

# **SPRINTEX LIMITED**

**ABN 38 106 337 599**

## **PROSPECTUS**

For a non-renounceable pro rata offer to Eligible Shareholders of 113,866,304 New Shares at an issue price of \$0.02 per share on the basis of one (1) New Share for every six (6) Existing Shares held and 341,598,912 free attaching New Options on the basis of three (3) free attaching New Options for every one (1) New Share subscribed for to raise up to \$2,277,326 before issue costs

### **Important Notice**

This Prospectus should be read in its entirety (including the 'Risk Factors' in **section 6**) before deciding whether to apply for the Securities being offered under this Prospectus. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus, then you should consult your professional adviser.

The Securities offered by this Prospectus should be considered speculative.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

An investment in the Company is not risk free and investors should consider the risk factors described below in **section 6** together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Securities. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for any New Securities.

#### **IMPORTANT NOTICE**

This Prospectus is dated 10 July 2012 and a copy of this Prospectus was lodged with ASIC on that date. ASIC and ASX take no responsibility for the content of this Prospectus. No New 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 the ASX for the New Securities to be granted quotation on the ASX.

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. Refer to **section 2.10** for treatment of overseas shareholders. Applications for the New Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on 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.

This Prospectus including each of the documents attached to it and which form part of this Prospectus is important and should be read in its entirety prior to making an investment decision. 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 6** of this Prospectus) that could affect the performance of the Company before making an investment decision.

Investors should note that past share price performance of the Company provides no guidance to its future share price performance.

Neither the Company nor any other person warrants or guarantees the future performance of the New Securities or any return on any investment made pursuant to this Prospectus.

The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements.

The forward looking statements in this Prospectus are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its Directors, that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Prospectus.

Investors should specifically refer to the 'Risk Factors' in **section 6** of this Prospectus. That section refers to some but not all of the matters that may cause actual results to differ from the position stated in any forward looking statement in this Prospectus.

Cooling-off rights do not apply to a subscription for New Securities under the Offer. This means that you cannot withdraw your Application once it has been submitted except as entitled by law. Once the New Securities are issued and quotation is granted by the ASX you may sell your New Securities on the market.

Some words and expressions used in this Prospectus have defined meanings which are explained in **section 9**.

#### **ELECTRONIC PROSPECTUS**

A copy of the Prospectus can be downloaded from the website of the Company at <http://www.sprintex.com.au> or the ASX website. 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 Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus. Any person may obtain a hard copy of the Prospectus free of charge by contacting the Company.

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## SUMMARY OF IMPORTANT DATES

Lodgment of the Prospectus with ASIC	10 July 2012
Shares quoted ex-rights	13 July 2012
Record date to determine Entitlements	19 July 2012 at 5.00pm(WST)
Opening Date and dispatch of Prospectus with Application Form	24 July 2012
Closing Date	8 August 2012
Securities quoted on a deferred settlement basis	9 August 2012
Notify ASX of under subscriptions	13 August 2012
Dispatch of holding statements and deferred settlement trading ends	14 August 2012
Trading of New Securities expected to commence on ASX	15 August 2012

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

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## **1        MANAGING DIRECTOR'S LETTER**

10 July 2012

Dear Shareholder

As announced on 14 June 2012, the Company is undertaking a non-renounceable rights issue on the basis of one (1) New Share for every six (6) Existing Shares held at the issue price of \$0.02 per New Share to raise \$2,277,326 before issue costs plus three (3) free attaching Options for every one (1) New Share subscribed for, with an exercise price of 2 cents and an expiry date of 30 June 2013. This Prospectus outlines the details of the Offer.

If fully subscribed, the rights issue is expected to result in the issue of 113,866,304 New Shares and 341,598,912 Options in the Company.

The proceeds from the Offer are to be used to fund working capital and the costs of the issue.

All Directors have stated that they intend to take up their full Entitlement under the Offer.

Please read this Prospectus carefully before deciding whether or not to invest. An investment in the Company contains specific risks which you should consider before making that decision. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional advisor.

I commend this rights issue to you and look forward to your continued support as a Shareholder.

Steven Apedaile  
Managing Director

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## **2 DETAILS OF THE OFFER**

### **2.1 The Offer**

A non-renounceable pro rata offer to Eligible Shareholders of 113,866,304 New Shares at an issue price of \$0.02 per New Share on the basis of one (1) New Share for every six (6) Existing Shares held and 341,598,912 free attaching New Options on the basis of three (3) free attaching New Options for every one (1) New Share subscribed for to raise up to \$2,277,326 before issue costs.

### **2.2 No Minimum Subscription**

There is no minimum subscription for the Offer.

### **2.3 Not Underwritten**

The Offer is not underwritten.

### **2.4 Entitlement to Offer**

Eligible Shareholders who are on the Company's Share Register at 5pm (WST) on the Record Date are eligible to participate in the Offer.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares and New Options. For this purpose, holdings in the same name are aggregated for calculation of Entitlements. If the Company considers that holdings have been split to take advantage of rounding, the Company reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Entitlements.

An Application Form setting out your Entitlement to New Securities accompanies this Prospectus.

### **2.5 No Rights Trading**

The Offer is non-renounceable. This means that the Rights of Eligible Shareholders to subscribe for New Securities under this Prospectus are not transferrable and there will be no trading of the Rights on ASX. Eligible Shareholders who choose not to take up their Rights will receive no benefit and their shareholding in the Company will be diluted as a result.

### **2.6 Shortfall**

A Shortfall will arise if the Applications received for New Shares under the Offer are less than the number of New Shares offered.

The Directors reserve the right to place the Shortfall Shares at a price not less than the issue price of the New Shares under the Offer, provided that the Shortfall Shares may only be offered to investors who are sophisticated or professional investors under the Corporations Act.

### **2.7 Acceptances**

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period or close the Offer early.

Instructions for accepting your Entitlement are set out in **section 4** and on the Application Form which accompanies this Prospectus.

### **2.8 Applying for Additional New Securities**

Eligible Shareholders may, in addition to their Entitlement, apply for additional New Securities regardless of the size of their present holding.

Any Entitlements not taken up may become available as Additional New Securities which may be placed by the Company. It is possible that there will be few or no Additional New Securities available for issue, depending on the level of take up of Entitlements by Shareholders. There is also no guarantee that in the event Additional New Securities are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

It is an express term of the Offer that applicants for Additional New Securities will be bound to accept a lesser number of Additional New Securities allocated to them than applied for. If a lesser number is allocated to them, excess application money will be refunded without interest. The Company reserves the right to scale back any applications for Additional New Securities in its absolute discretion.

## **2.9 Allotment and Application Money**

New Securities will be issued only after all Application Money has been received and the ASX has granted permission for the New Securities to be quoted. It is expected that New Securities will be issued on 14 August 2012 and trading of the New Securities on the ASX is expected to commence on 15 August 2012.

All Application Money received before New Securities are issued will be held in a special purpose account. After Application Money is refunded (if required) and New Securities are issued to Applicants, the balance of funds in the account plus accrued interest will be received by the Company.

Application will be made within seven days of the date of issue of this Prospectus for the New Securities to be granted Official Quotation by the ASX. If such an application is not made within these seven days, or Official Quotation of the New Securities is not granted by the ASX within three months of the date of this Prospectus, then the Company will not allot or issue any New Securities and all Application Money received pursuant to this Prospectus will be repaid as soon as practicable, without interest.

If the New Securities are not quoted by the ASX within three months after the date of this Prospectus, the Company will refund all Application Money in full.

The fact that the ASX may agree to grant Official Quotation of the New Securities is not to be taken in any way as an indication of the merits of the Company or the New Securities. The ASX takes no responsibility for the contents of this Prospectus.

## **2.10 Treatment of Overseas Shareholders**

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

No action has been taken to register or qualify the Securities or the Offer or otherwise to permit an offering of the Securities in any jurisdiction outside Australia and New Zealand. Shareholders resident in countries outside Australia and New Zealand should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application for the New Securities on the basis of this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Shareholders with a registered address in New Zealand should consult their professional adviser as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

It is the responsibility of any Shareholder who submits an Application Form to obtain all necessary approvals for the allotment and issue of the Securities under this Offer. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained.



This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The Securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

#### **2.11 Notice to nominees and custodians**

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

#### **2.12 Market Prices of Existing Shares on ASX**

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the three months immediately preceding the lodgment of this Prospectus with ASIC, and the last market sale price on the date before the lodgment date of this Prospectus, are set out below.

	3 months high	3 month low	Last market sale price
Existing Shares	\$0.024 on 19 April 2012	\$0.015 on 4 June 2012	\$0.02 on 9 July 2012

#### **2.13 Opening and Closing Dates**

The Offer will open for receipt of acceptances on 24 July 2012 and will close at 5pm WST on the Closing Date, subject to the right of the Company to vary these dates.

#### **2.14 CHESS**

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement Pty Ltd (**ASX Settlement**), a wholly owned subsidiary of the ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Securities.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

### **2.15 Rights and Liabilities attaching to the New Securities**

The New Shares 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 **section 5**.

### **2.16 Taxation Implications**

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

### **2.17 Enquiries**

Any queries regarding the Offer should be directed to Jay Stephenson, Company Secretary on +61 8 6141 3500.

Any queries regarding the Application Form should be directed to the Share Registry on +61 8 9389 8033

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.



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### **3 PURPOSE AND EFFECT OF THE ISSUE**

#### **3.1 Purpose of the Offer**

The purpose of the Offer is to raise up to \$2,277,326 before Offer costs.

The proceeds from the Offer are planned to be used for the following purposes in accordance with the table set out below:

- funding general working; and
- funding Offer expenses.

The table assumes that Entitlements are taken up in full

<b>Proceeds of the Offer</b>	<b>\$</b>
Working capital	\$2,237,326
Expenses of the Offer	\$40,000
<b>ESTIMATED TOTAL</b>	<b>\$2,277,326</b>

In the event that circumstances change or other opportunities arise the Directors reserve the right to vary the proposed use of funds to maximise benefits to Shareholders.

#### **3.2 Effect of the Offer and Pro Forma Statement of Financial Position**

The effect of the Offer will be (assuming Entitlements are taken up in full) that:

- cash reserves will initially increase by approximately \$2.28 million (before costs);
- the number of Shares on issue will increase from 683,197,822 to 797,064,126; and
- the number of Options on issue will increase from nil to 341,598,912.

#### **3.3 Statement of Financial Position**

Set out below is the Statement of Financial Position of the Company as at 31 March 2012 (unaudited), and the Pro-Forma Statement of Financial Position as at 31 March 2012 assuming full subscription on the basis of the assumptions detailed further. The significant accounting policies upon which the Statement of Financial Position and the Pro-Forma Statement of Financial Position are contained in the auditor reviewed financial report for twelve months ended 30 June 2011.

**SPRINTEX LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

		Unaudited Consolidated	Adjustment	Unaudited Consolidated
	Note	31-Mar-12	s	Proforma
	s	\$	\$	\$
<b>Current Assets</b>				
Cash and cash equivalents	1,2,3	334,439	2,277,326	2,611,765
Trade and other receivables		690,231		690,231
Inventory		1,746,661		1,746,661
Other current assets		49,745		49,745
<b>Total Current Assets</b>		<u>2,821,076</u>		<u>5,098,402</u>
<b>Non Current Assets</b>				
Property, plant and equipment		2,667,680		2,667,680
Goodwill and intellectual property		521,793		521,793
Investment in joint venture		244,024		244,024
Other non-current assets		82,000		82,000
<b>Total Non Current Assets</b>		<u>3,515,497</u>		<u>3,515,497</u>
<b>Total Assets</b>		<u>6,336,573</u>		<u>8,613,899</u>
<b>Current Liabilities</b>				
Trade and other payables		482,563		482,563
Interest bearing liabilities		150,288		150,288
<b>Total Current Liabilities</b>		<u>632,851</u>		<u>632,851</u>
<b>Non Current Liabilities</b>				
Non interest bearing liabilities		128,507		128,507
<b>Total Non Current Liabilities</b>		<u>128,507</u>		<u>128,507</u>
<b>Total Liabilities</b>		<u>761,358</u>		<u>761,358</u>
<b>Net Assets</b>		<u>5,575,215</u>		<u>7,852,541</u>
<b>Equity</b>				
Issued capital	1, 2	37,095,570	2,277,326	39,372,896
Reserves		1,513,644		1,513,644
Accumulated losses		-33,033,999		-33,033,999
<b>Total Equity</b>		<u>5,575,215</u>		<u>7,852,541</u>

**Notes to the Proforma Balance Sheet:**

1. Completion of raising \$2,277,326 (before issue costs) of equity capital by the issue of 113,866,304 New Shares at an issue price of \$0.02 per share.

2. As at the date of this Prospectus, the Directors had advanced \$1,196,089 for their respective participation in the Entitlement Issue.
3. As at the date of this Prospectus, the balance of cash and cash equivalents was \$831,189.

### 3.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

#### Capital Structure after Completion of Offer

Shares	
683,197,822	Shares quoted on ASX as at the date of this Prospectus
113,866,304	Shares issued pursuant to this Prospectus
797,064,126	Total issued Shares

Options	
nil	Options quoted on ASX as at the date of this Prospectus <sup>1</sup>
341,598,912	Listed New Options issued pursuant to this Prospectus exercisable at \$0.02 on or before 30 June 2013
341,598,912	Total issued Options

Note 1: In addition there are 15,000,000 Performance Rights on issue (3,750,000 each of Class A, B, C and D Performance Rights)

### 3.5 Effect of the Offer on control of the Company

The potential effect that the issue of New Shares under the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand.

The Offer is not expected to materially impact the control of the Company.

The current relevant interests of the Company's substantial Shareholders (**Substantial Shareholders**) are set out below<sup>1</sup>:

Shareholder	Ordinary Shares	% of Total Ordinary Shares
Mr Michael John Wilson	133,517,726	19.54%
Mr Richard John Siemens	132,940,734	19.46%
Mr Steven James Apedaile	86,423,181	12.65%
Euro Mark Limited and related entities	39,565,333	5.79%

#### Notes:

1. Approximate based on number of Shares held by each Shareholder as at the dates of their most recent substantial holding notices.

The shareholding percentage of those Substantial Shareholders on completion of the Offer will depend upon the take up of their Entitlements. Those Substantial Shareholders who are Directors

have confirmed their intention to take up part or all of their Entitlements and that they will not participate in the Shortfall Offer.

Any Shortfall under the Offer will be dealt with by the Directors in accordance with **Section 2.6** of this Prospectus. If not all Shareholders take up their Entitlement under the Offer and the Shortfall Offer is not fully subscribed for, the Substantial Shareholders will increase their shareholdings and therefore voting power in the Company. Any and all increases in acceptances that are received under the Offer and subscription for the Shortfall by Shareholders, will correspondingly reduce the amount of Shortfall and consequent impact of the Substantial Shareholders and their voting power of the Company.

If all Shareholders take up their entitlements under the Offer, the Offer itself will have not have any effect on the control of the Company.

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## 4 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

### 4.1 What you may do

As an Eligible Shareholder, you may:

- subscribe for all of your Entitlement (refer **section 4.2**);
- apply for Additional New Securities (refer **section 4.3**);
- allow all or part of your Entitlement to lapse (refer **section 4.4**);

### 4.2 To subscribe for all of your Entitlement

If you wish to subscribe for all of your Entitlement, complete the accompanying Application Form in accordance with the instructions set out in that form. The Application Form sets out the number of New Securities you are entitled to subscribe for. The completed Application Form must be accompanied by a cheque or bank draft made payable to **"Sprintex Limited – Share Application Account"** and crossed **"Not Negotiable"** for the appropriate Application Money in Australian dollars calculated at \$0.02 per New Share accepted, and received by the Company at either of the following addresses by no later than 5.00pm (WST) on the Closing Date. The Company will present the cheque or bank draft on or around the day of receipt of the Application Form. If a cheque is not honoured upon its first presentation, the Directors reserve the right to reject the relevant Application Form.

If the amount of your cheque(s) or bank draft(s) for Application Money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Securities you have applied for in your Application Form, you may be taken to have applied for such lower number of New Securities as your cleared Application Money will pay for (and to have specified that number of New Securities in your Application Form) or your Application may be rejected.

By post:
Sprintex Limited C/- Advanced Share Registry Limited 150 Stirling Highway Nedlands WA 6090

Alternatively, if you are paying the Application Money by electronic funds transfer to the bank account noted on the Application Form, you do not need to mail the Application Form. Please refer to your personalised instructions on your Application Form.

It is your responsibility to ensure that your Application Monies transferred by electronic funds transfer is received by the Company by no later than 5.00 pm (Eastern Standard Time) (3.00 pm (WST)) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration.

### 4.3 To apply for Additional New Securities

Eligible Shareholders may, in addition to their Entitlement, apply for Additional New Securities regardless of the size of their present holding. Refer to **section 2.8** if you wish to apply for Additional New Securities.

A single cheque should be used for the Application Money for your Entitlement and the number of Additional New Securities you wish to apply for as marked where indicated on the Application Form.

Alternatively, if you are transferring the Application Money by electronic funds transfer, refer to your personalised instructions on your Application Form. Shareholders who wish to pay by electronic funds transfer must ensure that payment is received by no later than 5.00 pm Eastern Standard Time (3.00 pm (WST)) on the Closing Date.

#### **4.4 Entitlements not taken up**

If you are a Shareholder and do not wish to accept all (or part) of your Entitlement, you are not obliged to do anything. You will receive no benefit or New Securities and your Entitlement will become available to Eligible Shareholders as Shortfall Shares to be applied for.

If you wish to receive a benefit, you must take action to accept your Entitlement in accordance with the instructions above and on the back of the accompanying Application Form.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

The Company will deal with any New Securities not accepted in its absolute discretion.

#### **4.5 Application Form is binding**

A completed and lodged Application Form constitutes a binding offer to acquire New Securities on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. If the Application Form is not completed correctly, it may still be treated as a valid application for New Securities. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Application Form is final.

By completing and returning your Application Form with the requisite Application Money, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- agree to be bound by the terms of the Offer;
- declare that all details and statements in the Application Form are complete and accurate;
- declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Securities to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Application Form;
- declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Securities are suitable for you given your investment objectives, financial situation or particular needs; and
- acknowledge that the New Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

If you have any queries concerning your entitlement or allocation, please contact:

**Jay Stephenson, Company Secretary**  
**Tel: +61 8 6141 3500 Fax: +61 8 9262 7288**

or contact your stockbroker or professional adviser.



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## **5 RIGHTS AND LIABILITIES ATTACHING TO NEW SECURITIES**

The following is a summary of the more significant rights and liabilities attaching to New Securities to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

The rights attaching to the New Securities arise from a combination of the Constitution, the Corporations Act, the Listing Rules and general law. A copy of the Constitution is available for inspection free of charge during business hours at the Company's registered office.

### **5.1 Rights attaching to New Shares**

The New Shares to be issued pursuant to this Prospectus are ordinary shares and will, as from their allotment, rank equally in all respects with all Existing Shares.

A summary of the rights attaching to the New Shares is set out below.

#### **(a) General Meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

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

#### **(b) Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

#### **(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 right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed

to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

(d) **Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

(f) **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 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.

(g) **Variation of Rights**

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

## **5.2 Rights attaching to New Options**

The New Options issued pursuant to this Prospectus will be issued on the following terms and conditions:

- (a) Each New Option will entitle the holder to subscribe for one Share at an exercise price of \$0.02.
- (b) The New Options are exercisable at any time on or before 30 June 2013 wholly or in part by delivering a duly completed form of notice of exercise to the Company, accompanied by payment of the exercise moneys.
- (c) All Shares allotted on exercise of the New Options will rank equally in all respects with the Company's then Existing Shares.

- (d) The New Options are freely transferable.
- (e) Application will be made to the ASX for official quotation of the New Options not later than 7 business days after the date of this Prospectus. Application will be made to ASX for official quotation by ASX of all Shares allotted pursuant to the exercise of New Options not later than 10 business days after the date of allotment.
- (f) Holders of New Options may only participate in new issues of securities as holders of Shares if a New Option has been exercised and Shares have been allotted in respect of the New Option before the record date for determining entitlements to the issue. The Company must give at least 6 business days' notice to holders of any New Options before the record date for determining entitlements to the issue in accordance with the Listing Rules of ASX.
- (g) There will be no change to the exercise price of a New Option or the number of Shares over which a New Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than for a Bonus Issue).
- (h) If there is a bonus issue ("**Bonus Issue**") to the holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the New Option had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other Shares of that class at the date of issue of the Bonus Shares.
- (i) If, prior to the expiry of any New Options, there is a reorganisation of the issued capital of the Company, the New Options shall be reorganised in the manner set out in the Listing Rules.

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## **6 RISK FACTORS**

### **6.1 Overview**

The New Securities offered under this Prospectus should be regarded as speculative due to the inherent risks associated with the Company's activities. Neither the Company nor the Directors warrant the future performance of the Company or any investment made pursuant to this Prospectus. An investment in the New Securities offered by this Prospectus should be considered speculative.

The Directors recommend that Shareholders and potential investors examine the contents of this document together with previous ASX disclosures and public documents of the Company, including its most recent audited financial statements, and rely on advice of their professional advisers before deciding whether or not to apply for New Securities pursuant to this document.

The following summary, which is not exhaustive, represents some of the major risk factors of which potential investors need to be aware.

### **6.2 Company Specific Risks**

While all investments have an associated level of inherent risk, the following specific risks should be considered carefully in evaluating the Company and its prospects.

#### **(a) Intellectual Property Risks**

Securing rights in particular patents is an integral part of securing potential product value from the outcomes of research and development. Competition in retaining and sustaining protection of rights and the complex nature of automotive products can lead to expensive and lengthy patent disputes for which there can be no guaranteed outcome.

The granting of a patent does not guarantee that the rights of others are not infringed, nor does it guarantee that competitors will not develop competing technologies circumventing such patents. The Company's success may depend, in part, on its ability to obtain patents, maintain trade secret protection, and operate without infringing the proprietary rights of third parties. Because the patent positions of companies with investments in automotive parts can be highly uncertain, and frequently involve complex legal and scientific evaluation, neither the breadth of claims allowed in patents nor their enforceability can be predicted. There can be no assurance that any patents the Company may own or control or license in the future will afford commercially significant protection of the technologies, or that any of the projects that may arise from the technologies will have commercial applications.

#### **(b) Research and Development Risks**

The Company can make no representation that any of its research into or development of new technologies will be successful, that any development milestones will be achieved, or that the products will be developed into products that are commercially exploitable.

There are many risks inherent in the development of products in the automotive sector, particularly where the products are in early stages of development. Projects can be delayed or fail to demonstrate any benefit, or research may cease to be viable for a range of scientific and commercial reasons.

#### **(c) Capital Requirement Risks**

An inability to raise the minimum capital requirement amount would severely impinge upon the Company's activities.

Furthermore, depending on the Company's ability to generate income from its

operations, the Company may require further financing to fund its operations through equity capital. 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 programmes as the case may be.

(d) **Automotive Industry Risks**

Changes in vehicle production volumes in markets where the Company operates and/or changes in the operations, financial condition or market share of the Company's customers will have an adverse effect on the Company.

(e) **Vehicle Affordability Risk**

The performance of the automotive retail industry is in part dependent on the general affordability of vehicles. The Company's financial performance could be adversely affected if the affordability of vehicles is reduced as a result of the increased cost of vehicle manufacturing, increased interest rates, and/or the effect of exchange rate fluctuations.

(f) **Unforeseen Expenses**

The incurrence of substantial unforeseen expenses could adversely affect performance and capital requirements.

(g) **Product Liability and Uninsured Risks**

The Company may be exposed to potential product liability risks, which are inherent in the research and development, manufacturing, marketing and use of products in the automotive sectors. It will be necessary to secure insurance to help manage such risks. The Company may not be able to maintain insurance for product or service liability on reasonable terms in the future and, in addition, the Company's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims.

(h) **Regulatory Risks**

The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions that govern the Company's future operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, financial performance of the Company.

(i) **Licensing and Marketing Risks**

The Company may need to have a strategy to license new products in the early phases of their development to licensees that are able to complete commercialisation of its products. There is no guarantee that suitable licensees will be identified.

(j) **Competition Risk**

The Company operates in a competitive market environment. The Company's financial performance could be affected if the actions of competitors become more effective or if new competitors enter the market.

New competition may also adversely affect the Company's financial performance in particular areas of the business outside its core areas of competency. This new competition may have an adverse effect on the Company's future financial performance and earnings growth.

(k) **Reputation Risk**

The Company considers its reputation for trust and integrity important in maintaining

ongoing customer goodwill. A range of events could have a material adverse impact on the Company's reputation.

**(l) Growth Management Risk**

To achieve the growth objectives set out in this Prospectus, the Company will be required to continue to invest in its operational, information and financial systems, procedures and controls. The existing Board and management have extensive experience in managing and implementing growth strategies. The inability to implement the growth strategies outlined in this Prospectus may impact the future financial performance of the Company. Also, there can be no assurance given that there will be no detrimental impact on the Company if one or more of these management employees ceases their employment.

**(m) Expansion Risk**

The Company plans to increase the sale of its products. There is a risk that there may not be sufficient demand to allow an increase in sales which will adversely affect the Company's financial performance.

**(n) Offshore Manufacturing Risk**

The Company has established offshore manufacturing facilities in conjunction with a joint venture partner. This involves risks such as agreeing terms and practical set up issues of a proposed new manufacturing facility in a foreign country, plus introduces associated political and exchange rate risks.

### **6.3 General Risks**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) changes in government regulation;
- (f) the demand for, and supply of, capital; and
- (g) terrorism or other hostilities.

### **6.4 Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's development and future production activities, as well as on its ability to fund those activities.

### **6.5 Market conditions**

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### **6.6 Security Investments**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been



unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

#### **6.7 Legislative changes, Government policy and approvals**

Changes in government regulations and policies may adversely affect the financial performance of the Company.

#### **6.8 Future Capital Requirements**

The Company's ongoing activities will require substantial expenditures. There can be no guarantee that the funds raised through the Offer, will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

#### **6.9 Reliance on Key Personnel and Employees**

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

An investment in the Company is not risk free and prospective new investors should consider the risk factors described below, together with information contained elsewhere in the Prospectus, before deciding whether to apply for Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

#### **6.10 Legal Proceedings**

The Company is not party to any legal proceedings.

At the time of lodging this Prospectus it is not possible to predict if future proceedings may be taken against the Company.

Any adverse finding made against the Company which cannot be successfully recovered from cross claims made against other parties may result in the Company being liable to pay up to the amount claimed by the parties to the legal proceedings. The Company may also be liable for costs of other parties to the proceedings if these costs are awarded against it, as well as its own legal costs.



### **6.11 Procurement and Manufacturing Risks and Processes**

A number of the Company's suppliers are subject to the risks associated with operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability, and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, licensing, export duties, repatriation of income or return of capital, environmental protection, safety, and labour relations, as well as government control over properties, or government regulations that require the employment of local staff or contractors, or require other benefits to be provided to local residents.

Any future material adverse changes in government policies or legislation in China, Italy, Sweden or the United States of America or in the Company's relationship with a supplier in one of these countries may affect the viability of the Company and its operations.

Failures of equipment and machinery may result in production delays and lead to an inability of the Company to maintain supply which may have a negative impact on the Company's future operations, cash flows and viability.

### **6.12 International Operations**

International sales and operations are subject to a number of risks, including:

- (a) potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- (b) potential difficulties in protecting intellectual property;
- (c) increases in costs for transportation and shipping; and
- (d) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

### **6.13 Distribution Arrangements**

The Company has to date appointed distribution agents to act for it in the distribution of its products to retail outlets.

Until it reaches an optimum size to commence wholesaling directly to retailers, the success of the Company's operation depends on the Company's ability to maintain existing, and secure new, distribution arrangements on favourable terms.

No assurance can be given that the Company will be able to successfully negotiate new distribution arrangements on favourable terms or at all. No assurance can be given that the Company will be able to continue selling its products under the existing distribution arrangements.

The Directors are unable to predict the risk of financial failure or default by a distribution agent which the Company has appointed or may appoint in the future.

### **6.14 Contractors and Service Providers**

The Directors are unable to predict the risk of financial failure, default, insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

### **6.15 Strategic Alliances**

The Company may in the future seek to enter into strategic alliances with other parties, some of which may be corporations much larger than the Company. There is a risk in managing strategic alliances and partnerships with large corporations.

Should other participants in any strategic alliance not act in the best interests of the Company, this may have a material adverse effect on the Company's operations.

The Directors are unable to predict the risk of financial failure or default by a participant in any strategic alliance to which the Company may become a party.

### **6.16 Development**

The Company will continue product development and research on automotive technologies and the use of substitute materials and processes used in the manufacture of its products.

There is a risk that development of new products will require costs beyond those budgeted and even if developed there is no guarantee that the products can be successfully commercialised and exploited.

### **6.17 Foreign Exchange**

The Company currently has components supplied from Australia, China, Italy, Malaysia, Sweden and the United States of America which are paid for in Australian Dollars, US Dollars, Euros, Malaysian Ringgit, Swedish Krona and US Dollars, respectively.

The Company also sells its products to customers in Australia, China, Europe, Indonesia, Malaysia and the United States of America in the respective currencies of these countries.

In the future a proportion of the Company's revenues, purchases, cash inflows, other expenses, capital expenditure and commitments may be denominated in foreign currencies.

To comply with Australian reporting requirements the income, expenditure and cash flows of the Company will need to be accounted for in Australian dollars. This will result in the income, expenditure and cash flows of the Company being exposed to the fluctuations and volatility of the rate of exchange between other currencies and the Australian dollar, as determined in international markets.

Furthermore, the Company has decided to not put in place any hedges in relation to foreign exchange. This may result in the Company being exposed to exchange rate risk, which may have an adverse impact on the profitability and/or financial position of the Company.

### **6.18 Inability to Meet Customer Demand**

For any number of reasons the Company may not, from time to time, have an adequate supply of products to meet customer demand which may cause it to be unable to fill orders or to lose sales. Such inability to meet customer demand from time to time may arise if the Company's sales growth accelerates substantially or in the event that its distribution and retail network grows substantially.

The Company anticipates that it will be in a better position to manage and mitigate this risk upon successful completion of the Offer.

### **6.19 Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

**Continuous Disclosure Obligations**

The Company is a "disclosing entity" (as defined in section 111 AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus and the Shares issued upon the exercise of the New Options are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by the ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Securities on the Company and the rights attaching to the New Securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report of the Company for the financial year ended 30 June 2011, being the most recent annual financial report of the Company lodged with ASIC before the issue of this Prospectus; and
  - (ii) any documents used to notify the ASX of information relating to the Company in the period from lodgment of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2011 Annual Report on 30 September 2011:

Date	Description of Announcement
18 October 2011	Change of Director's Interest Notice
26 October 2011	Change of Director's Interest Notice
28 October 2011	Appendix 4C – quarterly
31 October 2011	Notice of Annual General Meeting/Proxy Form
4 November 2011	Becoming a substantial holder
10 November 2011	Sprintex wins two new product awards at SEMA
24 November 2011	Trading Halt
28 November 2011	Suspension from Official Quotation
28 November 2011	Reinstatement to Official Quotation
28 November 2011	Proreka Joint Venture Update
30 November 2011	Results of Annual General Meeting
7 December 2011	Change of Name and ASX Code
8 December 2011	Sprintex Shareholder Newsletter
23 December 2011	Exclusive Distribution Agreement Signed for China
28 December 2011	Cleansing Statement
28 December 2011	Appendix 3B
6 January 2012	Change of Director's Interest Notice
6 January 2012	Appendix 3B
6 January 2012	Cleansing Statement
12 January 2012	Change of Director's Interest Notice
24 January 2012	Cleansing Statement and Appendix 3B
30 January 2012	Appendix 4C – quarterly
2 February 2012	Change of Share Registry
29 February 2012	Half Yearly Report and Accounts

19 March 2012	Cleansing Statement and Appendix 4C
19 March 2012	Director Appointment and Initial Director's Interest Notice
27 April 2012	Appendix 4C – quarterly
1 June 2012	Sale of Premises and Change of Registered Office
14 June 2012	Non-Renounceable Entitlement Issue to Raise up to \$2.28 million
22 June 2012	Change of Director's Interest Notice
26 June 2012	Response to Appendix 3Y Query
6 July 2012	Appendix 3B
9 July 2012	Indemnity of Malaysian Facility Equipment Finance

The ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at the ASX during normal office hours.

## 7.2 Material Contracts

As at the date of this Prospectus, the Company has not entered into any undisclosed material contracts relating to the business of the Company.

## 7.3 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of Securities pursuant to this Prospectus; or
- (c) the Offer of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer of Securities pursuant to this Prospectus.

All Directors have stated that they intend to take up their full Entitlement under the Offer.

Directors' direct and indirect interests in securities of the Company at the date of this Prospectus are:

Name	Security
Steven Apedaile	86,423,181 Shares 1,250,000 Class A Performance Rights 1,250,000 Class B Performance Rights 1,250,000 Class C Performance Rights 1,250,000 Class D Performance Rights

Richard Siemens	132,940,734 Shares
Michael Wilson	133,517,726 Shares
Richard O'Brien	6,445,218 Shares
David White	Nil

The Constitution of the Company provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Non-executive Directors and in default of agreement then in equal shares.

In the two years preceding lodgement of this Prospectus, \$566,500 (excluding GST where applicable) has been paid by the Company by way of remuneration for services provided by all Directors, companies associated with the Directors or their associates in their capacity as Directors, employees, consultants or advisers. Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

#### **7.4 Interests and Consents of Experts and Advisers**

No expert or adviser has given its consent to be named in this Prospectus, before lodgement of this Prospectus with ASIC.

No party has:

- authorised or caused the issue of this Prospectus;
- made, or purported to have made, any statement in this Prospectus or on which a statement in this Prospectus is based except as set out in this section; and
- assumed the responsibility for any part of this Prospectus except as set out in this section and to the maximum extent permitted by law, expressly disclaims responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation of or distribution of this Prospectus do not have, and have not had in the two years before the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Securities pursuant to this Prospectus; or
- the offer of New Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the offer of New Securities pursuant to this Prospectus.

References to PKF Mack and Co. appear for information purposes only. PKF Mack and Co. has not been involved in, authorised or caused the issue of this Prospectus.

References to Advanced Share Registry Services appear for information purposes only. Advanced Share Registry Services has not been involved in, authorised or caused the issue of this Prospectus.



## **7.5 Estimated Expenses of Offer**

The estimated expenses of the Offer are approximately \$40,000 including fees payable to the legal advisors, ASIC, the ASX and printing costs.

## **7.6 Litigation**

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

## **7.7 Privacy Act**

If you complete an application for New Securities, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your New Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules. You should note that if you do not provide the information required on the application for New Securities, the Company may not be able to accept or process your application.

## **7.8 Directors' Consent**

Each Director has consented to the lodgement of this Prospectus with ASIC.

Signed on behalf of the Directors pursuant to a resolution of the Board.

A handwritten signature in black ink, appearing to read 'Richard O'Brien', with a horizontal line drawn underneath the signature.

**Richard O'Brien**  
Director



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## 8 CORPORATE DIRECTORY

### **Directors**

Richard Siemens (Non-executive Chairman)  
Steven Apedaile (Managing Director)  
Michael Wilson (Non-executive Director)  
Richard O'Brien (Non-executive Director)  
David White (Non-executive Director)

### **Company Secretary**

Jay Stephenson

### **Registered Office**

183 Mulgul Road  
Malaga WA 6090  
Phone (08) 9262 7277  
Facsimile (08) 9262 7288

### **Share Registry**

Advanced Share Registry Services\*  
150 Stirling Highway  
Nedlands WA 6009

### **Auditors**

PKF Mack and Co.\*  
Level 2, 35 Havelock Street  
West Perth WA 6005

### **Web Address**

[www.sprintex.com.au](http://www.sprintex.com.au)

### **ABN**

ABN 35 106 337 599

### **ASX Code**

SIX

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

"A\$", "\$" and **dollars** means Australian dollars, unless otherwise stated.

**Additional New Securities** means New Shares and New Options in addition to an Eligible Shareholder's Entitlement for which an applicant makes an Application.

**Application** means an application for New Securities pursuant to the Application Form.

**Application Form** means the Application form attached to or accompanying this Prospectus.

**Application Money** means the money received from Eligible Shareholders in respect of their Application.

**ASIC** means the Australian Securities and Investments Commission.

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

**ASX Settlement Operating Rules** means the settlement rules of ASX Settlement.

**ASX** means ASX Limited (ABN 98 008 624 691) or the market operated by that entity.

**Board** means the board of Directors.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**CHESS** means ASX Clearing House Electronic Sub-registry System.

**Closing Date** means 8 August 2012, or such other date as may be determined by the Directors under this Prospectus.

**Company** means Sprintex Limited ABN 38 106 33 599.

**Constitution** means the Company's Constitution as at the date of this Prospectus.

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

**Director** means directors of the Company at the date of this Prospectus.

**Eligible Shareholders** means a Shareholder as at the Record Date other than a Non-qualifying Foreign Shareholder.

**Entitlement** or **Right** means a Shareholder's entitlement to subscribe for New Securities offered by this Prospectus.

**Existing Share** means a fully paid ordinary share in the capital of the Company on issue as at the Record Date.

**Full Subscription** means the amount of \$2,277,326 (before issue costs) to be raised under the Offer.

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**New Option** means an Option exercisable at \$0.02 on or before 30 June 2013, to be issued at the ratio of three (3) free attaching New Options for every one (1) New Share subscribed for, to be listed on the ASX.

**New Securities or Securities** means the New Shares and New Options to be issued pursuant to this Prospectus.

**New Shares** means a fully paid ordinary share in the capital of the Company to be issued under this Prospectus.

**Non-qualifying Foreign Shareholders** means a Shareholder whose registered address is not situated in Australia or New Zealand.

**Offer** means the offer of one (1) New Share for every six (6) Existing Shares at an issue price of \$0.02 per New Share and 341,598,909 free attaching New Options on the basis of three (3) free attaching New Options for every one (1) New Share subscribed for.

**Official Quotation** means official quotation on the ASX.

**Opening Date** means 24 July 2012.

**Option** means an option to subscribe for a Share.

**Prospectus** means the prospectus constituted by this document.

**Record Date** means 5pm WST on 19 July 2012.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means the holder of a Share.

**Shortfall** will occur if the Company does not hold successful valid Applications for all the New Shares offered by the Company under this Prospectus by the Closing Date.

**Shortfall Shares** means New Shares for which successful valid Applications have not been received by the Closing Date.

**US Securities Act** means the United States Securities Act of 1933, as amended.

**WST** means Western Standard Time.