



30 May 2013

Via ASX Online

ASX Market Announcements Office
ASX Limited

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Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

Easton Investments Limited (**Easton Investments**) has announced to ASX Limited (**ASX**) a non-renounceable pro rata rights offer (**Offer**) to Easton Investments shareholders in Australia or New Zealand to acquire 1 new ordinary share at \$0.10 for every 3 existing fully paid ordinary shares held at 7:00 pm (Melbourne time) on 7 June 2013.

The Offer is fully underwritten by Wilson HTM Corporate Finance Ltd, and Mr Kevin White (who has been appointed managing director of Easton Investments) and/or his related entity (each an **Underwriter**) under separate co-underwriting agreements with Easton Investments. The Underwriters and their respective underwriting commitments are set out below.

This person...	has agreed to underwrite the Offer to this extent...	
	Underwritten shares	Underwritten amount
Kevin White (and/or his related entity)	15,000,000	\$1,500,000
Wilson HTM Corporate Finance Ltd	6,507,294	\$650,729.40
Total	21,507,294	\$2,150,729.40

Wilson HTM Corporate Finance Ltd is entitled to a commission of 3% of the total amount it has agreed to underwrite (plus GST) and a management fee of 1% of the total amount to be raised by the Offer (plus GST) (as well as reimbursement of the Underwriter's costs of and incidental to the Offer (plus GST)). However, Kevin White has agreed that he will not be entitled to any commission, fees or reimbursement of his costs.

No statement in this notice is made by an Underwriter or is based on a statement made by an Underwriter, and no responsibility for the contents of this notice or any other notice or document given by Easton Investments to ASX or any other person in respect of the Offer, is taken by an Underwriter.

The new ordinary shares will be offered for issue without disclosure to investors under part 6D.2 of the *Corporations Act*.

This notice is being given by Easton Investments under section 708AA(2)(f) of the *Corporations Act*.

As at the date of this notice:

- (a) Easton Investments has complied with:
 - (1) the provisions of chapter 2M of the *Corporations Act* as they apply to Easton Investments; and
 - (2) section 674 of the *Corporations Act*; and
- (b) there is no information:
 - (1) that has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules (and which has since not been given to ASX);
 - (2) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of Easton Investments; or
 - (B) the rights and liabilities attaching to the new ordinary shares; and
 - (3) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

The potential effect that the issue of the new ordinary shares under the Offer will have on the control of Easton Investments, and the consequences of that effect, will depend on a number of factors including the level of shareholder participation in the Offer, which shareholders participate, the extent of any shortfall, and the extent to which the Underwriters meet their respective underwriting commitments for any shortfall.

For example, if all eligible shareholders take up their rights, the issue of the new ordinary shares in that case would not be expected to have any material effect or consequence on the control of Easton Investments.

However, if one or more eligible shareholders do not take up their entitlements in full, and the Offer proceeds, there will be a dilutionary effect on those shareholders' (and ineligible foreign shareholders') proportional shareholdings in Easton Investments.

For example, if rights are taken up in full by those shareholders who are controlled by the directors or who have agreed to sub-underwrite the Offer and who have indicated to Easton Investments that they will take up their entitlements in full, no other shareholder takes up its rights and the entire shortfall is subscribed for pursuant to the underwriting arrangements as set out above, the voting power in Easton Investments of the directors

of Easton Investments or their controlled entities, and the Underwriters (and sub-underwriters) would change as follows:

The voting power in Easton Investments of this person...	which is currently approximately...	would change to approximately...
Rodney Green	1.86%	1.86%
Jonathan Sweeney	0.62%	0.62%
Kevin White	0%	15.87%
Wilson HTM (and/or its sub-underwriters)	6.51%	13.39%

It is not expected that the voting power of any shareholder of Easton Investments or any Underwriter or sub-underwriter would exceed 20% in consequence of the Offer.

The above potential control outcomes are based on the substantial holder notifications received by Easton Investments, and other relevant shareholdings in Easton Investments that Easton Investments has been able to ascertain from its register of members, and the firm underwriting and sub-underwriting commitments entered into with Easton Investments or notified to Easton Investments in writing, as at the date of this notice.

Rodney Green
Chairman