

# **ORCHID CAPITAL LIMITED (TO BE RENAMED CORAL SEA PETROLEUM LTD)**

**ACN 073 099 171**

## **SECOND SUPPLEMENTARY PROSPECTUS**

### **IMPORTANT INFORMATION**

This is a second supplementary prospectus (**Second Supplementary Prospectus**) intended to be read with the prospectus dated 29 May 2012 as supplemented by the First Supplementary Prospectus dated 1 June 2012 (**Prospectus**) issued by Orchid Capital Limited (ACN 073 099 171) (**Company**).

This Second Supplementary Prospectus is dated 18 July 2012 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. Neither ASIC nor the ASX Limited (**ASX**) take any responsibility for the contents of this Second Supplementary Prospectus.

This Second Supplementary Prospectus must be read together with the Prospectus. To the extent of any inconsistency between the Prospectus and this Second Supplementary Prospectus, the provisions of this Second Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Second Supplementary Prospectus.

This Second Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the internet at <http://orchidcapital.net>.

The Company will send a copy of this Second Supplementary Prospectus to all Applicants who have subscribed for New Shares or New Options in the Prospectus to the date of this Second Supplementary Prospectus.

This Second Supplementary Prospectus and the Prospectus are important documents that should be read in their entirety. If you have any questions about the New Shares or New Options being offered under the Prospectus or any other matter, you should consult your professional advisers.

### **Section 1 REASONS FOR THE SECOND SUPPLEMENTARY PROSPECTUS**

This Second Supplementary Prospectus has been prepared to:

- (a) provide an update on the status of the Share Offer and the Company's application to re-list on ASX; and
- (b) advise Applicants under the Option Offer that the New Options will not be quoted on ASX, and provide Applicants for New Options the opportunity to withdraw their Applications.

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## **Section 2      NON QUOTATION OF NEW OPTIONS**

Under the Corporations Act, if a person offers securities under a prospectus and the prospectus states or implies that the securities are to be quoted on a financial market (such as the ASX) and the securities are not admitted to quotation within 3 months after the date of the prospectus (**Quotation Condition**), then an issue or transfer of securities in response to an application made under the prospectus is void and the person offering the securities must return the money received by the person from the applicants as soon as practicable.

The Prospectus provided that the Company will apply for the New Options to be admitted to quotation on ASX. Following consultation with ASX, ASX has advised the Company that the New Options will be subject to escrow for a period 12 months from the date they are issued for Applicants who are non related parties of the Company, and 24 months from the date they are issued for Applicants who are related parties of the Company. Accordingly, it is not possible for the Quotation Condition to be met in respect of the New Options the subject of the Option Offer.

### **2.1      Applicants under the Option Offer who WISH TO withdraw their Application**

In accordance with the Corporations Act, where the Quotation Condition is not satisfied, the Company must give Applicants under the Option Offer (**Option Applicants**) who have previously submitted an Application Form a copy of this Second Supplementary Prospectus and 1 month to withdraw their application and be repaid.

Any repayments made by the Company pursuant to an Option Applicant exercising their right to withdraw their Application for New Options will be made in full without interest.

An Option Applicant who wishes to withdraw their Application and obtain a refund must submit a written request to the Company at the address set out below so that it is received within 1 month of the date of this Second Supplementary Prospectus (i.e. by 5pm Perth time on 18 August 2012).

Orchid Capital Limited  
C/- Advanced Share Registry Limited  
PO Box 1156  
Nedlands WA 6009

The details for payment of the refund cheque and address to which it should be sent as set out in the written request must correspond to the details contained in the Application Form for New Options submitted by that Applicant.

### **2.2      Applicants under the Option Offer who DO NOT WISH TO withdraw their Application**

Option Applicants who have already lodged an Application Form under the Option Offer and DO NOT wish to withdraw their Application should note the following:

**This Second Supplementary Prospectus is intended to be read with the prospectus dated 29 May 2012 as supplemented by the First Supplementary Prospectus dated 1 June 2012 issued by Orchid Capital Limited ACN 073 099 171.**

- (a) the New Options issued to Option Applicants will be escrowed for a period of 12 months from their date of issue for Option Applicants who are not related parties of the Company, and 24 months from the date of issue for Option Applicants who are related parties of the Company (**Escrow Period**);
- (b) prior to being issued the New Options, Option Applicants must enter into a restriction agreement with the Company pursuant to which the Option Applicant agrees that during the Escrow Period, it will not:
  - (i) dispose of, or agree to dispose of, the New Options;
  - (ii) create, or agree or offer to create, any security interest in the New Options;
  - (iii) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the New Options; or
  - (iv) participate in a return of capital made by the Company;
- (c) during the Escrow Period, a holder of New Options may apply to ASX for the New Options to be exercised into Shares. Any Shares so issued on exercise of the New Options will be subject to the escrow requirements set out above for the remainder of the Escrow Period; and
- (d) save that they will be restricted during the Escrow Period and will **not be quoted on ASX**, the New Options have the same terms and condition as set out in the Prospectus.

Option Applicants who have already lodged an Application Form under the Option Offer and DO NOT wish to withdraw their Application do not need to complete a further Application Form in order to receive their New Options. Subject to receiving a signed restriction agreement from the Applicant, the Company intends to issue the New Options as soon as possible after the Company is relisted on ASX.

### **Section 3 STATUS OF THE SHARE OFFER**

The Directors do not consider that the amendment to the Option Offer as set out in this Second Supplementary Prospectus is a new circumstance which is materially adverse to Applicants for New Shares, and accordingly the Company is not required to provide Applicants for New Shares the opportunity to withdraw their Applications.

Accordingly, the Company is pleased to advise that the Share Offer under the Prospectus which was fully subscribed has now closed. The Company has applied for the New Shares to be admitted to quotation on ASX and is currently consulting with ASX in this regard. The Directors have no reason to believe that ASX will not grant quotation of the New Shares on ASX. A revised indicative proposed timetable for issue of the New Shares and the re-listing of the Company on ASX is set out below.

### **Section 4 AMENDMENTS TO THE PROSPECTUS**

#### **4.1 New Options will not be quoted**

As noted above, the Company will no longer apply to ASX for the New Options to be quoted on ASX. Accordingly, the Prospectus is amended as follows:

**This Second Supplementary Prospectus is intended to be read with the prospectus dated 29 May 2012 as supplemented by the First Supplementary Prospectus dated 1 June 2012 issued by Orchid Capital Limited ACN 073 099 171.**

- (a) on page 1 of the Prospectus under the heading “Important Information”, the following paragraph:

*“The Company will apply to ASX within seven days after the date of this Prospectus for the New Options to be admitted to quotation on ASX. In the event that the New Options are not admitted to quotation on ASX, they will not be issued by the Company and all Application Monies in respect of the Option Offer will be refunded to Applicants. The admission of the New Options to quotation (and the re-admission of the Company following compliance with Chapters 1 and 2 of the ASX Listing Rules) is not to be taken in any way as an indication by ASX of the merits of the Company.”*

is deleted in its entirety, and replaced with the following:

*“The New Options will not be quoted on ASX.”*

- (b) at the end of section 1.12 of the Prospectus headed “Restricted Securities”, the following paragraph is added:

*“ASX has advised the Company that the New Options to be issued under the Option Offer will be escrowed for a period of 12 months from the date they are issued (for Applicants who are not related parties of the Company) and 24 months from the date they are issued (for Applicants who are related parties of the Company) (Escrow Period). ASX has further advised that during the Escrow Period, Applicants may apply to ASX to exercise the New Options into Shares, and any Shares so issued will be escrowed for the remainder of the Escrow Period. Applicants for New Options must execute a restriction agreement in respect of the New Options to be issued to them prior to the New Options being issued to them.”*

- (c) in section 2.8 of the Prospectus headed “ASX Listing”, the following paragraph:

*“Within 7 days after the date of this Prospectus, the Company will apply to ASX for the New Options issued under this Prospectus to be admitted to quotation. If the New Options are not admitted to quotation within 3 months after the date of this Prospectus, all Application Monies in respect of the Option Offer will be refunded within the time prescribed under the Corporations Act, without interest.”*

is deleted in its entirety, and replaced with the following:

*“The New Options will not be quoted on ASX.”*

## **4.2 Timetable**

In view of the above, the Key Dates timetable on page 4 of the Prospectus is replaced with the timetable below, and all references to dates in the Prospectus are to be amended accordingly:

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Suspension in trading in Company's Shares	Before opening of trading on 15 May 2012
General Meeting	15 May 2012
Lodgement of this Prospectus with ASIC	29 May 2012
Opening Date of Offers	29 May 2012
Closing Date of Offers	10 July 2012
Shares issued to Vendors and Carsten Huebner on completion of Acquisition.	27 July 2012
Issue of New Shares to applicants under the Share Offer	27 July 2012
Expected date for Shares to recommence trading on ASX (subject to satisfaction of Chapters 1 and 2 of the ASX Listing Rules)	3 August 2012
Issue of New Options to applicants under the Option Offer	23 August 2012

The Directors continue to reserve the right to vary the above dates for any reason, subject to the requirements of ASIC, ASX, the Corporations Act and the Listing Rules.

## **Section 5 DIRECTORS' AUTHORISATION**

Each Director states that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Second Supplementary Prospectus are not misleading or deceptive.

This Second Supplementary Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors has consented to the lodgement of this Second Supplementary Prospectus in accordance with Section 720 of the Corporations Act 2001 and has not withdrawn that consent.

Dated: 18 July 2012

Signed for and on behalf of Orchid Capital Limited

Richard Lambe  
Director

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