



## Offer Booklet

**Renounceable pro-rata entitlement offer by Adcorp Australia Limited ACN 002 208 915 to Eligible Shareholders of 2 New Shares for every 1 Share held on the Record Date at an offer price of 3.1 cents per New Share.**

**The Entitlement Offer closes at 5.00 pm (Sydney/Melbourne Time) on Monday 30<sup>th</sup> November 2015.**

**The Entitlement Offer is fully Underwritten.**

**This is an important document and requires your immediate attention. You should read this document in its entirety before making any investment decision. If you are in any doubt about what to do, please consult your professional adviser.**

**This document is not a prospectus or other form of disclosure document. It does not contain all of the information that an investor may require to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Booklet.**

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## IMPORTANT INFORMATION

This Offer Booklet has been prepared by Adcorp Australia Limited ACN 002 208 915 (**Adcorp or Company**) and is dated Tuesday, 17 November 2015. This Offer Booklet is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC. The Entitlement Offer contained in this Offer Booklet is being made without disclosure in accordance with section 708AA of the Corporations Act, as modified by ASIC Class Order 08/35.

Neither ASIC nor ASX, nor any of their officers or employees takes responsibility for the Entitlement Offer or the merits of the investment to which the Entitlement Offer relates.

The Offer Booklet does not constitute financial product advice and has been prepared without taking into account Eligible Shareholders' investment objectives, financial circumstances or particular needs. The Offer Booklet does not purport to contain all the information that Eligible Shareholders may require to make an informed investment decision regarding, or about the rights attaching to, the New Shares. If, after reading this Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, lawyer, accountant or other professional adviser.

Before deciding whether to apply for New Shares, each Eligible Shareholder should consider whether Adcorp is a suitable investment for them in light of their own investment objectives and financial circumstances and should seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether or not to invest.

### Investment Risks

There are a number of risk factors that could potentially impact on Adcorp and its operations. For information about these risks, please refer to the "Investment Risks" section 2.1. The potential tax effects of the Entitlement Offer will vary between investors. All investors should satisfy themselves of any possible tax consequences by consulting their own professional tax advisers. Applications for New Shares, including any Additional Shares, by Eligible Shareholders can only be made on the Entitlement and Acceptance Form sent to Eligible Shareholders which accompanies this Offer Booklet.

### Future performance and forward looking statements

Applicants for New Shares should note that the past share price performance of Adcorp provides no guidance as to its future share price performance. Any financial information provided in this Offer Booklet is for illustrative purposes only and is not represented as being indicative of Adcorp's future financial performance.

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

### Ineligible Shareholders

The Entitlement Offer is only made to Eligible Shareholders. The Entitlement Offer is not extended to, and no New Shares are offered or will be issued to, persons with registered addresses outside Australia and New Zealand (**Ineligible Shareholders**).

Adcorp considers it is unreasonable to extend the Entitlement Offer to Shareholders with registered addresses in jurisdictions outside Australia and New Zealand having regard to the small number and value of New Shares that would be offered in such jurisdictions and the cost of complying with the legal and regulatory requirements in those jurisdictions.

## **Foreign jurisdictions and restrictions on the distribution of this Offer Booklet**

This Offer Booklet and accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of New Shares in any place outside Australia and New Zealand. The distribution of this Offer Booklet and the accompanying Entitlement and Acceptance Form outside of Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Booklet and the accompanying Entitlement and Acceptance Form should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws. By applying for New Shares under this Offer Booklet, including by submitting the Entitlement and Acceptance Form or making a payment by BPAY<sup>®1</sup> you represent and warrant that there has been no breach of such laws.

The Company disclaims all liabilities to such persons. Eligible Shareholders who are not resident in Australia or New Zealand are responsible for ensuring that taking up New Shares under the Entitlement Offer does not breach the selling restrictions set out in this Offer Booklet or otherwise violate the securities laws in the relevant overseas jurisdictions.

In particular, the Entitlement Offer has not been, and will not be, registered under the *Securities Act of 1933* (US) or the securities laws of any State of the United States and is not being made in the United States or to persons resident in the United States. Without limitation, neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be sent to investors in the United States or otherwise distributed in the United States.

The New Shares being offered to residents of New Zealand under this Offer Booklet are offered in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). This Offer Booklet and the accompanying Entitlement and Acceptance Form have not been registered, filed or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This Offer Booklet is not an investment statement or prospectus under New Zealand law and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

No action has been taken to register or qualify this Offer Booklet, the New Shares, or the Entitlement Offer, or otherwise to permit a public offering of the New Shares, in any jurisdiction outside Australia and New Zealand.

### **Disclaimer**

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer not contained in this Offer Booklet. Any information or representation not contained in this Offer Booklet may not be relied on as having been authorised by Adcorp, or its related bodies corporate, in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, neither Adcorp, nor any other person, warrants the future performance of Adcorp or any return on any investment made under this Entitlement Offer.

Neither of Adcorp's advisers nor any of their respective affiliates or related bodies corporate nor any of their respective directors, officers, partners, employees, representatives or agents has authorised or caused the issue of this Offer Booklet and they do not take any responsibility for the information set out in this Offer Booklet or any action taken by you on the basis of such information.

To the maximum extent permitted by law, Adcorp's advisers and their respective affiliates or related bodies corporate and any of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer or this Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

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<sup>1</sup>® Registered to BPAY Pty Ltd ABN 69 079 137 518

Neither of Adcorp's advisers nor any of their respective affiliates or related bodies corporate nor any of their respective directors, officers, partners, employees, representatives or agents makes any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer, or any information contained in the Offer Booklet and you represent, warrant and agree that you have not relied on any statements made by any of Adcorp's advisers or any of their respective affiliates or related bodies corporate or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares or the Entitlement Offer generally.

Statements made in this Offer Booklet are made only as the date of this Offer Booklet. The information in this Offer Booklet remains subject to change without notice.

### **Defined terms and abbreviations**

Terms and abbreviations used in this Offer Booklet are defined in section 6.

References to sections are to sections of this Offer Booklet, unless otherwise stated.

### **Queries**

If you have not received a personalised Entitlement and Acceptance Form or have any queries on how to complete the Entitlement and Acceptance Form, please contact the share registry, Computershare Investor Services Pty Ltd, on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) during business hours.

## LETTER FROM THE CHAIRMAN

17 November 2015

Dear Shareholder,

On behalf of Adcorp Australia Limited (“**Adcorp**” or the “**Company**”), I am pleased to invite you to participate in a 2-for-1 renounceable pro rata entitlement offer (“**Entitlement Offer**”) at an offer price of 3.1 cents per share (“**Offer Price**”) to raise up to approximately \$3.76 million (before expenses). The Entitlement Offer was announced to ASX on 6 November 2015.

Under the Entitlement Offer, eligible shareholders are being given the opportunity to subscribe for 2 New Shares for every 1 Adcorp ordinary share held at **7:00 pm (Sydney and Melbourne time) on Thursday, 12 November 2015** at the Offer price of 3.1 cents per share.

The Offer Price represents an approximate discount of:

- 8.8% to the last trading price of Adcorp on the ASX on 5 November 2015 (being 3.4 cents);
- 8.8% to the one month volume weighted average price (**VWAP**) of shares prior to 5 November 2015;
- 12.4% to the two month VWAP of shares prior to 5 November 2015; and
- 24.6% to the three month VWAP of shares prior to 5 November 2015.

The proceeds of the capital raising will be used to provide working capital to enable sufficient flexibility to operate the Company on a day-to-day basis and to provide some flexibility to enable pursuit of potential strategic business development initiatives.

Entitlements are renounceable. This means that eligible shareholders who do not take up all or any part of their Entitlements may be able to trade their Entitlements on ASX or otherwise transfer their Entitlements off-market. Shareholders who do not take up their Entitlements in full, or otherwise trade their Entitlements, will not receive any value for those Entitlements that they do not take up.

The Entitlement Offer is fully underwritten by MCO Nominees Pty Ltd, an entity associated with me, Ian Rodwell. As the underwriter, this entity will only take up new shares not subscribed for by eligible shareholders under the Entitlement Offer (including the Shortfall facility).

The Company has put in place a Shortfall facility under which eligible shareholders can apply for new shares in excess of their Entitlement. Any new shares that are not taken up by shareholders (whether on exercise of any Entitlement allocated under this Offer Booklet, or otherwise acquired from a shareholder, or under the Shortfall facility) will be subscribed for by the underwriter of the Entitlement Offer.

The maximum number of new shares which may be issued under the Entitlement Offer is 121,353,204.

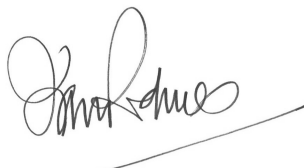
This Offer Booklet contains important information about the Entitlement Offer, including a personalised Entitlement and Acceptance Form which details your entitlement to new shares in Adcorp. If you are an eligible shareholder, and you wish to apply for all or some of the shares making up your entitlement, you must complete the accompanying Entitlement and Acceptance Form and lodge it together with a cheque or payment through BPAY. If paying by BPAY you do not need to return the Entitlement and Acceptance Form.

This Offer Booklet should be read carefully and in its entirety before deciding whether or not to participate in the Entitlement Offer. In particular, you should consider the investment risks outlined in section 3.

If you have any questions in respect of the Entitlement Offer, please consult your stockbroker, accountant, lawyer or other professional adviser.

On behalf of the Board of Adcorp, I invite you to consider this investment opportunity and thank you for your ongoing support of our Company.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Ian Rodwell', written over a horizontal line.

Mr Ian Rodwell  
Chairman

## KEY DETAILS RELATING TO THE ENTITLEMENT OFFER

### Key data relating to the Entitlement Offer

Entitlement Offer	2 New Shares for every 1 Share held on the Record Date
Offer Price per New Share	\$0.031 (3.1 cents)
Discount of the Offer Price to the last trading price of Adcorp on the ASX on 5 November 2015 (being the last day on which Shares in Adcorp traded before announcement of the Entitlement Offer)	8.8%
Maximum number of New Shares to be offered under the Entitlement Offer	121,353,204 New Shares
Approximate proceeds from the Entitlement Offer (before expenses)	\$3.76 million

### Summary of key Entitlement Offer dates\*\*

Announcement of the Entitlement Offer	Friday, 6 November 2015
Securities resume trading on an “ex”-entitlement basis	Tuesday, 10 November 2015
Entitlements trading starts	Tuesday, 10 November 2015
<b>Record Date</b> to determine Entitlements	<b>7.00 pm (Sydney/Melbourne time)</b> Thursday, 12 November 2015
Despatch of Offer Booklet and Entitlement and Acceptance Forms (by no later than)	Tuesday, 17 November 2015
Entitlements trading ends	Monday, 23 November 2015
<b>Closing Date</b>	<b>5:00 pm (Sydney/Melbourne time)</b> Monday, 30 November 2015
Allotment of New Shares	Monday, 7 December 2015
Trading of New Shares expected to commence on ASX	Tuesday, 8 December 2015
Holding statements expected to be despatched to Shareholders	Wednesday, 9 December

\*\* These dates are indicative only and are subject to change. Adcorp reserves the right, subject to the Corporations Act and the Listing Rules, to amend this indicative timetable. In particular, Adcorp reserves the right to extend the Closing Date, accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw or vary the Entitlement Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the allotment of New Shares. Adcorp will consult with the Underwriter in relation to any change to this indicative timetable and any such change may require the consent of the Underwriter.



## ANSWERS TO KEY QUESTIONS

Question	Answer	Further Information
What is the Entitlement Offer?	The Entitlement Offer constitutes the offer of 2 Shares for every 1 Share held, at an Offer Price of 3.1 cents per Share.	Section 1.1
Who can participate in the Entitlement Offer?	Only Eligible Shareholders can participate in the Entitlement Offer.  Eligible Shareholders are shareholders of Adcorp with registered addresses in Australia and New Zealand and who are registered holders of Shares at 7:00 pm (Sydney/Melbourne Time) on the Record Date.	Section 1.2
How much do I have to pay to participate in the Entitlement Offer?	The Offer Price for each New Share is 3.1 cents.  You may subscribe for all, or part, of your Entitlement. You may also subscribe for additional New Shares in excess of your Entitlement (see below and section 1.12).	Section 1.5
What are the terms of the New Shares?	The New Shares issued under the Entitlement Offer will rank equally with all existing Shares.	Section 1.15
What is the purpose of the Entitlement Offer?	Proceeds from the Entitlement Offer will be used to: <ul style="list-style-type: none"> <li>provide working capital to enable sufficient flexibility to operate the Company on a day-to-day basis; and</li> <li>to provide some flexibility to enable pursuit of potential strategic business development initiatives.</li> </ul>	Section 1.7
Is the Entitlement Offer underwritten?	The Entitlement Offer is fully underwritten by MCO Nominees Pty Ltd, an entity associated with Ian Rodwell. Mr Rodwell is a major shareholder, director and non-executive chairman of the Company.	Section 1.11
Can I apply for New Shares in excess of my Entitlement?	Yes. Eligible Shareholders who take up their full Entitlement under the Entitlement Offer may apply for more New Shares than the number shown on their Entitlement and Acceptance Form (up to a maximum of their original Entitlement i.e. 2 Additional Shares for 1 existing Share held at the Record Date).  Applications for Additional Shares may be considered if a Shortfall under the Entitlement Offer exists.  Additional Shares will be issued to Eligible Shareholders at the discretion of the Directors. There is no guarantee that you will receive Additional Shares. However, the Directors intend to accept all applications for Additional Shares to the extent of the Shortfall.	Section 1.12

<p>What are the risks associated with applying for New Shares under the Entitlement Offer?</p>	<p>An investment in Adcorp involves general risks associated with any investment in the share market, including that the price of New Shares may rise or fall.</p> <p>There are also a number of risk factors, both specific to Adcorp and of a general nature, which may affect the future operating and financial performance of Adcorp and the value of an investment in Adcorp.</p>	<p>Section 3</p>
<p>What are my options?</p>	<p>You may either:</p> <ul style="list-style-type: none"> <li>• take up all, or part, of your Entitlement;</li> <li>• if you have taken up all of your Entitlement, you may apply for Additional Shares;</li> <li>• take up part of your Entitlement and allow the balance of your Entitlement to lapse;</li> <li>• sell or transfer all, or part, of your Entitlement; or</li> <li>• do nothing and allow all of your Entitlement to lapse, in which case the New Shares comprising your Entitlement.</li> </ul> <p>Any Entitlements to New Shares not taken up will either be issued under the Shortfall facility or taken up by the Underwriter.</p>	<p>Section 4</p>
<p>How do I accept my Entitlement?</p>	<p>If you are an Eligible Shareholder, and you wish to apply for all or some of the New Shares making up your Entitlement, you must complete the accompanying Entitlement and Acceptance Form and lodge it together with a cheque or payment through BPAY for the Application Monies. If paying by BPAY you do not need to return the Entitlement and Acceptance Form.</p> <p>Please refer to section 4 for further details on how to accept your Entitlement.</p> <p>If you have not received a personalised Entitlement and Acceptance Form, or if you have any queries about how to accept your Entitlement, please call the share registry, Computershare Investor Services Pty Ltd on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) during business hours.</p>	<p>Section 4.2</p>
<p>Can I sell or transfer my Entitlement?</p>	<p>Yes. The Entitlement Offer is renounceable and Eligible Shareholders may sell, trade or transfer all or part of their Entitlement on ASX or off-market.</p>	<p>Section 1.9</p>
<p>How can I obtain further information?</p>	<p>Adcorp encourages you to seek advice from your financial or other professional adviser in respect of the Entitlement Offer including any possible tax consequences.</p>	

# 1 DETAILS OF ENTITLEMENT OFFER AND ELIGIBILITY

## 1.1 Overview of the Entitlement Offer

Adcorp is undertaking the Entitlement Offer under which it is offering Eligible Shareholders the opportunity to subscribe for 2 Shares in Adcorp for every 1 Share held at an Offer Price of 3.1 cents per Share (**Offer Price**).

Under the Entitlement Offer, Eligible Shareholders are invited to subscribe for 2 New Shares for every 1 Share held at 7.00 pm (Sydney/Melbourne Time) on Thursday, 12 November 2015 (**Record Date**) at the Offer Price per New Share.

The Entitlement Offer opens on Tuesday, 17 November 2015 and will close at **5.00 pm (Sydney/Melbourne Time) Monday, 30 November 2015**, unless extended.

The number of New Shares to which you are entitled to subscribe for is shown on the accompanying Entitlement and Acceptance Form. Fractional Entitlements have been rounded up to the nearest whole Share. You may also wish to apply for additional New Shares under the Shortfall facility set out in section 1.12.

## 1.2 Eligibility to participate in the Entitlement Offer

A person will be eligible to participate in the Entitlement Offer if:

- (1) the person was a registered holder of Shares at the Record Date; and
- (2) the person's registered address is in Australia or New Zealand.

Adcorp reserves the right to determine whether a shareholder is an Eligible Shareholder or an Ineligible Shareholder.

## 1.3 Shareholders outside Australia and New Zealand

The Company has determined that it is not practical for holders of Shares with registered addresses in other jurisdictions to participate in the Entitlement Offer, having regard to the number and value of New Shares they would be offered and the costs of complying with the regulatory requirements in those places.

To the extent that a person holds Shares on behalf of another person resident outside Australia or New Zealand, it is that person's responsibility to ensure that any acceptance complies with all applicable foreign laws.

## 1.4 Appointment of nominee on behalf of Ineligible Shareholders

The Company has appointed The Oaktower Partnership Pty Ltd (AFSL 295887) (**Oaktower**) (**Nominee**) as nominee for the purposes of section 615 of the Corporations Act to sell Entitlements which would otherwise have been available to Ineligible Shareholders had they been eligible to participate in the Entitlement Offer were they not shareholders outside Australia and New Zealand.

If there is a viable market for Entitlements and a premium over the expenses of their sale can be made, the Nominee will arrange the sale of the Entitlements which would have been offered to the Ineligible Shareholders. The Nominee will arrange for the proceeds of sale of any Entitlements (if any), net of expenses, to be distributed to Ineligible Foreign Shareholders in proportion to their shareholding at the Record Date.

If the Entitlements of Ineligible Shareholders cannot be sold or are otherwise allowed to lapse, any shares that could have potentially been issued pursuant to the Entitlements do not form part of the Shortfall.

The Company and the Nominee will not be liable for the failure to sell the Entitlement or the failure to sell the Entitlements at any particular price. If there is no viable market for the Entitlements, the Entitlements of the Ineligible Shareholders will be allowed to lapse. There is no guarantee that any proceeds will be realised from the sale of Entitlements that would otherwise have been offered to Ineligible Shareholders.

### **1.5 Offer Price**

The Offer Price payable for each New Share is 3.1 cents which represents an 8.8% discount to the closing market price of Shares on ASX on 5 November 2015 (being the last day on which Shares in Adcorp traded prior to the announcement of the Entitlement Offer on 6 November 2015).

Eligible Shareholders will not be obliged to pay brokerage or other fees in respect of New Shares acquired under the Entitlement Offer, although the Company may pay certain professional and other fees to third parties.

Eligible Shareholders should note that the market price of Shares may rise and fall between the date of this Entitlement Offer and the date when New Shares are allotted under the Entitlement Offer. Accordingly, the price you pay per New Share pursuant to this Entitlement Offer may be either higher or lower than the market price of Shares at the time of this Entitlement Offer or at the time the New Shares are allotted under this Entitlement Offer.

Adcorp recommends that you monitor the price of Shares, which can be found in the financial pages of major Australian metropolitan newspapers, or on the ASX website at [asx.com.au](http://asx.com.au) (ASX code: AAU).

### **1.6 Closing Date**

The Entitlement Offer is scheduled to close at **5.00 pm (Sydney/Melbourne Time) on Monday 30<sup>th</sup> November 2015**. Please refer to section 4 for details on how to accept your Entitlement.

Please note that Adcorp reserves the right, subject to the Corporations Act and the Listing Rules, to amend the Closing Date of the Entitlement Offer. Any extension of the Closing Date will have a consequential effect on the date for the allotment of New Shares.

### **1.7 Use of funds**

The total amount to be raised under the Entitlement Offer is \$3.76 million (before expenses). The proceeds of the Entitlement Offer will be used to:

- provide working capital to enable sufficient flexibility to operate the Company on a day-to-day basis; and
- provide some flexibility to enable pursuit of potential strategic business development initiatives.

Moreover, the capital raising proceeds will substantially improve the working capital position and balance sheet ratios of Adcorp.

### **1.8 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been accepted.

### **1.9 Renounceable offer**

The Entitlement Offer is made on a renounceable basis and, accordingly, Eligible Shareholders may sell, trade or transfer all or part of their Entitlement on ASX or off-market.

Eligible Shareholders who do not wish to exercise all or a portion of their Entitlements may choose to sell their Entitlements on the ASX.

Information on how your Entitlements may be sold on ASX is set out in section 4.6(1). You may also transfer all or some of your Entitlements to another person off-market (i.e. other than through ASX). Details of how you may transfer your Entitlements off-market are set out in section 4.6(2).

Any portion of your Entitlements that you decide not to exercise or otherwise trade, will lapse and the New Shares the subject of those Entitlements, will form part of the Shortfall and either be taken up by Eligible Shareholders under the Shortfall facility or the Underwriter pursuant to the Underwriting Agreement.

#### **1.10 Minimum Subscription**

There is no minimum subscription for the Entitlement Offer.

#### **1.11 Entitlement offer fully underwritten**

The Company has entered into an Underwriting Agreement with the Underwriter for the Entitlement Offer. The terms of the Underwriting Agreement are summarised in section 5.2.

The Underwriter will only take up Shares not subscribed for by Shareholders under the Entitlement Offer including the Shortfall Facility.

#### **1.12 Shortfall facility**

Subject to the Corporations Act and the requirements of the Listing Rules, Eligible Shareholders who subscribe for their full Entitlement may apply for more New Shares than the number shown on their Entitlement and Acceptance Form. That is, those Shareholders may apply for Additional Shares up to a maximum of the proportion of their original entitlement i.e. 2 Additional Shares for 1 existing Share held at the Record Date. The issue price of each Additional Share will be the Offer Price, (that is, the same price for New Shares as under the Entitlement Offer).

Applications for Additional Shares may be considered if a Shortfall exists. Additional Shares will be issued to Eligible Shareholders at the discretion of the Directors.

Eligible Shareholders may apply for Additional Shares by entering the number of Additional Shares they wish to subscribe for in the Entitlement and Acceptance Form where it provides "Number of Additional New Shares applied for" (please refer to section 4.3 for further information).

There is no guarantee that you will receive Additional Shares and the Directors do not represent that any application for Additional Shares will be successful. In particular, the Directors may allocate to an Eligible Shareholder a lesser number of Additional Shares than the Eligible Shareholder applied for, or reject any Application for Additional Shares. However, while Applications for Additional Shares in excess of an Eligible Shareholders' Entitlement will not be accepted, the Directors intend to accept all Applications for Additional Shares to the extent of the Shortfall. If the number of Additional Shares allotted to an Eligible Shareholder is less than the number applied for by that Eligible Shareholder, surplus Application Monies will be refunded in full. Interest will not be paid on monies refunded.

Additional Shares will be allotted at the same time as the New Shares under the Entitlement Offer are allotted.

Directors and their associates are ineligible to participate in the Shortfall facility.

### **1.13 Quotation and Trading**

Adcorp has applied to the ASX for official quotation of the New Shares in accordance with the Listing Rule requirements. If ASX does not grant quotation of the New Shares, Adcorp will repay all Application Monies (without interest).

### **1.14 Allotment of New Shares including Additional Shares**

Adcorp expects to issue the New Shares, including any Additional Shares which the Directors exercise their discretion to allot, on Monday, 7 December 2015 and expects to despatch holding statements for New Shares including any Additional Shares on Wednesday, 9 December 2015. Quotation of New Shares including any Additional Shares which the Directors exercise their discretion to allot, is expected to commence on Tuesday, 8 December 2015.

Application Monies will be held in trust for applicants until New Shares including any Additional Shares are allotted. Interest earned on Application Monies will be for the benefit of Adcorp and will be retained by Adcorp irrespective of whether New Shares or any Additional Shares are issued.

### **1.15 Rights attaching to New Shares**

New Shares including any Additional Shares will be fully paid and rank equally in all respects with existing Shares and will carry the same voting rights, dividend rights and other entitlements at the date they are issued.

The rights and liabilities attaching to the New Shares including any Additional Shares are set out in Adcorp's constitution, a copy of which can be obtained from the Company Secretary of Adcorp.

### **1.16 Reconciliation and the rights of Adcorp**

The Entitlement Offer is a complex process and in some instances investors may believe that they will own more Shares than they ultimately did as at the Record Date or are otherwise entitled to more Shares than initially offered to them. This may result in a need for reconciliation. If reconciliation is required, it is possible that Adcorp may need to issue additional Shares to ensure that the relevant Shareholders receive their appropriate allocation of Shares.

Adcorp reserves the right to reduce the size of an Entitlement or the number of Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders or other applicable investors, if Adcorp believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, Adcorp may, in its discretion, require the relevant Shareholder to transfer excess Shares to another Shareholder or third party at the Offer Price per Share. If necessary, the relevant Shareholders may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant Shareholder will bear any and all losses caused by subscribing for Shares in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Entitlement Offer, those doing so irrevocably acknowledge and agree to do the above as required by Adcorp in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of Adcorp to require any of the actions set out above.

### **1.17 Notice to nominees and custodians**

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States.

Adcorp is not required to determine whether or not any registered Shareholder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. Adcorp is not able to advise on foreign laws.

### **1.18 Information availability**

If you are in Australia or New Zealand, you can obtain a copy of this Offer Booklet during the term of the Entitlement Offer on Adcorp's website at [www.adcorp.com.au/investors](http://www.adcorp.com.au/investors) or you can call the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday.

A replacement Entitlement and Acceptance Form can also be requested by calling the Share Registry on the above mentioned numbers.

If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet. The electronic version of this Offer Booklet on the Adcorp website will not include an Entitlement and Acceptance Form.

### **1.19 Privacy**

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or through the Share Registry). The Company collects, holds and will use that information to assess your Application, service your needs as a Shareholder of Adcorp and to facilitate distribution payments and corporate communications to you as a Shareholder of Adcorp.

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

You can access, correct and update the personal information that is held about you. If you wish to do so please contact the Share Registry at the relevant contact numbers set out in this Offer Booklet.

Collection, maintenance and disclosure of certain personal information is governed by legislation, including the *Privacy Act 1988* (Cth) and the Corporations Act. You should note that if all information required on the Entitlement and Acceptance Form is not provided, the Company may not be able to accept or process your Application.

### **1.20 Risks**

An investment in Adcorp involves general risks associated with any investment in the share market, including that the price of New Shares may rise or fall.

There are also a number of important risk factors, both specific to Adcorp and of a general nature, which may affect the future operating and financial performance of Adcorp and the value of an investment in Adcorp. A number of these specific and general risk factors are described in the "Investment Risks" section included in section 3. Before deciding to invest in Adcorp, you should consider these factors carefully.

## 2 EFFECT ON CAPITAL STRUCTURE

### 2.1 Effect on existing capital structure

Assuming that the maximum number of New Shares are issued under the Entitlement Offer, the capital structure of the Company will be as follows:

Shares	Number
Shares on issue as at 5 November 2015	60,676,602
New Shares offered under the Entitlement Offer	121,353,204
Total Shares on issue on close of the Entitlement Offer	182,029,806

### 2.2 Dilution

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings may be diluted by as much as approximately 67%.

The following are examples of how dilution may impact Shareholders if they decide not to participate in the Entitlement Offer, assuming that the maximum number of New Shares available under the Offer are issued:

	Holdings as at Record Date	Approximate % at Record Date	Entitlements under the Entitlement Offer	Holdings if entitlement not taken up	Approximate % following allotment of New Shares
Shareholder 1	5,000,000	8.24%	10,000,000	5,000,000	2.75%
Shareholder 2	1,000,000	1.65%	2,000,000	1,000,000	0.55%
Shareholder 3	500,000	0.82%	1,000,000	500,000	0.27%

### 2.3 Details of substantial shareholders

As at 9 November 2015, the names of the Shareholders that hold more than 5% of the Shares on issue in Adcorp are:

Shareholder	Number of Shares held in Adcorp	%
Millennium Company Pty Ltd	23,022,362	37.94
HSBC Custody Nominees (Australia) Ltd	6,704,9413	11.05
EGO Pty Ltd	5,312,343	8.76

Millennium Company Pty Ltd is an entity associated with Mr Ian Rodwell.



## 2.4 Interests of the Directors

The interests of the Directors and their related parties in securities of the Company as at the Record Date are as follows:

	Number of Shares held in Adcorp
Mr Ian Rodwell (held by Millennium Company Pty Ltd)	23,022,362
Mr David Morrison	1,223,671
Mr Garry Lemair	Nil
Mr Dean Capobianco	Nil

## 2.5 Significant Shareholder as Underwriter

As stated in Section 5.2, an entity associated with Mr Ian Rodwell, MCO Nominees Pty Ltd (the **Underwriter**), has entered into the Underwriting Agreement with the Company.

Mr Ian Rodwell is the founder and Chairman of Adcorp. Entities associated with Mr Ian Rodwell (the **Rodwell Associates**), currently hold 23,022,362 shares in the Company, representing voting power of approximately 37.9%.

Mr Ian Rodwell has advised the Adcorp Board that the Rodwell Associates will take up all of their Entitlements under the Entitlement Offer, or will transfer their Entitlements to other entities associated with Mr Ian Rodwell.

If a Shortfall remains after the issue of Additional Shares under the Shortfall facility, the Underwriter will be required to increase its shareholding in the Company and its voting power will increase based on this increased shareholding.

If there is a Shortfall, the voting power of the entities associated with Mr Ian Rodwell in the Company could increase from the current level of approximately 37.9%, up to a maximum of 79.3%.

The table below sets out the shareholding of the Rodwell Associates, and the resulting relevant interest thereof in the Company, under 3 scenarios immediately following the completion of the Entitlement Offer. These scenarios are included for illustrative purposes only and are used to highlight the theoretical minimum and maximum shareholding outcomes for the Rodwell Associates following the Entitlement Offer.

**Scenario 1:** All Shareholders take up their Entitlements to acquire New Shares under the Entitlement Offer.

**Scenario 2:** 50% of Shareholders take up their Entitlements to acquire New Shares under the Entitlement Offer. The Underwriter would be required to subscribe for Shares in accordance with the Underwriting Agreement.

**Scenario 3:** No Shareholders take up their Entitlements to acquire New Shares under this Entitlement Offer. The Underwriter would be required to subscribe for Shares in accordance with the Underwriting Agreement.

	Scenario 1 All Shareholders take up their Entitlement		Scenario 2 50% of Shareholders take up their Entitlements		Scenario 3 No Shareholders take up their Entitlements	
	Number of Shares	Approximate % of total Shares on issue	Number of Shares	Approximate % of total Shares on issue	Number of Shares	Approximate % of total Shares on issue
Shareholding prior to Entitlement Offer	23,022,362	37.9%	23,022,362	37.9%	23,022,362	37.9%
Shares acquired under Entitlement Offer	46,044,724	37.9%	46,044,724	37.9%	46,044,724	37.9%
Shortfall Shares acquired	Nil	0.0%	37,654,240	20.7%	75,308,480	41.4%
Shareholding immediately after Entitlement Offer	69,067,086	37.9%	106,721,326	58.6%	144,375,566	79.3%

## 2.6 Effects on Control

Depending on the level of participation in the Entitlement Offer, the voting power of Mr Ian Rodwell and the Rodwell Associates could increase from the current level of approximately 37.9%, up to a maximum of 79.3%.

Accordingly, Mr Ian Rodwell and the Rodwell Associates may acquire control of the Company.

Mr Ian Rodwell has indicated that if the Rodwell Associates were to control the Company following the Entitlement Offer, their current intention is to work with Adcorp's executive management to implement strategies that will return the company to sustainable profitability and provide returns to shareholders. This is consistent with current strategies of the Company.

### **3 INVESTMENT RISKS**

#### **3.1 Introduction**

This section describes some of the potential risks associated with Adcorp's business and the industry in which it operates, and the risks associated with an investment in shares in general. It does not purport to list every risk that may be associated with Adcorp's business or the industry in which it operates, or an investment in shares now or in the future, and the occurrence or consequences of some of the risks described in this section are partially or completely outside the control of Adcorp, its Directors and the senior management team.

The selection of risks included in this section has been based on an assessment of a combination of the probability of the risk occurring and the impact of the risk if it did occur. The assessment is based on the knowledge of the Directors as at the date of this Offer Booklet, but there is no guarantee or assurance that the importance of different risks will not change or other risks will not emerge.

Before applying for New Shares, you should satisfy yourself that you have sufficient understanding of these matters and should consider if New Shares are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this Offer Booklet or are in any doubt as to whether to participate in the Entitlement Offer, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before deciding to participate in the Entitlement Offer.

#### **3.2 Specific risks related to an investment in Adcorp**

Fluctuating economic conditions can cause delays or reductions in advertising and marketing spend in some sectors and regions. These risks are mitigated to an extent by Adcorp's diverse client list and pricing structures though there remains an element of risk associated with reduced advertising spend in certain sectors. Adcorp is committed to further diversifying into innovative sectors of the industry and optimising our business structure to improve returns and sustainable growth of the business.

#### **3.3 Risks associated with the Entitlement Offer**

The completion of the Entitlement Offer will result in the issue of 121,353,204 New Shares. If an Eligible Shareholder does not take up their full Entitlement their percentage holding of Shares will be diluted. Examples of how dilution may impact on Shareholders are set out in section 2.2.

#### **3.4 General risks**

##### **(1) Price of shares**

As a publicly listed company on ASX, Adcorp is subject to general market risk that is inherent in all securities listed on a stock exchange. This may result in fluctuations in its Share price that are not explained by the fundamental operations and activities of Adcorp.

Some of the factors which may affect the price of the Shares include fluctuations in the local and international stock markets, the size of the Company's market capitalisation, movements in interest rates, general economic and political conditions including interest rates, inflation rates, exchange rates, consumer sentiment, commodity and oil prices, changes to government fiscal, monetary and regulatory policies and settings, and changes in legislation and regulation.

The historic share price performance of the Shares provides no guidance as to its future share price performance.

(2) Trading and liquidity in Shares

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

(3) Shareholder dilution – future share issues

In the future, Adcorp may elect to issue more Shares or other securities. While the Company is subject to the constraints of the ASX Listing Rules regarding the issue of Shares or other securities, Shareholders may be diluted as a result of any such future issues of Shares or other securities.

(4) Changes in tax rules or their interpretation

Changes in tax law (including goods and services taxes, stamp duties and other impost and charges imposed by government), or changes in the way taxation laws are interpreted may impact the tax liabilities of the Company or the tax treatment of a Shareholder's investment. In particular, both the level and basis of tax may change. In addition, an investment in the New Shares involves tax considerations which may differ for each Shareholder. Each Eligible Shareholder is encouraged to seek professional tax advice in connection with a further investment in Adcorp.

(5) Government and regulatory factors

Government or regulatory policies may change, which could have an impact on the Australian economic environment, market conditions or Adcorp's operations. Depending on the nature of any such changes, it may adversely impact the operations or future financial performance of Adcorp.

## **4 HOW TO APPLY FOR NEW SHARES**

### **4.1 What Eligible Shareholders may do**

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

You may either:

- (1) take up all of your Entitlement (refer to section 4.2);
- (2) in addition to applying for all of your Entitlement, apply for Additional Shares under the Shortfall facility described in section 1.12 (refer to section 4.3);
- (3) take up part of your Entitlement and allow the balance of your Entitlement to lapse (refer to section 4.2);
- (4) sell or transfer all, or part, of your Entitlement (refer to section 4.6); or
- (5) allow all of your Entitlement to lapse (refer to section 4.7).

### **4.2 Applying for New Shares**

An Eligible Shareholder may take up all or part of their Entitlement by completing the Entitlement and Acceptance Form which accompanies this Offer Booklet and returning it, together with correct Application Monies in cleared funds (refer to section 4.4), to:

*2015 Adcorp Entitlement Offer*  
c/o Computershare Investor Services Pty Limited  
GPO Box 505 Melbourne VIC 3001, Australia

by no later than 5.00 pm (Sydney/Melbourne Time) on the Closing Date.

The Company may, but is not obliged to, accept an Application received after the Closing Date if the Application is postmarked prior to the Closing Date. If the Company does not accept an Application for any reason, the Company will refund any excess Application Monies to the Eligible Shareholder, without interest, not later than 10 Business Days after the New Shares are allotted.

Entitlement and Acceptance Forms (and payments for any Application Monies) will not be accepted at the Company's registered or corporate offices or other offices of the Share Registry.

For the convenience of Eligible Shareholders, an Australian reply paid envelope has been enclosed with this Offer Booklet.

Please note that if you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. A separate Entitlement and Acceptance Form and payment of Application Monies must be completed for each separate Entitlement you hold.

If you allow part of your Entitlement to lapse, your shareholding in Adcorp will be diluted.

### 4.3 Applying for Additional Shares

Eligible Shareholders who subscribe for their full Entitlement may apply for Additional Shares under the Shortfall facility described in section 1.12.

To do this, please enter the number of Additional Shares you wish to subscribe for in the Entitlement and Acceptance Form where it provides "Number of Additional New Shares applied for".

The amount of Application Monies you submit with your Application (refer to section 4.4) must equal the Offer Price multiplied by the total number of New Shares including Additional Shares you wish to subscribe for.

### 4.4 Form of payment

Payment of Application Monies (which must equal the Offer Price multiplied by the number of New Shares including any Additional Shares you wish to subscribe for) will only be accepted in Australian currency and as follows:

- Through BPAY. Eligible Shareholders can make their payment by BPAY in accordance with the instructions set out in accompanying personalised Entitlement and Acceptance Form. Payment must be made using the reference number on the form and must be made by 5.00pm (Sydney/Melbourne Time) on the Closing Date.

The reference number is used to identify your holding. If you have multiple holdings you will have multiple reference numbers. You must use the reference number on each Entitlement and Acceptance Form to pay for each holding separately.

*Eligible Shareholders making a payment by BPAY are not required to return their Entitlement and Acceptance Form.*

Applicants who choose to use BPAY should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment of Application Monies. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

- By bank cheque in Australian currency drawn on and redeemable at any Australian bank; or
- By personal cheque in Australian currency drawn on and redeemable at any Australian bank.

Cheques or bank cheques should be made payable to "**Adcorp Australia Limited**" and crossed "**Not Negotiable**".

You should ensure that sufficient funds are held in the relevant account(s) to cover the full Application Monies.

Eligible Shareholders are asked **not** to forward cash as cash payments will **not** be accepted. Receipts for payment will not be provided.

If the amount of Application Monies is insufficient to pay in full for the number of New Shares including any Additional Shares you applied for, or is more than the number of New Shares including any Additional Shares you applied for, you will be taken to have applied for such whole number of New Shares including any Additional Shares which is covered in full by your Application Monies. Alternatively, the Company may in its discretion reject your Application, in which case any Application Monies will be refunded to you (without interest).

If you do not receive any or all of the Additional Shares you applied for, any excess Application Monies will be returned to you (without interest). It is not practical to refund amounts of less than \$2.00 and any refunds owing for this amount will be retained by Adcorp.

#### **4.5 Effect of Application**

By applying for New Shares under the Entitlement Offer (including by way of a payment through BPAY), an Eligible Shareholder is taken to:

- (1) agree to be bound by the terms and conditions set out in this Offer Booklet and the accompanying Entitlement and Acceptance Form;
- (2) acknowledge the statement of risks set out in the 'Investment Risks' section in 2.1, and that investments in Adcorp are subject to risk;
- (3) represent and warrant that they satisfy each of the criteria set out in section 1.2;
- (4) authorise the Company and its officers or agents to place the Eligible Shareholder's name on the Company's shareholder register in respect of those New Shares; and
- (5) agree to be bound by the Company's constitution.

Any application for New Shares under the Entitlement Offer (including by way of a payment through BPAY), once lodged, cannot be withdrawn.

#### **4.6 Selling or transferring your Entitlement**

- (1) Selling your Entitlements on ASX

If you wish to sell some or all of your Entitlement on ASX, then please contact your stock broker. You can trade your Entitlements on the ASX during the Trading Period, and all trading of Entitlement must be effected by Monday, 23 November 2015.

- (2) Transferring your Entitlement to another person off-market

If you wish to transfer all or part of your Entitlements to a person off-market (i.e. other than by trading your Entitlements on ASX), you must complete and forward:

- a Standard Renunciation Form (which you can obtain from the Share Registry); and
- your Entitlement and Acceptance Form,

to the Share Registry (at the address specified in section 4.2) before the expiration of the Trading Period.

If a completed Standard Renunciation Form and a completed Entitlement and Acceptance Form in respect of the same Entitlements are received at the same time, then the Company will give effect to the transfer of those Entitlements in priority to the exercise of that Entitlement.

You may transfer all or a proportion of your Entitlements in the manner set out above.

If you are an Eligible Shareholder on the CHESS sub-register, or subject to regulatory approval, you must contact your sponsoring broker to effect the transfer of your Entitlements. The Company is unable to transfer rights either from or to a CHESS holding.

#### **4.7 Allowing your Entitlement to lapse**

If you do nothing, all of your Entitlement will lapse and your shareholding in Adcorp will be diluted.

#### **4.8 Enquiries concerning Entitlement and Acceptance Form**

If you have any questions on how to complete the Entitlement and Acceptance Form or take part or all of your Entitlement, please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) during business hours on Monday to Friday before the Closing Date.



## **5 ADDITIONAL INFORMATION**

### **5.1 Reliance on Offer Booklet**

This Offer Booklet has been prepared pursuant to section 708AA of the Corporations Act, as modified by ASIC Class Order 08/35, for the offer of New Shares without disclosure to investors under Part 6D.2 of the Corporations Act.

This Offer Booklet was lodged with ASX on Tuesday, 17 November 2015.

Section 708AA of the Corporations Act requires an entity who seeks to rely on the disclosure exemption in section 708AA to lodge a “cleansing notice” with ASX which (among other things):

- (1) sets out any information that had been excluded from a continuous disclosure notice in accordance with the Listing Rules and that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
  - (a) the assets and liabilities, financial position and performance, profits and losses and prospects of Adcorp; or
  - (b) the rights and liabilities attaching to the New Shares; and
- (2) states the potential effect of the issue of the New Shares on control of Adcorp and the consequences of that effect.

Adcorp lodged a cleansing notice in respect of the Entitlement Offer with ASX on Friday, 6 November 2015.

In deciding whether or not to apply for New Shares including any Additional Shares under the Entitlement Offer, you should rely on your own knowledge of Adcorp, refer to the documents lodged and the disclosures made by the Company on ASX (which are available on the ASX website at [asx.com.au](http://asx.com.au) (ASX code: AAU)) and seek advice from your financial or other professional adviser.

### **5.2 Underwriting Agreement**

The Company has entered into the Underwriting Agreement with MCO Nominees Pty Ltd under which the Underwriter has agreed to fully underwrite the Entitlement Offer. The Underwriter is an entity associated with Ian Rodwell, a major shareholder, director and Chairman of the Company.

The Company has agreed to pay to the Underwriter an underwriting fee of \$100,000 (plus any applicable GST) which is payable 12 months after the completion of the rights issue.

The Underwriting Agreement contains customary representations, warranties and indemnities and undertakings in favour of the Underwriter.

The key terms of the Underwriting Agreement are as follows:

- (1) the Underwriter will have 2 business days from notification by Adcorp, to pay for Shortfall Shares to be acquired pursuant to the underwriting;
- (2) Shortfall Shares will be acquired at a price of 3.1 cents each; and
- (3) the underwriting commitment amounts to approximately \$3.7 million.

### **5.3 Copies of Documents**

The annual financial report of Adcorp for the year ended 30 June 2015, being the most recently lodged annual financial report of Adcorp before the date of this Offer Booklet and all continuous disclosure notices given by Adcorp to ASX since the 30 June 2015 annual financial report was lodged with ASX, are available on the ASX website at [asx.com.au](http://asx.com.au) (ASX code: AAU).

### **5.4 Estimated Expenses of the Entitlement Offer**

The estimated expenses of the Entitlement Offer including the underwriting fee, are \$300,000 plus GST as applicable.

The total expenses can only be estimated at the date of this Offer Booklet as final expenses are dependent on the number of New Shares including Additional Shares subscribed for under the Entitlement Offer and the total amount of Shortfall placed.

### **5.5 Risks**

You should refer to the "Investment Risks" section 2.1. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

### **5.6 Taxation**

Shareholders should be aware that there may be taxation implications of participating in the Entitlement Offer. Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances.

### **5.7 Alteration of terms**

Adcorp reserves the right, at its discretion, to vary, suspend or cancel the Entitlement Offer at any time, subject to the Corporations Act, the Listing Rules and any other law or regulation to which the Company is subject.

Any variation, suspension or cancellation does not give rise to any liability on the part of or any action against, Adcorp or any Director and will be binding on all Eligible Shareholders.

If the Directors determine to suspend or cancel the Entitlement Offer, any Application Monies received by the Company in relation to Shares not already issued will be refunded in accordance with the Corporations Act, without interest, as soon as reasonably practical after the suspension or cancellation and in any event within 10 Business Days after the Closing Date.

### **5.8 Overseas jurisdictions**

This Offer Booklet does not, and is not intended to, constitute an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. By applying for New Shares, including by submitting the Entitlement and Acceptance Form or making a payment by BPAY you represent and warrant that there has been no breach of such laws.

The distribution of this Offer Booklet outside of Australia and New Zealand may be restricted by law and persons who come into possession of it should seek advice and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liabilities to such persons. Eligible Shareholders who are not resident in Australia or New Zealand are responsible for ensuring that taking up New Shares under the Entitlement Offer does not breach the selling restrictions set out in this Offer Booklet or otherwise violate the securities laws in the relevant overseas jurisdictions.

No action has been taken to register or qualify this Offer Booklet, the New Shares, or the Entitlement Offer, or otherwise to permit a public offering of the New Shares, in any jurisdiction outside Australia and New Zealand.

## **5.9 Governing Law**

This Offer Booklet, the Entitlement Offer, and the contracts formed on acceptance are governed by the laws of Victoria. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria.

## **5.10 Enquiries**

If you have any questions in respect of the Entitlement Offer, please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) during business hours on Monday to Friday before the Closing Date.

## 6 DEFINITIONS

Terms and abbreviations used in this Offer Booklet have the following meaning:

<b>Adcorp or Company</b>	Adcorp Australia Limited ACN 002 208 915
<b>Additional Shares</b>	New Shares applied for by Eligible Shareholders in excess of their Entitlement.
<b>Application</b>	A valid application by way of an Entitlement and Acceptance Form
<b>Application Monies</b>	Monies paid by Eligible Shareholders in respect of New Shares including any Additional Shares they apply for
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	ASX Limited ABN 98 008 624 691, or the market operated by it, as the context requires
<b>Business Day</b>	An Australian business day that is not a Saturday, Sunday, or any other day which is a public holiday or bank holiday in the place where an act is to be performed or a payment is to be made
<b>Closing Date</b>	5:00 pm (Melbourne Time) on Monday, 30 November 2015 (unless extended)
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth)
<b>Directors</b>	The directors of the Company
<b>Eligible Shareholder</b>	A person who meets the requirements set out in section 1.2
<b>Entitlement</b>	The entitlement of an Eligible Shareholder under Entitlement Offer
<b>Entitlement and Acceptance Form</b>	The entitlement and acceptance form which accompanies this Offer Booklet
<b>Entitlement Offer</b>	The offer to Eligible Shareholders to apply for 2 New Shares for every 1 Share held on the Record Date under this Offer Booklet
<b>GST</b>	Goods and services or any similar tax
<b>Ineligible Shareholder</b>	Has the meaning given under “Ineligible Shareholders” on page 1
<b>Listing Rules</b>	The Listing Rules of ASX
<b>New Share</b>	A Share to be issued pursuant to the Entitlement Offer
<b>Offer Booklet</b>	This document dated 17 November 2015, including the accompanying Entitlement and Acceptance Form
<b>Offer Price</b>	\$0.031 (3.1 cents) per New Share
<b>Record Date</b>	7.00 pm (Sydney/Melbourne Time) on Thursday, 12 November 2015

<b>Rodwell Associates</b>	Entities associated with Mr Ian Rodwell, including the Underwriter and Millennium Company Pty Ltd.
<b>Share</b>	A fully paid ordinary share in the Company
<b>Share Registry</b>	Computershare Investor Services Pty Ltd ACN 078 279 277
<b>Shareholder</b>	A registered holder of Shares
<b>Shortfall</b>	Those New Shares not subscribed for under the Entitlement Offer
<b>Trading Period</b>	The period commencing on Tuesday, 10 November 2015 and ending on Monday, 23 November 2015.
<b>Underwriter</b>	MCO Nominees Pty Ltd, an entity associated with Mr Ian Rodwell.
<b>Underwriting Agreement</b>	The underwriting agreement between the Underwriter and the Company, pursuant to which the Underwriter has agreed to subscribe for the balance of the Shortfall that remains after the issue of Additional Shares under the Shortfall facility.

## 7 CORPORATE DIRECTORY

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### **Directors**

Mr Ian Rodwell  
Mr David Morrison  
Mr Garry Lemair  
Mr Dean Capobianco

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### **Company Secretary**

Mr Craig McMenamin

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### **Registered Office**

Level 2  
309 George Street

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### **Website**

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

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### **Underwriter**

MCO Nominees Pty Ltd  
2/8 Milson Road  
Cremorne Point  
NSW, 2090

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### **Legal Advisers**

Norton Rose Fulbright Australia  
RACV Tower  
485 Bourke Street  
MELBOURNE VIC 3000  
Phone: +61 3 8686 6000  
Fax: +61 3 8686 6505  
[www.nortonrose.com](http://www.nortonrose.com)

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### **Share Registry**

Computershare Investor Services Pty Ltd  
GPO Box 505 Melbourne VIC 3001, Australia  
1300 850 505 (within Australia)  
+61 3 9415 4000 (from outside Australia).  
[www.computershare.com](http://www.computershare.com)

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