



Easton Investments Limited
ABN 48 111 695 357
Level 16, 90 Collins Street
Melbourne VIC Australia 3000
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eastoninvest.com

Via ASX Online
ASX Market Announcements Office
ASX Limited

29 April 2014

Notice of initial substantial holder - Replacement

Please find attached an initial substantial holder notice that replaces the original notice released on 19 March 2014 to reflect a correction in holder of the relevant interest from Hayes Knight Limited to Knowledge Shop Pty Ltd and also includes a rounding correction.

For further information, please contact:

Mark Licciardo

Company Secretary
Ph: 03 8689 9997



Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme **Easton Investments Limited**

ACN/ARSN **111 695 357**

1. Details of substantial holder (1)

Name **Easton Investments Limited and each of its controlled entities listed in Annexure A (Controlled Entities).**

ACN/ARSN (if applicable) **111 695 357**

The holder became a substantial holder on **19 March 2014**

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORD (ESCROW 01/02/15)	2,704,167	Nil - shares held in escrow until 1 February 2015	Nil
ORD (ESCROW 01/02/16)	2,704,167	Nil - shares held in escrow until 1 February 2016	Nil

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Easton Investments Limited	Shares held as part of an escrow arrangement by Easton Investments Limited on behalf of the Sellers of the Acquisition Businesses as part of the Transaction as defined in the Explanatory Statement of the Notice of Extraordinary General Meeting dated 23 December 2013 and amended as detailed in the Appendix 4D and Interim Report dated 21 February 2014. A copy of the Escrow Deed relevant to the escrow arrangement is attached as Annexure B.	2,704,167 ORD ESCROW 01/02/15 2,704,167 ORD ESCROW 01/02/16

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Easton Investments Limited	John Gregory Hayes	John Gregory Hayes	967,584 ORD ESCROW 01/02/15
	John Gregory Hayes	John Gregory Hayes	967,584 ORD ESCROW 01/02/16
	Knowledge Shop Pty Ltd	Knowledge Shop Pty Ltd	806,667 ORD ESCROW 01/02/15
	Knowledge Shop Pty Ltd	Knowledge Shop Pty Ltd	806,667 ORD ESCROW 01/02/16
	Heather Bennison	Heather Bennison	438,023 ORD ESCROW

	Heather Bennison	Heather Bennison	01/02/15 438,023 ORD ESCROW
	Craig Rosen	Craig Rosen	01/02/16 235,588 ORD ESCROW
	Craig Rosen	Craig Rosen	01/02/15 235,588 ORD ESCROW
	Lisa Armstrong	Lisa Armstrong	01/02/16 147,708 ORD ESCROW
	Lisa Armstrong	Lisa Armstrong	01/02/15 147,708 ORD ESCROW
	Abbie Rose Pty Ltd	Abbie Rose Pty Ltd	01/02/16 108,597 ORD ESCROW
	Abbie Rose Pty Ltd	Abbie Rose Pty Ltd	01/02/15 108,597 ORD ESCROW
			01/02/16

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Easton Investments Limited	Effective date 1 February 2014		Shares held as part of an escrow arrangement by Easton Investments Limited on behalf of the Sellers of the Acquisition Businesses as part of the Transaction as defined in the Explanatory Statement of the Notice of Extraordinary General Meeting dated 23 December 2013 and amended as detailed in the Appendix 4D and Interim Report dated 21 February 2014	2,704,167 ORD ESCROW 01/02/15
				2,704,167 ORD ESCROW 01/02/16

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
See Annexure A.	The Controlled Entities are both controlled entities of Easton Investments Limited.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Easton Investments Limited	Level 16, 90 Collins Street, Melbourne, 3000
Controlled Entities	See Annexure A.

Signature

print name **Mark Licciardo** capacity **Company Secretary/ Director**

sign here



date 29/04/2014

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

This is Annexure A of 1 page referred to in the Form 603 . Notice of initial substantial holder

Dated 29 April 2014



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Mark Licciardo
Company Secretary

Controlled Entity	ACN	Address
Easton Distribution Services Pty Ltd	167 184 072	Level 16, 90 Collins Street, Melbourne, Victoria, 3000
Easton Accounting & Tax Pty Ltd	167 184 081	Level 16, 90 Collins Street, Melbourne, Victoria, 3000

This is Annexure B of 14 pages referred to in the Form 603 . Notice of initial substantial holder

Dated 29 April 2014



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Mark Licciardo
Company Secretary

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**CORRS
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lawyers

Sydney
Melbourne
Brisbane
Perth

Easton Investments Limited

Each person specified as a Seller in the **schedule**

Voluntary Escrow Deed

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Date **March 2014**

Parties

Easton Investments Limited ACN 111 695 357 of Level 16, 90 Collins Street, Melbourne, Victoria 3000 (**Easton**)

Each person specified as a Seller in the **schedule**

Background

- A Easton intends to issue the Escrow Securities to the Sellers in accordance with the terms of the Share Sale Deed.
 - B The Sellers have agreed to hold the Escrow Securities on the terms set out in this document.
 - C It is a condition of the issue of the Escrow Securities that the Sellers comply with this document.
-

Agreed terms

1 Interpretation

1.1 **Definitions**

In this document:

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Base Purchase Price has the same meaning given to that term in the Share Sale Deed.

Completion has the same meaning given to that term in the Share Sale Deed.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Deal means:

- (a) sell, assign, transfer or otherwise dispose of the Escrow Securities;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of the Escrow Securities;

- (c) enter into any option which, if exercised, enables or requires the holder to sell, assign, transfer or otherwise dispose of the Escrow Securities; or
- (d) create, agree to, or offer to create, or permit to be created, any Encumbrance over any of the Escrow Securities; or
- (e) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, or creating any Encumbrance over, any of the Escrow Securities.

and **Dealing** has a corresponding meaning.

Encumbrance has the same meaning given to that term in the Share Sale Deed.

Escrow Periods means the periods set out in the **schedule** in relation to the Escrow Securities granted to the Sellers.

Escrow Securities means the number of fully paid ordinary shares in Easton held or to be held by the relevant Seller that will be subject to escrow in accordance with the terms of this document and pursuant to the terms of the Share Sale Deed and as set out in the **schedule**.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issue Date has the meaning given in the Listing Rules.

Liability has the same meaning given to that term in the Share Sale Deed.

Listing Rules means the Listing Rules of ASX as in force from time to time (subject to any modification or waiver in their application to Easton that ASX may grant).

Share Sale Deed means the share sale and purchase deed dated on or about 17 December 2013 between Easton, Easton Distribution Services Pty Ltd, Easton Accounting & Tax Pty Ltd, the Sellers and the Sale Companies (as defined in that deed) relating to the sale of the fully paid ordinary shares in the Sale Companies (as varied by the Variation Deed between the same parties dated 8 March 2014).

Tranche 1 Escrow Securities means the number of Escrow Securities set out in column 3 of the **schedule**, which are being provided to the relevant Seller as consideration for the Base Purchase Price.

Tranche 2 Escrow Securities means the number of Escrow Securities set out in column 5 of the **schedule**, which are being provided to the relevant Seller as consideration for the Base Purchase Price.

1.2 Construction

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
- (b) any gender includes the other genders;

- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) "includes" means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it; and
- (f) a reference to:
 - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes the person's legal personal representatives, successors, assigns and persons substituted by novation;
 - (iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced; and
 - (iv) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation.

1.3 Headings

Headings do not affect the interpretation of this document.

2 Condition precedent

The undertakings of the Sellers pursuant to this document are conditional upon Completion occurring under the Share Sale Deed.

3 Escrow

3.1 Restrictions

Subject to **clauses 4 and 5**, during the Escrow Periods the Sellers must not Deal with the Escrow Securities without the prior written consent of Easton.

3.2 Holding Lock

- (a) The Sellers irrevocably agree to the application of a Holding Lock to the Escrow Securities for the relevant Escrow Period.
- (b) Easton agrees to promptly instruct the provider of registry services to Easton to remove the Holding Lock applied to the relevant Escrow Securities in any of the circumstances specified in **clause 4** or otherwise at the end of the relevant Escrow Period.

3.3 Refusal by Easton

The Sellers acknowledge and agree that Easton may refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Escrow Securities during the relevant Escrow Period.

3.4 Notice by Sellers

If any of the Sellers becomes aware:

- (a) that a Dealing in any of the Escrow Securities has occurred, or is likely to occur, during the Escrow Period (whether the Escrow Securities belong to that Seller or any other Seller); or
- (b) of any matter which is likely to give rise to a Dealing in any of the Escrow Securities during the Escrow Period (whether the Escrow Securities belong to that Seller or any other Seller),

it must notify Easton as soon as practicable after becoming aware of the Dealing or the matters giving rise to the Dealing, providing full details.

4 Permitted Dealings

Clause 3.1 will not apply in the following circumstances:

- (a) acceptance of an offer under a takeover bid made in accordance with the Corporations Act to holders of all the issued ordinary shares in Easton, provided that the offer has:
 - (i) been accepted by the holders of Easton ordinary shares representing 50% or more of the total number of issued ordinary shares in Easton (excluding the Escrowed Securities); or
 - (ii) both:
 - (A) become or has been declared unconditional as to acceptances; and
 - (B) been recommended by a majority of the directors (or, if applicable, a majority of the independent directors) of Easton for acceptances by holders of ordinary shares in Easton;
- (b) any disposal pursuant to a compromise or arrangement under Part 5.1 of the Corporations Act, providing for the acquisition by any person of all of the equity share capital of Easton, which has been sanctioned by a court; or
- (c) any disposal pursuant to a court order of a court of a competent jurisdiction.

5 Discretionary release

- (a) Easton may in its sole discretion release a Seller from the restrictions under **clause 3.1** and **3.2**.

- (b) For the avoidance of doubt, Easton's decision to release a Seller from the restrictions under **clause 3.1** and **3.2** in accordance with **clause 5(a)** places no obligations on Easton in relation to the treatment of any of the other Sellers.

6 Warranties

6.1 Giving of warranties

- (a) Each of the warranties and representations in this **clause 6** is given by each Seller in favour of Easton, as at:
 - (i) the date of this document; and
 - (ii) from the applicable date under **clause 6.1(a)(i)**, at all times until expiry of the relevant Escrow Period.
- (b) The warranties and representations in this **clause 6** are given in respect of any and all Escrow Securities from time to time during the Escrow Period.

6.2 Warranties given by the Sellers

Each Seller represents and warrants to Easton that:

- (a) It has full power and legal capacity to enter into and to perform this document and has obtained all necessary consents to enable it to do so;
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this document in accordance with its terms;
- (c) this document constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the information set out in the **schedule** is true, accurate, complete and correct in every material particular, and is not misleading in any material respect;
- (e) before the relevant Escrow Period begins, it has not done, or omitted to do, any act which would breach **clause 3.1**;
- (f) it will not do, or omit to do, any act that would cause a breach of **clause 3.1**; and
- (g) the execution, delivery and performance by the Seller of this document does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any; or
 - (iii) any agreement, undertaking, Encumbrance or document which is binding on the Seller.

6.3 Effect of breach of warranty

- (a) A breach of the any of the warranties set out in **clause 6.1** is a breach of this document.
- (b) If a Seller breaches this document, that Seller ceases to be entitled to any dividends, distributions or voting rights in respect of the relevant Escrow Securities while the breach continues.

6.4 Survival of warranties and representations

The warranties and representations in this **clause 6** survive the termination of this document.

7 Injunctive relief

The Sellers acknowledge and agree that in the event of a breach or threatened breach of the terms of this document by a Seller, Easton will be entitled to an injunction restraining the relevant Seller from committing or threatening to commit any breach of this document without the need to show or prove any actual loss or damage.

8 Indemnity

- (a) Each Seller severally agree to keep Easton indemnified against any and all Liability incurred as a result of or arising out of any breach or threatened breach by the relevant Seller of any warranty or obligation under this document.
- (b) Each indemnity in this document is a continuing obligation, separate and independent from the other obligations of the Sellers and survives termination or expiration of this document.
- (c) It is not necessary for Easton to incur expense or make any payment before enforcing an indemnity in this document.

9 Disclosure to ASX

The Sellers authorise Easton to disclose to ASX such information relating to the terms of this document as is required by ASX under the Listing Rules or otherwise, including, but not limited to, disclosure in compliance with Listing Rule 3.10A.

10 General

10.1 Amendment

This document may only be varied or replaced by a document executed by the parties.

10.2 Waiver and exercise of rights

- (a) A single or partial exercise or waiver by a party of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.
- (b) A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

10.3 Rights cumulative

Except as expressly stated otherwise in this document, the rights of a party under this document are cumulative and are in addition to any other rights of that party.

10.4 Invalid or unenforceable provisions

If a provision of this document is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

10.5 Consents

Except as expressly stated otherwise in this document, a party may conditionally or unconditionally give or withhold any consent to be given under this document and is not obliged to give its reasons for doing so.

10.6 Further steps

Each party must promptly do whatever any other party reasonably requires of it to give effect to this document and to perform its obligations under it.

10.7 Governing law and jurisdiction

- (a) This document is governed by and is to be construed in accordance with the laws applicable in New South Wales.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

10.8 Counterparts

This document may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

10.9 Entire understanding

- (a) This document and the Share Sale Deed together constitute the entire agreement between the parties as to the subject matter of this document.

- (b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this document are merged in and superseded by this document and are of no effect. No party is liable to any other party in respect of those matters.
- (c) No oral explanation or information provided by any party to another:
 - (i) affects the meaning or interpretation of this document; or
 - (ii) constitutes any collateral agreement, warranty or understanding between any of the parties.

10.10 Relationship of parties

This document is not intended to create a partnership, joint venture or agency relationship between the parties.

Schedule

Escrow Securities – Base Purchase Price

1	2	3	4	5	6
Seller	Address	Tranche 1 Escrow Securities	Escrow Period for Tranche 1 Escrow Securities	Tranche 2 Escrow Securities	Escrow Period for Tranche 2 Escrow Securities
John Gregory Hayes	6 Mount View Place, Wahroonga, NSW 2076	one-third of the total number of Easton shares the relevant Seller acquired	12 months from the Issue Date	one-third of the total number of Easton shares the relevant Seller acquired	24 months from the Issue Date
Lisa Armstrong	6 Mount View Place, Wahroonga, NSW 2076	one-third of the total number of Easton shares the relevant Seller acquired	12 months from the Issue Date	one-third of the total number of Easton shares the relevant Seller acquired	24 months from the Issue Date
Heather Bennison	131 Donalds Range Road, Razorback, NSW 2571	one-third of the total number of Easton shares the relevant Seller acquired	12 months from the Issue Date	one-third of the total number of Easton shares the relevant Seller acquired	24 months from the Issue Date
Craig Rosen	73 Allison Crescent, Menai, NSW 2234	one-third of the total number of Easton shares the relevant Seller acquired	12 months from the Issue Date	one-third of the total number of Easton shares the relevant Seller acquired	24 months from the Issue Date
Abbie Rose Pty	c/- Level 2, 115 Pitt Street,	one-third of the total	12 months from the	one-third of the total	24 months from the

1	2	3	4	5	6
Seller	Address	Tranche 1 Escrow Securities	Escrow Period for Tranche 1 Escrow Securities	Tranche 2 Escrow Securities	Escrow Period for Tranche 2 Escrow Securities
Ltd (ACN 145 484 742)	Sydney, New South Wales 2000	number of Easton shares the relevant Seller acquired	Issue Date	number of Easton shares the relevant Seller acquired	Issue Date
Knowledge Shop Pty Ltd (ACN 098 682 556)	Level 2, 115 Pitt Street, Sydney, New South Wales 2000	one-third of the total number of Easton shares the relevant Seller acquired	12 months from the Issue Date	one-third of the total number of Easton shares the relevant Seller acquired	24 months from the Issue Date

Executed as a deed.

Executed by Easton Investments Limited)
)

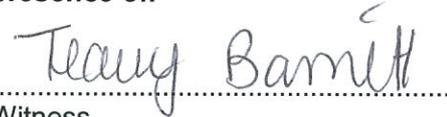

.....
Company Secretary/Director

MARK LICCIARDO
.....
Name of Company Secretary/Director
(print)

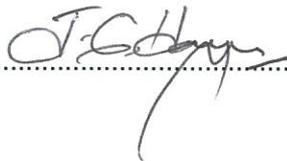

.....
Director

KEVIN WHITE
.....
Name of Director (print)

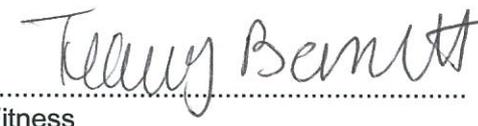
Signed by John Gregory Hayes in his personal capacity in the presence of:)
)


.....
Witness

TRACEY BARRITT
.....
Name of Witness (print)


.....

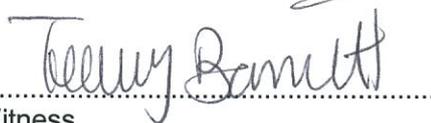
Signed by Lisa Armstrong in her personal capacity in the presence of:)
)


.....
Witness

TRACEY BARRITT
.....
Name of Witness (print)


.....

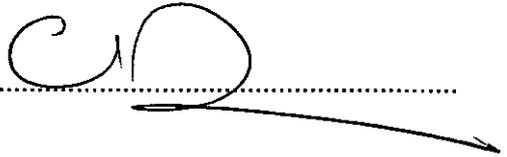
Signed by Heather Bennison in her personal capacity in the presence of:)
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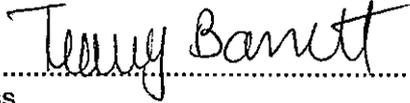

.....
Witness

TRACEY BARRITT
.....
Name of Witness (print)


.....

Signed by Craig Rosen in his
personal capacity in the presence of:)





Witness

TRACEY BARRITT

Name of Witness (print)

Executed by Abbie Rose Pty Ltd)



Company Secretary/Director

GAVAN McKeown

Name of Company Secretary/Director
(print)

N McNally

Director

Nicole McNally

Name of Director (print)

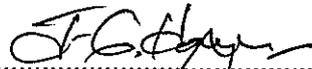
Executed by Knowledge Shop Pty
Ltd)



Company Secretary/Director

Lisa Armstrong

Name of Company Secretary/Director
(print)



Director

GREG HAYES

Name of Director (print)