of bank loan. Assuming a loan-to-value ratio of 70%, the Company will need to borrow \$14 million dollars. The Company is currently negotiating for such finance. The ability of the Company to complete the acquisition of the Barry Parade Property will be dependant upon it being able to obtain such financing and satisfy the conditions attaching to the financing, which are expected to include receipt of a valuation report and completion of all relevant legal documentation. If the Company is unable to negotiate such finance, or is unable to satisfy the conditions of such finance, it will be unable to complete the purchase of the Barry Parade Property and will breach its obligations under the Option Agreement which could give rise to substantial loss.

Refinancing Risk: The Company may be required to refinance the loan when it expires after one year. There can be no guarantee that the Company will be able to refinance the loan when it expires, in which case the Company may be required to sell the Barry Parade Property, in which case the Company would be unable to proceed with its plan to redevelop the property. In addition the Company will be required to raise additional funds to redevelop the property. Interest rates may increase during the term of the loan, which would impact on the economics of the project.

Timing: There may be a downturn in the viability of new residential development due to an over-supply arising from the current construction boom. The main risk is if the investor market softens. It is currently driven to residential property due to relatively cheap finance and the poor performance of the equity and bond markets. The brakes on investors and banks are already being applied by APRA and others.

In the event that there is downturn it may be necessary to delay the commencement of the development process.

Once commenced, construction could be delayed by factors such as adverse weather conditions, industrial action and labour and equipment shortages.

Completion Risk: The tightening of lending policies by the banks in Australia coupled with any reduced valuation of properties in the event the property market weakens, presents risks that purchasers who rely on bank financing to complete settlement may not have the required funds to do so.

Construction Cost: An increase in construction costs could arise as a result of increased construction activity. This could delay redevelopment of the Barry Parade Property until costs return to normal.

Sales Rate and Presales Volume: Conventional bank funding will require presales in excess of 60%. Of this the Company will require a percentage of overseas sales to maintain a rate of sales and volume to meet targets. Such sales may be affected by the rate of currency exchange for the Australian Dollars as against various Asian currencies and increased acquisition cost for foreign purchasers (see below).

Additional Requirements for Capital: The Company may need to raise additional capital in future which could dilute shareholders at that time.

Increased Acquisition Cost for Foreign Purchasers: The Queensland government has announced that it will introduce a 3% stamp duty surcharge on the acquisition of houses and apartments in Queensland for foreign purchasers. This will affect the cost of acquiring the apartments in the Barry Parade Property from the foreign purchasers' perspective, which in turn may affect the Company's ability to achieve the required overseas pre-sale volume and ultimately the economics of the project.

1. CHAIRMAN'S LETTER

LAND & HOMES GROUP LIMITED

Hyde Park Tower, Level 3A, 142-148 Elizabeth Street, Sydney NSW 2000 Australia

Tel: (02) 8281 3008

ACN 090 865 357

28 June 2016

Dear Shareholder

PRO-RATA RENOUNCEABLE RIGHTS ISSUE

As announced to ASX on 28 June 2016, the Company is undertaking a pro rata renounceable offer of ordinary fully paid shares with attaching options to eligible shareholders, being persons who are registered as shareholders of the Company on the Record Date.

The offer is on the basis of 1 new share ("**New Share**") for every 5.5 shares held by Eligible Shareholders of the Company on the Record Date at an issue price of \$0.05 per New Share, together with 2 attaching Options with an exercise price of \$0.20 and an expiry date on the fifth anniversary of the date of issuance ("**New Option**") for every 1 New Share issued, to raise up to approximately \$7.9million (before expenses) ("**Offer**"). In calculating Entitlements under the Offer, fractions will be rounded up to the nearest whole number.

The New Options, if exercised would raise up to a further \$63,801,862 in additional funds.

The Company has set 7:00pm (Sydney time) on 5 July 2016 as the Record Date for the purposes of determining shareholders' entitlement to participate in the Offer.

New Shares issued pursuant to the Offer will rank equally with existing ordinary shares currently on issue and the Company will apply for official quotation of the New Shares.

The terms of the New Options issued pursuant to the Offer are set out in Section 6.2 of this Prospectus and the Company will apply for official quotation of the New Options.

Eligible Shareholders, being all Shareholders with registered addresses in Australia, New Zealand and Singapore, are entitled to apply for additional New Shares with attaching New Options over and above their Entitlement.

The Company intends to apply the proceeds raised from the Offer towards the acquisition of land for development or sale and for general working capital purposes.

The details of the Offer are set out in this Prospectus. I encourage you to read this Prospectus in its entirety and invite you to evaluate this opportunity carefully against your personal investment objectives.

Please note that the Closing Date for acceptances is 5:00p.m. (Sydney time) on 22 July 2016.

Yours faithfully,



Choon Keng Kho

Chairman

Land & Homes Group Limited

2. DETAILS OF THE OFFER

This Section provides an overview of the Rights Issue. Before deciding whether to subscribe for New Shares and New Options under this Prospectus, you should read this Prospectus in its entirety.

2.1. The Offer

The Offer being made in this Prospectus comprises a renounceable Rights Issue, as follows:

Eligible Shareholders are offered the right to subscribe for new, fully paid ordinary shares in the Company ("New Shares"), at a price of \$0.05 per share, on the basis of 1 New Share for every 5.5 shares held at the Record Date.

Upon successfully subscribing for New Shares you will also be issued with attaching options each to subscribe for 1 fully paid ordinary share in the Company, exercisable at \$0.20 expiring on the fifth anniversary of the date of issuance ("New Option"), on the basis of 2 New Options for each 1 New Share issued.

Where fractions arise in the calculation of entitlements, they will be rounded up to the next whole number.

The number of New Shares to which an Eligible Shareholder is entitled is shown on the personalised Entitlement and Acceptance Form that accompanies the copy of the Prospectus sent to each Eligible Shareholder.

Only Eligible Shareholders are entitled to participate in the Rights Issue. Please refer to Section 7 for information about how to take up your Rights.

The Offer is renounceable. Accordingly Eligible Shareholders who do not wish to subscribe for some or all of their rights have an opportunity to sell their rights. Shareholders who do not exercise their rights will be diluted.

The Rights Issue will close on 22 July 2016 or such later date as the Directors may determine ("the Closing Date"). Notice of any decision to extend the period of the Rights Issue must be given at least 3 business days prior to the Closing Date by an announcement to ASX.

All New Shares issued pursuant to the Rights Issue under this Prospectus will rank equally with existing shares in the Company. The terms and conditions of the New Shares and the New Options are set out in Sections 6.1 and 6.2 respectively.

Subject to the requirements of the Listing Rules, the Company intends to apply to the ASX for Official Quotation of the New Shares, and of the New Options.

2.2. The Barry Parade Property

The funds raised under the Offer are intended to be used for the acquisition of the Barry Parade Property in Brisbane.

The Board believes that the site is a prime residential apartment location being located on the edge of Fortitude Valley, Spring Hill and Brisbane CBD and is within easy walking distance of the city and its major retail & entertainment offerings, employment nodes, numerous schools, and a variety of transport options.

The 100 Barry Parade site is currently comprised of a number of single storey commercial units together with an operational services station, and is occupied by three tenants on a monthly holdover with an overall gross rent of \$43,200 per annum.

There is an existing Development Approval (DA) in place (granted 26 Feb 2015) for a 25 storey, two tower development of 566 residential units, comprising 389 1-bed, 167 2-bed and 10 3-bed units.

The Company believes there is a potentially better use of the site with a simpler design concept. This, along with a staged two tower approach to the development of the site, will provide a better return for shareholders. LHM is reviewing the feasibility of two more efficient and more elegantly designed towers, including a larger overall podium area providing;

- A two tower development of around 400-450 one and two bedroom apartments;
- Around 1135sqm of ground floor retail facilities
- Approximately 340 car parking spaces over 5 basement levels.

The board of LHM are satisfied this approach will deliver a materially lower acquisition price per apartment, which they believe provides the foundation of a well-priced acquisition and planned development in an excellent location on the CBD edge.

The Board believes that the simpler design scheme should be able to be treated as a permissible change to the existing approved DA to the site.

It is the intention to commence the architectural design and town planning negotiations in the second quarter of 2016. LHM intends that construction will be contracted through a Brisbane-based, tier-one main contractor. The final form of contract has not been determined at this time but the Company expects construction to commence early 2017. Completion is expected to take between 2 to 3 years.

2.3. Take up and Underwriting

Telok Ayer Capital Pte Ltd and Telok Ayer Holdings Pte Ltd (“**Telok Ayer**”), which companies are associated with two Directors of the Company (Mr C K Kho and Mr Patrick Kho) and which currently hold in aggregate 57% of the Company’s issued capital, have agreed to follow their rights and to underwrite the balance of the Offer. Telok Ayer will not charge the Company for underwriting the Offer. Given that the Underwriter has agreed to act as underwriter to the Issue for no fee or any other consideration and that the Underwriting Agreement is otherwise on normal terms, the Board (not including Mr CK Kho and Mr Patrick Kho) considers that the terms of the underwriting are better than arm’s length from the Company’s perspective.

Telok Ayer has agreed to use its best endeavours to procure sub-underwriting for the whole of the balance of the Offer from an unrelated party. The Company will reimburse Telok Ayer the actual fees, charges and expenses charged by any sub-underwriter in connection with the sub-underwriting of the Offer up to the estimated amount. The estimated costs of the sub-underwriting are set out in Section 6.11.

2.4. Control

In the event no other Shareholders take up their rights and Telok Ayer is unable to procure a sub-underwriter or for some reason the sub-underwriter to the Issue does not perform its sub-underwriting commitments and Telok Ayer is required to take up the whole of the underwritten balance of the Issue, Telok Ayer’s aggregate percentage shareholding, and therefore the relevant interests of Mr C K Kho and Mr Patrick Kho, in the Company would increase from 57% to 63.61%.

Further, in the event no other shareholders took up their entitlements under the Offer and Telok Ayer subsequently exercise their New Options, Telok Ayer’s aggregate percentage shareholding, and therefore the relevant interests of Mr C K Kho and Mr Patrick Kho, in the Company would increase from 63.61% to 72.17%.

	Current Shareholding	Post-Issue assuming no other shareholder takes up their rights, Telok Ayer take up their rights fully and the balance of Issue fully subunderwritten	Post-Issue assuming no other shareholder takes up their rights and Telok Ayer underwrite balance of the Issue	Post Exercise of New Options assuming no other shareholder takes up their rights and Telok Ayer underwrite balance of the Issue
Telok Ayer*	500,000,000 (57%)	590,909,091 (57%)	659,504,656 (63.61%)	978,513,969 (72.17%)
Other Shareholders	377,275,609 (43%)	377,275,609 (36.39%)	377,275,609 (36.39%)	377,275,609 (27.83%)
Sub - underwriter	-	68,595,565 (6.62%)	-	-

	Current Shareholding	Post-Issue assuming no other shareholder takes up their rights, Telok Ayer take up their rights fully and the balance of Issue fully subunderwritten	Post-Issue assuming no other shareholder takes up their rights and Telok Ayer underwrite balance of the Issue	Post Exercise of New Options assuming no other shareholder takes up their rights and Telok Ayer underwrite balance of the Issue
Total Shares Outstanding	877,275,609	1,036,780,265	1,036,780,265	1,355,789,578

* Mr C K Kho and Mr Patrick Kho's relevant interest in Telok Ayer are shown in Section 6.7.

2.5. Eligibility of Shareholders for the Offer

The Rights Issue Offer is made only to those Shareholders whose registered address is in Australia, New Zealand or Singapore as at 7.00pm (Sydney time) on the Record Date ("Eligible Shareholders").

Shareholders whose registered address is not in Australia, New Zealand or Singapore, or who become registered holders of Shares in the Company after the Record Date, are not eligible to participate in the Offer ("Ineligible Shareholders").

An Entitlement and Acceptance Form setting out Eligible Shareholders' Entitlements accompanies the hard copy of this Prospectus distributed to Eligible Shareholders.

Eligible Shareholders who do not take up their Entitlement in full may, as a result of this Rights Issue, have their percentage shareholding in the Company diluted.

2.6. Shortfall Facility

Eligible Shareholders may apply for securities in excess of their Entitlement and are therefore invited to apply for Shortfall Securities arising out of any existing Shareholders not taking up all or part of their Entitlement, by completing the section of the personalised Entitlement and Acceptance Form, which deals with Shortfall Securities. Section 7.1 of this Prospectus provides further information regarding Applications for Shortfall Securities.

The Underwriter may not apply for New Shares with attaching New Options under the Shortfall Facility, and New Shares with attaching New Options under the Shortfall Facility will be allocated to Applicants prior to calculating the Underwritten Securities for the purposes of the Underwriting Agreement.

Any New Shares with attaching New Options representing rights of Ineligible Shareholders which are not sold as described in Section 2.14 or which are otherwise not exercised will form part of the Underwritten Securities.

Shareholders' rights to be issued Shortfall Securities will be limited such that no Shareholder which currently holds 20% or less of the Company's issued capital may

acquire relevant interest in greater than 20% of the Company's diluted issued capital following the Rights Issue, and no Shareholder which currently holds greater than 20% of the Company's issued capital may increase its percentage interest in the Company's post-Rights Issue diluted issued capital.

Directors are not permitted to participate in the Shortfall Facility.

2.7. Eligible Shareholder Entitlements

The Entitlement of each Eligible Shareholder is shown on the personalised Entitlement and Acceptance Form.

2.8. Closing Dates and Payment for Securities

The Closing Date for acceptance of Entitlement and Acceptance Forms and Shortfall Application Forms is 5:00pm (Sydney time) on 22 July 2016.

Cheques must be drawn in Australian currency on an Australian bank and made payable to 'Land & Homes Group Limited' and crossed 'Not Negotiable'. Shareholders are asked not to forward cash by mail. Receipts for payment will not be issued.

Eligible Shareholders may submit payments for New Shares applied for using BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form.

2.9. Allotment of Securities

The New Shares and New Options will be allotted and issued no more than 5 Business Days after the Closing Date. Holding statements will be dispatched as soon as practicable after allotment and issue of the securities.

Until the allotment and issue of the New Shares and New Options under this Prospectus, Application Monies will be held by the Company in trust in a separate bank account maintained for that purpose only. Any interest earned on Application Monies will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place.

2.10. ASX Quotation

Within seven days after the date of this Prospectus we will make application for the New Shares and the New Options issued pursuant to the Offer to be granted quotation on the Official List of the ASX.

If ASX does not grant Official Quotation of the New Shares and the New Options within 3 months after the date of the Prospectus then the New Shares and New

Options will not be allotted and Application Monies will be repaid in full without interest.

Quotation of the New Shares and the New Options on the Official List of the ASX does not in any way indicate an endorsement by the ASX of the Company, our projects or the New Shares and New Options. The ASX takes no responsibility for the contents of this Prospectus.

2.11. CHES System

We participate in the Clearing House Electronic Subregister System ("CHES"). ASX Settlement Pty Limited (ACN 008 504 532) ("ASX Settlement"), a wholly owned subsidiary of ASX, operates CHES in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHES, Shareholders will not receive certificates for their New Shares and New Options but will receive a statement of their holdings indicating the allotment of their New Shares and New Options pursuant to their acceptance of the Offer made under this Prospectus.

Shareholders who are broker-sponsored will receive a CHES statement from ASX Settlement.

Shareholders registered under the Issuer Sponsored subregister will receive a statement from Security Transfer Registrars Pty Ltd.

A CHES statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any month in which the balance of their shareholding or option-holding changes. Shareholders may also request a statement at any other time, although a charge may be made for this additional service.

2.12. Rights and Liabilities attaching to the New Shares and New Options

From allotment, the New Shares issued pursuant to this Prospectus, will rank equally in respect of dividends and in all other respects (e.g. voting, bonus issues) as existing Shares.

A summary of the rights and liabilities attaching to the New Shares and New Options is set out in Sections 6.1 and 6.2 of this Prospectus.

2.13. Places of Offer

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. Shareholders who do not have a registered address in Australia, New Zealand or Singapore are not eligible to participate in the Offer. The laws of jurisdictions outside of Australia, New Zealand and Singapore may restrict the distribution of this Prospectus. Anyone who comes

into possession of this Prospectus outside Australia, New Zealand or Singapore should seek advice on and observe any such restrictions. A failure to comply with those restrictions may constitute a violation of applicable securities laws.

The Company is of the view that it is unreasonable to extend the Rights Issue to Shareholders with registered addresses outside Australia, New Zealand or Singapore, having regard to:

- the small number of Shareholders with registered addresses outside Australia, New Zealand and Singapore;
- the number and value of the New Shares which would be offered to ineligible Shareholders; and
- the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, this Offer will not be made to Ineligible Shareholders. In order for a Shareholder to participate in the Offer, the Shareholder must be resident in Australia, New Zealand or Singapore at the Record Date.

Eligible Shareholders holding Shares on behalf of persons who are resident outside Australia, New Zealand and Singapore are responsible for ensuring that participation in the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form or payment by BPAY® will constitute a representation that there has been no breach of such regulations. Shareholders who are nominees are therefore advised to seek independent advice as how they should proceed. Where the Offer has been dispatched to a Shareholder domiciled outside Australia, New Zealand or Singapore and where the country's securities code or legislation prohibits or restricts in any way the making of the offers contemplated by this Prospectus, the Prospectus is provided for information purposes only.

2.14. Ineligible Shareholders

The Company has appointed Peloton Capital Pty Ltd (AFS Licence No. 406040) which has been approved by ASIC as nominee for the Ineligible Shareholders to arrange for the sale of the Rights which would have been offered to them. The Company will transfer the Rights of the Ineligible Shareholders to the Nominee's settlement agent who will account to the Ineligible Shareholders for the net proceeds of the sale of the Rights (if any). The Nominee will have the absolute and sole discretion to determine the timing and the price at which Rights may be sold and the manner of any such sale. Neither the Company nor the Nominee will be subject to any liability for failure to sell the Rights or to sell them at a particular price. If in the reasonable opinion of the Nominee, there is no viable market for the Rights or a surplus over the expenses of sale cannot be obtained for the Rights that would have been offered to the Ineligible Shareholders, then the Rights will be allowed to lapse

and the New Shares and attaching New Options representing such rights will be available under the Shortfall Facility.

2.15. New Zealand Shareholders

The New Shares and New Options are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares and New Options is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

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

2.16. United States Shareholders

This Prospectus does not constitute an offer for sale of the New Shares or New Options or any right to a security into the United States or to U.S. persons. The New Shares and New Options have not been, and will not be, registered under the U.S. Securities Act and must not be offered or sold within the United States or to U.S. persons unless they are registered under the U.S. Securities Act or an exemption from the registration required of the U.S. Securities Act is available.

2.17. Singaporean Shareholders

This Prospectus and any other materials relating to the New Shares and New Options have not been, and will not be, lodged or registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Shares and New Options may not be circulated or distributed, nor may any New Shares or New Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Prospectus immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares or New Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares or New Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

2.18. Application of Funds Raised

The Company's present intention is to use the funds raised under the Offer as follows:

	Rights \$'000
<u>Capital Raising</u>	
Rights Issue	7,975
Total	7,975
<u>Use of Proceeds</u>	
Acquisition of Property	6,000
Property Due Diligence	150
Stamp duty	1,130
Cost of Offer	820
Working Capital	(125)
Total	7,975

This is a statement of present intention only. The Company and Directors reserve the right to change the way and the proportion in which the funds are applied.

2.19. Option Agreement

As announced on 2 May 2016, the Company entered into a Conditional Put and Call Option Agreement ("Option Agreement") to acquire the Barry Parade Property. The Option Agreement permits LHM to exercise the call option of acquiring (or nominate a nominee to acquire) the Barry Parade Property at \$20,000,000 (exclusive of GST) prior to 30 September 2016.

The exercise of the call option is conditional on the Buyer obtaining the approval of the Foreign Investment Review Board ("FIRB") to purchase the property within 30 days after execution of the Option Agreement. FIRB advised the Company that approval is not required in relation to the purchase of the property on 23 May 2016.

If LHM (or its nominee) does not exercise the Option, the Vendor may at any time before 7 October 2016 exercise its put option to require LHM purchase the Barry Parade Property.

The purchase price of the property is payable by three instalments:

- (i) Initial advance deposit of AU\$1,000,000 within 5 Business Days following execution of the Option Agreement;
- (ii) Further deposit of AU\$1,000,000 within 3 months following execution of the Option Agreement; and
- (iii) The balance of the purchase price is payable at Settlement.

Settlement is to occur on 31 October 2016.

LHM will purchase the property with existing monthly tenancies in place and it is expected that the going concern exemption will apply with respect to GST. If GST is payable, the Vendor will contribute up to \$175,000 towards the additional costs incurred by LHM, excluding the actual GST liability.

2.20. Financing of the acquisition

LHM intends financing the acquisition by a combination of debt and equity.

The equity component will be funded by funds raised under the current Offer and from existing working capital.

LHM's majority Shareholders, Telok Ayer Holdings Pte Ltd and Telok Ayer Capital Pte Ltd, companies associated with the Chairman Mr CK Kho and another Director Mr Patrick Kho, have lent LHM the sum of \$1,000,000 to enable LHM to fund the initial advance deposit under the Option Agreement as an interest free Shareholder Loan. The loan will be repaid out of the proceeds of the Rights Issue.

The debt component of the purchase price is currently being negotiated. Assuming a loan-to-value ratio of 70%, the Company will need to borrow \$14 million dollars.

2.21. Share Placement

Following the Rights Issue, the Company may raise up to an additional \$1 million by way of a private placement of up to 20 million shares with attaching options on the same terms as the Rights Issue. The share placement would cater to any demand for LHM shares in excess of the amount of the Offer and the funds raised would provide additional working capital to the Company.

3. PURPOSE

The purpose of the Offer is to raise approximately \$7,975,000 (before expenses), if fully subscribed. The New Options, if exercised would raise up to \$63,801,000 in additional funds.

The Company intends to apply the proceeds raised from the Offer in payment of expenses for the Offer, acquire land for development or sale (see section 2.18, above) and for general working capital purposes.

4. EFFECT OF THE OFFER ON THE COMPANY

4.1 The effect of the Offer on the Company's issued share capital will be as follows:

Land & Homes Group Limited Capital Structure

Number of Existing Shares (prior to the Rights Issue)	Number of New Shares to be Issued Under this Prospectus	Total Shares on issue upon completion of the Offer
877,275,609	159,504,656	1,036,780,265

Cash Position

Completion of the Offer (not including the Share Placement) and the acquisition of the Barry Parade Property will have the effect of reducing the Company's cash reserves by approximately \$125,000 (after deducting estimated costs of the Rights Issue).

Of the sum of \$7,975,000 raised pursuant to the Rights Issue, the sum of \$7,280,000 will be applied towards the acquisition of the Barry Parade Property. Following payment of the expenses of the Rights Issue estimated at \$820,000, the net cash position and the cash available for working capital purposes will be reduced by \$125,000.

In the event all of the New Options are exercised, the Company will raise an additional \$63,801,000.

4.2 Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Company's Shares on the ASX, during the three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: \$0.069

Lowest: \$0.038

The Volume Weighted Average Price for the Company's Shares for such three month period was \$0.0495.

The last market sale price prior to the lodgement date of this Prospectus with ASIC on 9 June 2016 was \$0.045.

4.3 Financial Statements

Set out below is a *pro forma* Statement of Financial Position for the Company after taking into account the effect of the Rights Issue. This statement is based on the accounts of the Company as at 31 March 2016.

The *pro forma* Consolidated Statement of Financial Position illustrates the effect of:

- A. The issue of 159,504,656 fully paid ordinary shares at \$0.05 raising \$7,975,233; and
- B. The Rights Issue is based on the following assumptions:
 - (i) All Shareholders are Eligible Shareholders;
 - (ii) The Rights Issue will result in the Company issuing an additional 159,504,656 New Shares;
 - (iii) The activities of the Company since 31 March 2016 are not recognised in the pro forma Statement of Financial Position save as follows:
 - (a) completion of the Offer to raise approximately \$7,975,233 (before expenses);
 - (b) expenses of the Offer of up to approximately \$820,000 (excluding GST) which have been offset against the proceeds of the Offer;
 - (c) the purchase of the Barry Parade Property for a consideration of \$20,000,000;
 - (d) due diligence expenses incurred in the acquisition of the property amounting to \$150,000;
 - (e) Stamp duty incurred in the purchase of the property amounting to \$1,130,000;
 - (f) securing a bank loan of \$14,000,000 for the purchase of the property, and
 - (g) the issuance of 3,114,422 shares on 14 April 2016 to Equinex Investments Limited for nil consideration in lieu of cash fees for corporate advisory services. These fees were previously approved at a general meeting of the Company held on 1 December 2014.

Pro Forma Consolidated Statement of Financial Position

	Unaudited 31-Mar-16 \$	Adjustments Rights Issue \$		Unaudited Pro Forma 31-Mar-16 \$
ASSETS				
Current assets				
Cash and cash equivalents	1,008,105	(124,767)	(1)	883,338
Other Receivables	328,649			328,649
Total Current Assets	1,336,754			1,211,987
Non-current assets				
Investment property	22,727,792	21,280,000	(2)	44,007,792
Total non-current assets	22,727,792			44,007,792
TOTAL ASSETS	24,064,546			45,219,779
LIABILITIES				
Current Liabilities				
Trade and other payables	1,205,258			1,205,258
Bank Borrowings	15,960,000	14,000,000	(3)	29,960,000
Total Current Liabilities	17,165,258			31,165,258
TOTAL LIABILITIES	17,165,258			31,165,258
NET ASSETS	6,899,288			14,054,521
EQUITY				
Issued Capital	60,548,563	7,155,233	(4)	67,703,796
Accumulated Losses	(53,649,275)			(53,649,275)
TOTAL EQUITY	6,899,288			14,054,521

Notes:

**Unaudited Pro-
forma 31 March
2016**

**NOTE 1: CASH AND CASH
EQUIVALENTS**

	\$
As at 31 March 2016	1,008,105
Application funds received under the prospectus	7,975,233
Less:	
Expenses of the Offer	(820,000)
Funds used toward the purchase of the property	(7,280,000)
Unaudited Pro Forma 31 March 2016	<u>883,338</u>

NOTE 2: INVESTMENT PROPERTY

	\$
As at 31 March 2016	22,727,792
Add:	
Purchase consideration of the Property	20,000,000
Due Diligence expenses	150,000
Stamp Duty	1,130,000
Unaudited Pro Forma 31 March 2016	<u>44,007,792</u>

**NOTE 3: BANK
BORROWINGS**

	\$
As at 31 March 2016	15,960,000
Add:	
Loan from Bank for the purchase of the Property	14,000,000
Unaudited Pro Forma 31 March 2016	<u>29,960,000</u>

NOTE 4: ISSUED CAPITAL

Ordinary shares	No.	\$
As at 31 March 2016	874,161,187	60,548,563
Shares issued on 14 April 2016	3,114,422	-
Shares issued under Prospectus		
- Application funds received	159,504,656	7,975,233
- Less: estimated expenses of the offer		(820,000)
Unaudited Pro Forma 31 March 2016	<u>1,036,780,265</u>	<u>67,703,796</u>

5. RISK FACTORS

5.1 Introduction

This Section identifies the areas the Directors regard as the key risks associated with an investment in the Company. Potential investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies. Accordingly, the New Shares and the New Options to be issued under this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares and New Options. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares and New Options in the Company.

The following summary, which is not exhaustive, represents some of the key risk factors potential investors need to be aware of as they may in the future materially affect the financial performance of the Company and the value of New Shares and the New Options to be issued under this Prospectus. Potential investors should read the whole of this Prospectus in order to appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for New Shares and the New Options.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of more specific risks associated with the Company's business. These risk factors are largely beyond the control of the Company and its directors because of the nature of the proposed business of the Company.

5.2 Business Risk Factors

(a) New Business

The Company has only recently commenced the business of buying and developing properties. Accordingly it has no track record. In achieving success the Company will be dependant on the skills and experience of its Board of Directors and on the Company being able to recruit and retain appropriately qualified and experienced personnel.

(b) NTA per New Share

On completion of the Offer and of the Transaction, the pro forma NTA of each share will be \$0.0136. Unless Shareholders believe that the Company will be able to create value by successfully developing its existing property at 207 Wharf Street, Brisbane and the Barry Parade Property, and by acquiring and successfully developing other properties, the shares may trade at a significant discount to the Offer Price of \$0.05 per share.

(c) Acquisition Financing

The Company will need to finance the acquisition of the property at 44, 60-66 and 100 Barry Parade, Fortitude Valley by way of bank loan. Assuming a loan-to-value ratio of 70%, the Company will need to borrow \$14 million dollars. The Company is currently negotiating for such finance. The ability of the Company to complete the acquisition of the Barry Parade Property will be dependant upon it being able to obtain such financing and satisfy the conditions attaching to the financing, which are expected to include receipt of a valuation report and completion of all relevant legal documentation. If the Company is unable to negotiate such finance, or is unable to satisfy the conditions of such finance, it will be unable to complete the purchase of the Barry Parade Property and will breach its obligations under the Option Agreement which could give rise to substantial loss.

(d) Re- Financing Risk

The Company may be required to refinance the loan when it expires after one year. There can be no guarantee that the Company will be able to refinance the loan when it expires, in which case the Company may be required to sell the property at 207 Wharf Street, Brisbane, in which case the Company would be unable to proceed with its plan to redevelop the property. In addition the Company will be required to raise additional funds to redevelop the property.

Interest rates may increase during the term of the loan, which would impact on the economics of the project.

(e) Timing

There may be a downturn in the viability of new residential development due to an over-supply arising from the current construction boom. The main risk is if the investor market softens. It is currently driven to residential property due to cheap finance and the poor performance of the equity and bond markets. The brakes on investors and banks are already being applied by APRA and others.

In the event that there is downturn it may be necessary to delay the commencement of the development process beyond the termination of the current tenancy. In that case there will be need for capital expenditure to refurbish the property to secure new tenants on commercial rents.

Once commenced, construction could be delayed by factors such as adverse weather conditions, industrial action and labour and equipment shortages.

(f) Completion Risks

Sales of residential apartments normally occur by way of off -the-plan purchase, where a small percentage of the total purchase price is paid as down payment at the time the sales contract is entered and the remainder of the purchase price is paid at settlement when construction of the property has completed. The banks in Australia have recently tightened their lending terms for investors, including by refusing to lend to investors whose source of income is derived outside of Australia. Coupled with any reduced valuation at the time of settlement, some buyers may not be able to obtain the financing to complete their property purchases.

(g) Construction Cost

An increase in construction costs could arise as a result of increased construction activity. This could delay redevelopment of the Barry Parade Property until costs return to normal.

(h) Sales Rate and Presales Volume

Conventional bank funding will require presales in excess of 60%. Of this the Company will require a percentage of overseas sales to maintain a rate of sales and volume to meet targets. Such sales may be affected by the rate of currency exchange for the Australian Dollar as against various Asian currencies and the increase of acquisition cost for foreign purchasers (see below).

(i) Additional requirements for capital

The Directors expect that the Company will have sufficient capital resources to enable the Company to achieve its initial business objectives. However, the Directors can give no assurances that such objectives will in fact be met without future borrowings or capital raisings. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its expansion and development programs. If the Company is successful in meeting its initial objectives with respect to the project, then additional capital may be required to further develop its operations and pursue business opportunities.

(j) Increased Acquisition Cost for Foreign Purchasers

The Queensland government has announced that it will introduce a 3% stamp duty surcharge on the acquisition of houses and apartments in Queensland for foreign purchasers. This will affect the cost of acquiring the apartments in the Barry Parade Property from the foreign purchasers' perspective, which in turn may affect the Company's ability to achieve the

required overseas pre-sale volume and ultimately the economics of the project.

5.3 Investment Risk Factors

(a) Stock Market Fluctuations

The Shares are to be quoted on ASX, where their price may rise or fall in relation to the Offer Price. General movements in local and international stock markets, prevailing economic conditions, investor sentiment and interest rates could all affect the market price of the Shares. The Shares issued under this Prospectus carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The value of the Shares will be determined by the stock market and will be subject to a range of factors beyond the control of the Company, the Directors and the Company's management.

(b) Economic Conditions

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, inflation, interest rates, access to debt and capital markets, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters, and government fiscal, monetary and regulatory policies. A prolonged deterioration in general economic condition, including a decrease in commodity demand, may have an adverse impact on the Company's business or financial condition.

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals which underpin the demand for property. No guarantee can be made that the Company's market performance will not be adversely affected by any such market fluctuations. None of the Board, the Company, or any person associated with the Offer guarantees the market price at which the Shares will trade.

(c) Liquidity of Shares

There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in shareholders who acquire Shares under the Offer receiving a market price for their Shares that is less or more than the Offer Price they paid.

The sale of large quantities of Shares after the Offer may also cause a fluctuation in the price at which the Shares trade on ASX from time to time.

(d) Taxation Issues

The tax and duty rules or their interpretation in relation to an investment in the Company and/or investments by the Company may change during the life of the Company. In particular, both the level and basis of taxation may change. In addition an investment in the Company may involve tax considerations which may differ for each Shareholder. Each prospective Shareholder is encouraged to seek professional tax and duty advice in connection with any investment in the Company.

6. ADDITIONAL INFORMATION

6.1. Rights and Liabilities Attaching to the Securities

6.1.1. Rights attaching to the Shares

The rights attaching to ownership of the Shares arise from a combination of:

- the constitution of Land & Homes; and
- in certain circumstances, the Corporations Act, the Listing Rules, the ASX Settlement Rules and the general law.

The following is a summary of the more significant rights attaching to the Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Land & Homes' Shareholders.

Further details of the rights attaching to Shares are set out in the constitution of Land & Homes, a copy of which can be inspected at Land & Homes' registered office during normal business hours.

(a) Ranking of Shares

At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the New Shares issued pursuant to this Prospectus will rank equally with Existing Shares.

(b) Voting rights

Subject to any special rights or restrictions (at present there are none), at any meeting each Shareholder present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each share held, but in respect of partly paid Shares will have a fraction of a vote in proportion to the amount paid up on the Shares.

(c) Dividend rights

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all New Shares in proportion to the amount paid up. The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine.

(d) Variation of Rights

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares for that class.

(e) Transfer of Shares

Subject to the Company's Constitution, the Corporations Act or any other applicable laws of Australia and ASX Listing Rules, the New Shares are freely transferable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as where the Company has a lien on those Shares or otherwise in accordance with the Listing Rules.

(f) General Meetings

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and ASX Listing Rules.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Company's Constitution.

(g) Future increase in capital

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Company's Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) Rights on Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- divide among the shareholders the whole or any part of the Company's property; and
- decide how the division is to be carried out between the shareholders.

Subject to any special rights (at present there are none), any surplus assets on a winding up are to be distributed to shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

6.2. Rights attaching to New Options

The following are the terms of the New Options to be issued pursuant to this Prospectus.

6.2.1. Interpretation

- (a) ASX means ASX Limited (ACN 008 624 691);
- (b) Board means the board of directors of the Company;
- (c) Business Day means a day not being a Saturday, Sunday or public holiday, on which banks are generally open for business in New South Wales;
- (d) Corporations Act means the Corporations Act 2001 (Cth) as amended from time;
- (e) Listing Rules means the official listing rules of the ASX;
- (f) New Option and New Options means the options to be issued to the Option holder on the terms detailed in these Terms of Options;
- (g) Official List has the meaning given to that term in the Listing Rules;
- (h) Quotation has the meaning given to that term in the Listing Rules;
- (i) Shareholder and Shareholders means a person who owns Shares in the capital of the Company, notwithstanding that those Shares may not be fully paid; and
- (j) Shares means fully paid ordinary shares in the capital of the Company.

6.2.2. Entitlement

- (a) Each New Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.

- (b) Shares issued on the exercise of New Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

6.2.3. Exercise of New Option

- (a) The New Options are exercisable at any time from the date of issue in multiples of \$1,000.00, unless the whole parcel is exercisable for less than \$1,000.00, in which case the whole parcel must be exercised.
- (b) The final date and time for exercise of the New Options is 5pm (Sydney time) on the fifth anniversary of the date of issuance. If such date falls on a day that is not a Business Day, the final date will be the next Business Day.
- (c) The exercise price of each New Option is \$0.20.
- (d) Each New Option is exercisable by the Option holder signing and delivering a notice of exercise of New Option together with the exercise price in full for each Share to be issued upon exercise of each New Option to the Company's Share Registry.
- (e) Remittances must be made payable to 'Land & Homes Group Limited' and cheques should be crossed 'Not Negotiable'.
- (f) All New Options will lapse on the earlier of the:
 - (i) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the New Option; and
 - (i) expiry of the final date and time for exercise of the New Option as set out in paragraph (b).
- (g) In the event of liquidation of the Company, all unexercised New Options will lapse.
- (h) For every New Option that is exercised, the Option holder will receive 1 Share.

6.2.4. Quotation

- (a) Subject to the requirements of the Listing Rules, the Company intends to apply to the ASX for Official Quotation of the New Shares and for the New Options.

- (b) The Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any New Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

6.2.5. Participation in Securities Issues

Subject to paragraph 6.2.6 below, the holder is not entitled to participate in new issues of securities without exercising the New Options.

6.2.6. Participation in a Reorganisation of Capital

- (a) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the New Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (b) In any reorganisation as referred to in paragraph 6.2.6 (a), New Options will be treated in the following manner:
 - (ii) in the event of a consolidation of the share capital of the Company, the number of New Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (iii) in the event of a subdivision of the share capital of the Company, the number of New Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (iv) in the event of a return of the share capital of the Company, the number of New Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (v) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are

cancelled the number of New Options and the exercise price of each New Option will remain unaltered;

- (vi) in the event of a pro-rata cancellation of shares in the Company, the number of New Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each New Option will be amended in inverse proportion to that ratio; and
- (vii) in the event of any other reorganisation of the issued capital of the Company, the number of New Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

6.2.7. No Adjustments to New Options and Exercise Price

There will be no change to the exercise price, or change to the number of underlying securities over which the New Options may be exercised in the event of a pro rata rights issue, bonus issue or otherwise. In order to participate in any such issue the New Options must be exercised by the applicable record date.

6.2.8. Takeovers and Schemes of Arrangement

- (a) If during the currency of any New Options and prior to their exercise a takeover offer or a takeover announcement (within the meaning of the Corporations Act) is made to holders of Shares then within 10 Business Days after the Company becomes aware of the offer, the Company must forward a notice notifying the Option holder of the offer and from the date of such notification, the Option holder has 60 days within which to exercise the New Options notwithstanding any other terms and conditions applicable to the New Options or arrangement. If the New Options are not exercised within 60 days after notification of the offer, the New Options may be exercised at any other time according to their terms of issue.
- (b) If an offer for shares in the Company is made to Shareholders pursuant to a scheme of arrangement which has been approved in accordance with the Corporations Act, the Option holder will be entitled to exercise New Options within the period notified by the Company.

6.2.9. Transfers

The New Options are freely transferable.

6.2.10. Notices

Notices may be given by the Company to the Option holder in the manner prescribed by the Constitution of the Company for the giving of notices to Shareholders and the relevant provisions of the Constitution of the Company will apply with all necessary modification to notices to be given to the Option holder.

6.2.11. Rights to Accounts

The Option holder will be sent all reports and accounts required to be laid before Shareholders in general meeting and all notices of general meeting of Shareholders, however, if the Option holder is not a Shareholder, the Option holder will not have any right to attend or vote at these meetings.

6.3. Land & Homes is a Disclosing Entity

We are a disclosing entity for the purposes of the Corporations Act and, as such, we are subject to regular reporting and disclosure requirements. As a listed company, we are required to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules. We have an obligation under the ASX Listing Rules (subject to certain exceptions) to disclose to ASX any information of which it is or becomes aware concerning Land & Homes and which a reasonable person would expect to have a material effect on the price or the value of shares. All such disclosures are available at www.asx.com.au.

The ASX maintains records of company announcements for all companies listed on the ASX. Our announcements may be viewed on the ASX's website at www.asx.com.au.

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

6.4. Section 713 Prospectus

This Prospectus has been issued under the provisions of section 713 of the Corporations Act. Section 713 enables disclosing entities to issue prospectuses in relation to "continuously quoted securities" (as defined in the Corporations Act), or options to acquire such securities.

Land & Homes as a disclosing entity is subject to regular reporting and disclosure obligations. As at the date of this Prospectus no information has been excluded from a continuous disclosure notice in accordance with the Listing Rules. Copies of

documents lodged at ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

The New Shares to be issued under this Prospectus are in a class of securities that has been continuously quoted on the ASX in the 3 month period preceding the date of this Prospectus.

The New Options to be issued under this Prospectus are options to acquire securities in a class of securities that has been continuously quoted on the ASX in the 3 month period preceding the date of this Prospectus.

The level of disclosure that applies to this Prospectus requires that it must contain all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a) the effect of the offer on the Company; and
- (b) the rights and liabilities attaching to the securities being offered; and
- (c) in the case of the New Options, the rights and liabilities attaching to the New Options themselves and the underlying securities.

The Prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the Prospectus. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospectus of the issuing company. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.

Having taken such precautions and having made such enquiries as are reasonable, we believe that we have complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the date of this Prospectus which required us to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company. Information that is already in the public domain has not been reported in this Prospectus, other than that which is considered necessary to make the Prospectus complete.

6.5. Right to Obtain Copies of Documents

We will provide a copy of any of the following documents, free of charge, to any person who requests a copy of the document before the Closing Date:

- (a) the annual financial report of the Company for the year ended 30 June 2015, being the annual financial report most recently lodged by the Company with the ASIC;
- (b) the half year financial report of the Company for the half year ended 31 December 2015 being the half year financial report most recently lodged by the Company with ASIC; and
- (c) any continuous disclosure notices (that is, documents in which the ASX was notified of information relating to the Company) given by the Company after 13 November 2015, being the date of lodgement of the 30 June 2015 annual financial report and before lodgement of a copy of this Prospectus with the ASIC.

These documents are:

Date	Headline
20/11/2015	Prospectus Extension
26/11/2015	Results of Meeting
26/11/2015	Revised Results of Meeting
09/12/2015	Issue of Shares
11/12/2015	Change in substantial holding
11/12/2015	Change in substantial holding
30/12/2015	Extension of Automatic Removal Deadline
31/12/2015	Prospectus Extension
08/01/2016	Extension of Prospectus Offer Period
13/01/2016	Extension of Prospectus Offer Period
19/01/2016	Appendix 3B
20/01/2016	Initial Director's Interest Notice
20/01/2016	Initial Director's Interest Notice
20/01/2016	Initial Director's Interest Notice
20/01/2016	Initial Director's Interest Notice
27/01/2016	Appendix 4C – quarterly
27/01/2016	ASX Notice – Reinstatement to Official Quotation
27/01/2016	Reinstatement to Official Quotation – 28 January 2016
27/01/2016	Appendix 1A & Information Form and Checklist
27/01/2016	Updated Capital Structure
27/01/2016	Top 20 Holders & Distribution Schedule
27/01/2016	Constitution
27/01/2016	Updated Pro Forma Statement of Financial Position
27/01/2016	Updated Statement of Commitments
27/01/2016	Securities Trading Policy
27/01/2016	Pre-reinstatement Disclosure
27/01/2016	BLH Management Accounts as at 31 December 2015
28/01/2016	Reinstatement & Corporate Update
04/02/2016	Change in substantial holding
04/02/2016	Change in substantial holding
04/02/2016	Becoming a substantial holder

04/02/2016	Becoming a substantial holder
16/02/2016	New Appointments
17/02/2016	Settlement of Property Purchase – Update
23/02/2016	Initial Director's Interest Notice
24/02/2016	Completion of Property Purchase
29/02/2016	Appendix 4D & Half Year Report
01/03/2016	Appointment of Company Secretary
14/04/2016	Appendix 3B – Equinex Investments Limited
29/04/2016	Appendix 4C - Statement of Cashflows March 2016 Qtr
02/05/2016	Purchase of Barry Parade Fortitude Valley Brisbane for \$20M
06/05/2016	Appointment of Chief Executive Officer

We may make further announcements to ASX from time to time. Copies of announcements are released by ASX on its website (www.asx.com.au), and will also be made available on our website (www.landnhomesgroup.com). Copies of announcements can also be obtained from us on request. Prospective investors are advised to refer to ASX's website or our website for updated releases about events or matters affecting the Company.

The Annual Financial Report, the half year financial report and the continuous disclosure notices referred to above have been identified for the purposes of section 713(4) of the Corporations Act and are not taken to form part of the content of this Prospectus.

The Company's constitution and the consents referred to in Section 6.14 are also available for inspection for a period of 12 months after the date of this Prospectus during normal business hours at the Company's office at:

Hyde Park Tower Level 3A
142-148 Elizabeth Street
SYDNEY NSW 2000

6.6. Take Up and Underwriting Deed

The Company on the one hand and the Underwriters entered into a Take-Up and Underwriting Deed on 27 June 2016 under which each of the Underwriters agreed to take up their respective entitlements under the Offer, being 90,909,091 shares and jointly and severally agreed to underwrite the balance of the Offer, being 68,595,565 shares.

The Underwriters will use their best endeavours to arrange for their underwriting commitments to be fully sub-underwritten. Neither Underwriter received any consideration for taking up their respective entitlements or underwriting the balance of the Offer; however, the Company has agreed to reimburse the Underwriters for actual fees, charges and expenses charged by the sub-underwriter up to the estimated amount set out in Section 6.11.

The Underwriter may terminate its take-up and underwriting liability in certain circumstances including but not limited to the following:

- (a) **(Offer)**: the Offer is withdrawn by the Company; or
- (b) **(No Official Quotation)**: Official Quotation has not been granted by no later than the shortfall notice deadline or, having been granted, is subsequently withdrawn, withheld or qualified; or
- (c) **(Non-compliance with disclosure requirements)**: it transpires that this Prospectus does not contain all the information required by section 713 (or sections 710, 711 and 716) of the Corporations Act; or
- (d) **(Misleading Prospectus)**: it transpires that there is a statement in this Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from this Prospectus (having regard to the provisions of section 713 (or sections 710, 711 and 716) of the Corporations Act) or if any statement in this Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of this Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (e) **(Restriction on allotment)**: the Company is prevented from allotting the New Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (f) **(Withdrawal of consent to Prospectus)**: any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in this Prospectus or to be named in this Prospectus, withdraws that consent;
- (g) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving Australia or any of Japan, Russia, the United Kingdom, the United States of America, or the Peoples Republic of China;
- (h) **(Authorisation)**: any authorisation which is material to anything referred to in this Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (i) **(Termination Events)**: any of the following events occur:
 - i. **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;

- ii. **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
- iii. **(Contravention of constitution or Act):** a contravention by the Company or any of its subsidiaries of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- iv. **(Significant change):** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- v. **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Rights Issue or the affairs of the Company or any of its subsidiaries is or becomes misleading or deceptive or likely to mislead or deceive;
- vi. **(Official Quotation qualified):** the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation" within the Listing Rules;
- vii. **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- viii. **(Prescribed Occurrence):** the Company or any of its subsidiaries increases or reduces its share capital, enters into a buyback agreement or arrangement, grants options or convertible notes (with the exception of those listed in this Prospectus), disposes or agrees to dispose or to charge a substantial part of its business or property, resolves to be wound up or a court order is made to wind up, a liquidator or receiver is appointed or the Company or any of its subsidiaries executes a deed of company arrangement;
- ix. **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- x. **(Event of Insolvency):** an event of insolvency occurs in respect of the Company or any of its subsidiaries;

- xi. **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$50,000 is obtained against the Company or any of its subsidiaries and is not set aside or satisfied within 7 days;
- xii. **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company or any of its subsidiaries, other than any claims foreshadowed in this Prospectus;
- xiii. **(Force Majeure):** a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- xiv. **(Certain resolutions passed):** the Company or a subsidiary passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter; or
- xv. **(Capital Structure):** the Company or any of its subsidiaries alters its capital structure in any manner not contemplated by this Prospectus.

The Underwriter may not exercise its rights under item (i) above unless, in the reasonable opinion of the Underwriter reached in good faith, the occurrence of a termination event has or is likely to have, or two or more termination events together have or are likely to have:

- a material adverse effect; or
- could give rise to a liability of the Underwriter under the Corporations Act or otherwise.

6.7. Interests of Directors and Management

Except as set out in this Prospectus, no Director holds, or held at any time in the last two years, any interest in:

- (a) the formation or promotion of Land & Homes; or
- (b) property acquired or proposed to be acquired by Land & Homes in connection with either its formation or promotion, or the Offer; or
- (c) the Offer.

Details of the interests of each Director in securities of Land & Homes immediately before lodgement of the Prospectus with ASIC are set out in the table below. The table does not take into account any securities the Directors may acquire under the Offer.

Relevant Interests of Directors

Director	Number of Shares	
	Direct	Indirect
Choon Keng Kho*	Nil	Telok Ayer Holdings Pte. Ltd - 453,000,000 fully paid ordinary shares Telok Ayer Capital Pte. Ltd - 47,000,000 fully paid ordinary shares
Peter Henry Mackinlay	Nil	Nil
Siew Goh	Nil	Nil
Charles Chow Cher Lim	Nil	Nil
Kim Huat Koh	Nil	Nil
Kwee Jee Lee	Nil	Nil
Grant Archibald	Nil	Nil
Patrick Chuan Thye Kho*	Nil	Telok Ayer Holdings Pte. Ltd - 453,000,000 fully paid ordinary shares Telok Ayer Capital Pte. Ltd - 47,000,000 fully paid ordinary shares
Chuan Chi Kao**	Nil	San Teh Xing Investment Pte Ltd - 150,000,000 fully paid ordinary shares

*Controllers of Telok Ayer Holdings Pte. Ltd and Telok Ayer Capital Pte. Ltd

** Controller of San Teh Xing Investment Pte Ltd

6.8. Payments and Benefits to Directors

Except as set out in this Prospectus, no person has paid or agreed to pay any amount, or provided or agreed to provide any benefit to:

- any Director in order to induce them to become, or to qualify as, a Director; or
- any Director for services provided by him in connection with
 - i) the formation or promotion of Land & Homes, or
 - ii) the Offer.

6.9. Remuneration of Directors

The Company's Constitution provides that the Directors shall be paid out of the funds of the Company, by way of remuneration for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Directors prior to the first annual general meeting of the Company, to be divided among themselves and in default of agreement then in equal shares. The remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the company where notice of the suggested increase shall have been given to Members in the notice convening the meeting. No Director shall be paid as part or whole of his remuneration a commission on or a percentage of

profits or a commission on or a percentage of operating revenue, and no Executive Director shall be paid as whole or part of his remuneration a commission on or percentage of operating revenue.

The Directors have been paid Directors' fees totalling \$140,034.73 (inclusive of salary, entitlements and super contributions) for the period from 1 January 2016 to the date of this Prospectus.

6.10. Interests of, and Issue of Payments and Benefits to, Advisors and Experts

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory, expert or any other capacity in connection with the preparation and distribution of this Prospectus, promoters of Land & Homes (together, "**Prescribed Persons**") holds, or at any time in the past two years held, any interest in:

- a) the formation or promotion of Land & Homes;
- b) any property acquired or proposed to be acquired in connection with the formation or promotion of Land & Homes or the Offer; or
- c) the Offer.

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid to any Prescribed Person and no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with:

- a) the formation or promotion of Land & Homes; or
- b) the Offer.

Macpherson Kelley will receive the sum of approximately \$45,000 (excluding GST and disbursements) from the Company for the provision of legal services to the Company in connection with the Rights Issue.

6.11. Estimated Expenses of the Offer

The expenses of the Offer are expected to be approximately \$820,000 as follows. These expenses will be borne by the Company and will be paid out of the proceeds of the Rights Issue.

Legal & Audit Fees	\$60,000
Broker Fees	\$30,000
ASX Listing Fees for Rights Share and Options	\$100,000
Share Registry	\$30,000
Sub-underwriting (estimated maximum)	\$600,000
Total	\$820,000

6.12. Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please email the Company at info@landnhomesgroup.com and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at www.landnhomesgroup.com.

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

6.13. Litigation

As at the date of this Prospectus, we are not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against us.

6.14. Consents

Each of the Directors has given and has not withdrawn his or her consent to all statements of such director or of the Directors which are included in the Prospectus in the form and context in which they are included.

The Underwriters have given, and not withdrawn, their consent to be named as the Underwriters to the Offer in the form and context in which it is named.

Macpherson Kelley has given and as at the date of this Prospectus has not withdrawn its consent to be named as the Company's solicitors in relation to the Rights Issue. Macpherson Kelley has not authorised or caused the issue of any part of this Prospectus.

Security Transfer Registrars Pty Ltd has given and, as at the date of this Prospectus has not withdrawn, its written consent to be named as the Share Registry in the form and context in which it is named.

Peloton Capital Pty Ltd has given and not withdrawn its consent to be named as Broker to the Offer in the form and context in which it is named. Peloton Capital Pty Ltd has not authorized or caused the issue of any part of this Prospectus.

Security Transfer Registrars Pty Ltd has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Security Transfer Registrars Pty Ltd has not authorised or caused the

issue of, and expressly disclaims and takes no responsibility for, any part of this Prospectus.

7. ACTION REQUIRED BY SHAREHOLDERS

7.1. If you wish to take up your rights

(a) Taking up your rights in full or in part

If you are an Eligible Shareholder and you wish to take up all or part of your Rights, you must accept the Offer by completing the personalised Entitlement and Acceptance Form mailed to you with this Prospectus. Your personalised Entitlement and Acceptance Form will detail your entitlement to New Shares and New Options under the Offer. You should complete the form in accordance with the instructions set out on the reverse side of the form.

(b) Participating in any Shortfall

If you are an Eligible Shareholder and you wish to take up all of your Rights and participate in any Shortfall you must accept the Offer by completing the personalised Entitlement and Acceptance Form mailed to you with this Offer Document and specify the number of Shares that you wish to apply for out of any Shortfall.

Your completed Entitlement and Acceptance Form must be accompanied by the requisite Application Monies calculated at \$0.05 for each New Share with attaching New Option deposited at the bank account detailed in Section 2.8 or payment must be made via Bpay® following the instructions on your personalised Entitlement and Acceptance Form. Please ensure that the completed Entitlement and Acceptance Form, together with your Application Monies is received by the Share Registry **by not later than 5.00pm Sydney time on 22 July 2016** or such later date as the Directors advise. You do not need to return your Entitlement and Acceptance Form if you have made payment via Bpay®.

7.2. If you wish to sell your Rights in full on ASX

If you wish to sell all of your Rights in full on ASX, complete the section headed "Instructions to your Stockbroker" on the back of the accompanying Entitlement and Acceptance Form and lodge the Entitlement and Acceptance Form with your stockbroker as soon as possible.

You can sell your Rights on ASX from 4 July 2016. All sales on ASX must be effected by the close of trading on 15 July 2016, when Rights trading ends on ASX.

The Company does not accept any responsibility for any failure by your stockbroker to carry out your instructions.

7.3. If you wish to sell part of your Rights on ASX and take up the balance

If you wish to sell part of your Rights on ASX and take up the balance, complete the section headed “Instructions to your stockbroker” on the back of the accompanying Entitlement and Acceptance Form and lodge the Entitlement and Acceptance Form, together with your cheque or bank draft for the Application Monies for the New Shares for which you wish to subscribe, with your stockbroker as soon as possible or payment must be made via Bpay® following the instructions on your personalised Entitlement and Acceptance Form.

You can sell your Rights on ASX from 4 July 2016. Any sale of part of your Rights on ASX must be effected by the close of trading on 15 July 2016, when Rights trading ends on ASX.

To take up the remaining part of your Rights, your stockbroker will need to ensure that the completed Entitlement and Acceptance Form together with the requisite Application Monies reaches the Share Registry **by not later than 5.00pm on 22 July 2016** or such later date as the Directors advise. You do not need to return your Entitlement and Acceptance Form if you have made payment via Bpay®.

The Company does not accept any responsibility for any failure by your stockbroker to carry out your instructions.

7.4. If you wish to transfer all or part of your Rights to another person other than on ASX

Eligible Shareholders may elect to transfer all or part of their Rights to another person other than on ASX, provided that the purchaser is resident in Australia, New Zealand or Singapore.

If you hold Shares on the issuer-sponsored register or certificated sub-register and you wish to transfer all or part of your Rights to another person other than on ASX, forward a completed renunciation form (which can be obtained through the Share Registry) signed by you (as the seller) and the buyer by not later than 5.00pm on 15 July 2016, together with your Entitlement and Acceptance Form completed by the buyer and the buyer’s cheque or bank draft for the appropriate Application Monies to reach the Share Registry **by not later than 5.00pm on 22 July 2016** or such later date as the Directors advise.

If you are an Eligible Shareholder holding Shares on CHESS and you wish to transfer all or part of your Rights to another person other than on ASX, you should contact your sponsoring participant.

If the Share Registry receives both a completed renunciation form and a completed Entitlement and Acceptance Form in favour of the same Shareholder in respect of the same Rights, the renunciation will be given effect in priority to the acceptance.

7.5. If you do nothing

If you are an Eligible Shareholder and you do nothing by 5.00pm Sydney time on 22 July 2016, being the Closing Date, your Rights will form part of the Shortfall which will be taken up by Shareholders who elect to participate in the Shortfall and further by the Underwriter and you will not receive any New Shares.

7.6. Payment of Application Monies

You should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies payable to "Security Transfer Registrars Pty Ltd – <Land & Homes Group Limited>" and crossed "Not Negotiable".

Your cheque, bank draft or money order must be:

- calculated at \$0.05 in aggregate for each New Share; and
- in Australian currency draft on an Australian branch of a financial institution.

Any Application Monies received for more than your final allocation of New Shares (only where the amount is \$1.00 or greater) will be refunded on or around 29 July 2016. No interest will be paid to Applicants on any Application Monies received or refunded.

Cash payments will not be accepted. Receipts for payment will not be issued.

To participate in the Offer, your payment must be received **by not later than the than 5.00 pm (Sydney time) on 22 July 2016**. Shareholders who make payment via cheque, bank draft or money order should mail their personalised Entitlement and Acceptance Form together with Application Monies to:

Land & Homes Group Limited
C/- Security Transfer Registrars Pty Ltd
PO Box 52
Collins Street West VIC 8007
AUSTRALIA

Payment may also be made via Bpay® following the instructions on your personalised Entitlement and Acceptance Form. You do not need to return your Entitlement and Acceptance Form if you have made payment via Bpay®.

Completed Entitlement and Acceptance Forms and Application Monies will not be accepted at the Company's registered office. Shareholders should mail their completed forms and Application Monies to the Share Registry.

7.7. Enquiries

If you have any queries about your Entitlement please contact the Company between the hours of 8.30am and 5.00pm Sydney time, Monday to Friday:

Ph: (02) 8281 3008 (within Australia)
+61 2 8281 3008 (outside Australia)

Alternatively, contact your stockbroker or other professional adviser.

7.8. Personal Information and Privacy Act

Eligible Shareholders have already provided certain personal information to Land & Homes and its share registry. If Eligible Shareholders apply for New Shares, Land & Homes and its share registry may update that personal information or collect new information. Such information will be used to assess the Application, service your needs as a Land & Homes shareholder, provide facilities and services that you request and carry out appropriate administration.

Your personal information may be used and disclosed to the Underwriter, persons inspecting the registers, regulatory bodies, print service providers, mail houses retained for Company purposes and Land & Homes' share registry.

If you do not provide the information requested in the Entitlement and Acceptance Form, Land & Homes may not be able to process the Application or administer your holding of Shares appropriately.

Under the Privacy Act 1998 (Cth), you may access, correct and update personal information held by, or on behalf of Land & Homes or its share registry by contacting Land & Homes as follows:

Land & Homes Group Limited
Attention: Company Secretary
Hyde Park Tower, Level 3A, 142-148 Elizabeth Street
SYDNEY NSW 2000
Telephone: +612 8281 3008
Email: info@landnhomesgroup.com

8. GLOSSARY

In this Prospectus the following terms have the meanings ascribed to them below, unless the context otherwise requires.

TERM	EXPLANATION
ASX Settlement	ASX Settlement Pty Ltd
Applicant(s)	Person(s) who submit an Application

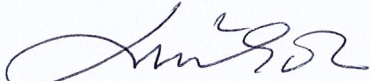
TERM	EXPLANATION
Application	A valid application made to subscribe for a specified number of New Shares, New Option and Shortfall Securities pursuant to this Prospectus
Application Monies	Means monies received by the Company from the Applicants
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange limited
Barry Parade Property	The property located at 44, 60-66, and 100 Barry Parade, Fortitude Valley in Brisbane
Board	The board of Directors Land & Homes Group Limited
Closing Date	The date the Offer closes, being 5.00pm (Sydney time) on 22 July 2016 extended by the Company
Company	Land & Homes Group Limited (ACN 090 865 357)
Corporations Act	Corporations Act 2001 (Cth)
Directors	The directors of Land & Homes Group Limited
Eligible Shareholder	A Shareholder entitled to participate in the Offer as described in Section 2.5
Entitlement	The entitlement of a Shareholder to participate in the Offer
Entitlement and Acceptance Form	The form accompanying this Prospectus (for Eligible Shareholders only)
Existing Shares	Means Shares on issue as at the date of this Prospectus
Ineligible Shareholder	A holder of Shares having a registered address outside Australia, New Zealand or Singapore
Issue	The issue of New Shares and New Options in accordance with this Prospectus
Land & Homes or LHM	Land & Homes Group Limited (ACN 090 865 357)
Listing Rules	The official listing rules of the ASX
New Shares	Shares issued under this Prospectus
New Options	Options issued under this Prospectus, having an exercise price of \$0.20 and an expiry date on the fifth anniversary of the date of issuance
Offer	The Offer in accordance with this Prospectus, further details of which are set out in Section 2.1 of this Prospectus
Official Quotation	Has the meaning given to the term 'quotation' in the Listing Rules
Prospectus	This Prospectus dated 28 June 2016
Record Date	5 July 2016 at 7.00pm (Sydney time)
Rights Issue	The Rights Issue made in accordance with this Prospectus
Shareholders	The shareholders of the Company
Shares	Ordinary shares in the capital of the Company, including when issued New Shares
Share Placement	The prospective private placement of the Company's shares on the same terms of this Offer as detailed in Section 2.21
Share Registry	Security Transfer Registrars Pty Ltd
Shortfall Facility	The right of Eligible Shareholders (other than the Underwriter)

TERM	EXPLANATION
	to apply for New Shares with attaching New Options out of the Shortfall Securities.
Shortfall Securities	New Shares and New Options offered for issue under this Prospectus which are not applied for by an Eligible Shareholder as part of their Entitlement
Right and Entitlement	The right of an eligible Shareholder to subscribe for New Shares and New Options
Underwriting Agreement	The Take-Up and Underwriting Agreement between the Company and the Underwriter, a summary of which is set out in Section 6.6 of this Prospectus
Transaction	Means the acquisition of the Barry Parade Property
Underwriter	Telok Ayer Capital Pte Ltd and Telok Ayer Holdings Pte Ltd
Underwritten Securities	The remaining New Shares and New Options after Eligible Shareholders have subscribed for their Entitlements and applied for additional new Shares and new Options under the Shortfall Facility

9. Directors Authorisation

The Directors of Land & Homes Group Limited have authorised the issue of this Prospectus on behalf of Land & Homes Group Limited.

This Prospectus has been signed by a Director for and on behalf of the Directors, in accordance with section 351 of the Corporations Act.

A handwritten signature in dark ink, appearing to read 'Siew Goh', with a stylized flourish at the end.

Siew Goh
Director

10. CORPORATE DIRECTORY

Directors

Choon Keng Kho
Peter Henry Mackinlay
Siew Goh
Charles Chow Cher Lim
Kim Huat Koh
Kwee Jee Lee
Grant Archibald
Patrick Chuan Thye Kho
Chuan Chi Kao

Company Secretary

Andrew Cooke

Registered Office and Principal Address

Hyde Park Tower, Level 3A
142-148 Elizabeth Street
SYDNEY NSW 2000

Telephone & Email

+612 8281 3008
info@landnhomesgroup.com

Broker to the Offer

Peloton Capital Pty Ltd
Level 5, 56 Pitt Street
SYDNEY NSW 2000

Solicitors to the Company

Macpherson Kelley
Level 21, 20 Bond Street
Sydney NSW 2000

Share Registry

Security Transfer Registrars Pty Ltd*
Exchange Tower, Level 9, Suite 913
50 Little Collins Street
Melbourne VIC 3000
AUSTRALIA
Email: registrar@securitytransfer.com.au
All correspondence to
PO Box 52
Collins Street West VIC 8007
Australia

ASX Code: LHM

Website

www.landnhomesgroup.com

**This entity has not been involved in the preparation of this Prospectus and has consented to being named in this Prospectus. Its name is included for information purposes only.*

ENTITLEMENT AND ACCEPTANCE APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:

LEVEL 3A HYDE PARK TOWER
142-148 ELIZABETH STREET
SYDNEY NSW 2000
AUSTRALIA

LAND & HOMES GROUP LIMITED

ACN: 090 865 357

SHARE REGISTRY:

Security Transfer Registrars Pty Ltd

All Correspondence to:

PO BOX 52,
COLLINS STREET WEST VIC 8007
AUSTRALIA

Exchange Tower

Level 9, Suite 913,

530 Little Collins Street

MELBOURNE VIC 3000 AUSTRALIA

T: +61 8 9315 2333 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

«Holder_name»

«Address_line_1»

«Address_line_2»

«Address_line_3»

«Address_line_4»

«Address_line_5»

«Company_code» «Sequence_number»

Code:

LHM

Holder Number:

Eligible Holding as at 7.00pm (Sydney time)

5 JULY 2016:

Entitlement to Securities 1:5.5:

Amount payable on acceptance

@ \$0.05 per Security:

RENOUNCEABLE SHARE OFFER CLOSING AT 5.00PM (SYDNEY TIME) ON 22 JULY 2016

ISSUE PRICE OF \$0.05 PER SHARE WITH 2 ATTACHING OPTIONS

(EXPIRING ON THE FIFTH ANNIVERSARY OF THE DATE OF ISSUANCE @ \$0.20) FOR EVERY 1 SHARE ISSUED.

IMPORTANT NOTICE: HOLDERS WHOSE EXISTING SECURITIES ARE HELD ON THE CHESS SUBREGISTER SHOULD IN THE FIRST INSTANCE CONTACT THEIR SPONSORING STOCKBROKER/AGENT IN RESPECT OF ANY PROPOSED ON-MARKET SALE OF THEIR RIGHTS. RIGHTS TRADING COMMENCED ON 4 JULY 2016 AND IS EXPECTED TO CEASE ON 15 JULY 2016. THE RIGHTS REFERRED TO IN THIS FORM MAY BE TRANSFERRED ELECTRONICALLY ON CHESS BY SURRENDERING THE ENTITLEMENT AND ACCEPTANCE FORM TO YOUR SPONSORING STOCKBROKER BEFORE RIGHTS CEASE TRADING. THIS ENTITLEMENT AND ACCEPTANCE FORM SHOULD NOT BE RELIED UPON AS EVIDENCE OF THE CURRENT ENTITLEMENT OF THE PERSON NAMED IN THIS ENTITLEMENT AND ACCEPTANCE FORM.

(1) I/We the above named being registered at 7.00pm (Sydney time) on the 5 July 2016 as holder(s) of Shares in the Company hereby accept as follows:

	NUMBER OF NEW SHARES ACCEPTED/APPLIED FOR	AMOUNT ENCLOSED @ \$0.05 PER SHARE
Entitlement or Part Thereof	<input type="text"/> , <input type="text"/> , <input type="text"/>	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>
Additional new Shares *	<input type="text"/> , <input type="text"/> , <input type="text"/>	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>
TOTAL	<input type="text"/> , <input type="text"/> , <input type="text"/>	TOTAL \$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>

(* refer to the section 2.6 of the prospectus)

(2) I/We have enclosed/made payment for amount shown above (following the payment instructions as detailed overleaf).

(3) I/We understand that if any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted.

Any decision of the Directors as to whether to accept this form, and how to construe, amend or complete it shall be final.

(4) I/We authorise the Company to send me/us a substituted form if this form ceases to be current.

(5) I/We declare that I/we have received a full and unaltered version of the Prospectus either in an electronic or paper format.

(6) My/Our contact details in case of enquiries are:

NAME

TELEPHONE NUMBER

()

EMAIL ADDRESS

@

BPAY PAYMENT OR THE RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE OFFER.

You do not need to return this form if you have made payment via BPAY.

PAYMENT INFORMATION - Please also refer to payment instructions overleaf.



Bill code: 159483

Ref: **EFT_REFERENCE_NUMBER**

CHEQUE / MONEY ORDER

All cheques (expressed in Australian currency) are to be made payable to **LAND & HOMES GROUP LIMITED** and crossed "Not Negotiable".

BPAY® this payment via internet or phone banking.

Your BPAY® reference number is unique to this offer and is not to be used for any other offer.

REGISTRY DATE STAMP

E & O.E.



LODGEMENT INSTRUCTIONS

CHEQUE / MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd
PO Box 52, COLLINS STREET WEST VIC 8007.

Applications must be received by Security Transfer Registrars Pty Ltd no later than 5.00pm (Sydney time) on the closing date.

PAYMENT INFORMATION



Biller code: 159483

BPAY® this payment via internet or phone banking.
Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

If you have purchased or sold Securities prior to 5.00pm on 1 July 2016 (being the last day for trading on a cum rights entitlement basis) and this is not reflected in your holding shown overleaf, you should consult the Stockbroker who acted for you to protect your entitlements or determine the action you should take. If you have sold all your Securities, complete the details below and forward this form to the stockbroker who acted for you.

Broker:

No. of Securities Sold:

Holder No.:

SALE OF YOUR ENTITLEMENT BY YOUR STOCKBROKER IN FULL OR IN PART:

These instructions will need to be with your Stockbroker in sufficient time to sell your Rights. Rights trading commenced on 4 July 2016 and is expected to cease on 15 July 2016.

To sell your entitlement, complete the panel below titled "Instructions to your Stockbroker" and forward this form to your Stockbroker with sufficient time to sell your Rights before the last day of Rights trading.

To sell part of the balance of your entitlement, complete the front of this form as to the New Securities being accepted and forward it together with your payment to your Stockbroker with sufficient time to sell your Rights before the last day of Rights trading (see payment instructions above). Your Stockbroker will then lodge your acceptance and cheque with the Company's share registry.

IMPORTANT NOTICE TO HOLDERS WITH SECURITIES ON THE CHESS SUB-REGISTER:

Holders whose existing Securities are held on the CHESSE Sub-register as detailed overleaf should, in the first instance, contact their sponsoring Broker in respect of any proposed sale of their Rights.

GENERAL INFORMATION:

Entitlements either not accepted and/or renounced by 5.00pm (Sydney time) on the closing date will revert to the Company and the New Securities may be placed by the Directors at their discretion, in conjunction with the Underwriter.

ENQUIRIES

All enquiries should be directed to the Company's share registry:

Security Transfer Registrars Pty Ltd
PO Box 52, Collins Street West VIC 8007 AUSTRALIA
Exchange Tower, Level 9, Suite 913, 530 Little Collins Street, Melbourne
VIC 3000 AUSTRALIA
Telephone +61 8 9315 2333
Facsimile +61 8 9315 2233
Email: registrar@securitytransfer.com.au

INSTRUCTIONS TO YOUR STOCKBROKER

To be completed and sent to your Stockbroker only if you wish to sell the whole or part of your Entitlement.

I/We have accepted Rights (as per overleaf)
and have attached/
made payment for being application money at
\$0.05 per Right.

PLEASE SELL Rights

This instruction *has / has not previously been notified to you.

* Please delete as appropriate

DISPOSAL OF YOUR ENTITLEMENT OTHER THAN THROUGH A STOCKBROKER:

A Standard Renunciation or Transfer Form must be used for all disposals of entitlements other than through a Stockbroker. These may be obtained from your Stockbroker or our share registry, Security Transfer Registrars Pty Ltd.

The Renunciation or Transfer Form must be completed by the offeree as seller and by his/her nominated buyer. The duly completed Renunciation or Transfer Form should then be lodged with the Company's share registry by 5.00pm (Sydney Time) on **Friday 22 July 2016** together with this form and application money payable (from the buyer).

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.