EMPIRE BEER GROUP LIMITED
ABN 45 119 327 169
(to be renamed CAR PARKING TECHNOLOGIES LIMITED)

PROSPECTUS

For the offer of 5,000,000 Shares at an issue price of 20 cents each to raise $1,000,000.

The Offer is not underwritten

IMPORTANT INFORMATION

The Offer is conditional on Shareholders approving all of the Resolutions at the General Meeting and ASX granting conditional approval for the Shares to be re-instated to trading on the Australian Securities Exchange (ASX). It is therefore a conditional offer.

Refer to Section 3.3 of this Prospectus for further details.

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. The Securities offered by this Prospectus should be considered speculative.

IMPORTANT NOTICE

This Prospectus is dated 20 January 2011 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The ASIC and ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

The expiry date of this Prospectus is at 5.00pm WST on that date which is 13 months after the date this Prospectus was lodged with the ASIC (**Expiry Date**). No Shares may be issued on the basis of this Prospectus after the Expiry Date.

Application will be made to ASX within seven (7) days after the date of this Prospectus for Official Quotation of the Shares the subject of this Prospectus.

Approval is being sought at the General Meeting for a consolidation of the capital of the Company on a 3 for 4 basis. Unless otherwise indicated, all references to Securities are on a post-Consolidation basis.

NOTE TO APPLICANTS

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs.

It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant and/or other independent professional adviser before deciding whether to invest in the Shares. Some of the key risk factors that should be considered by prospective investors are set out in Section 7. There may be risk factors in addition to these that should be considered in light of your personal circumstances. The Securities the subject of this Prospectus should be considered speculative.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company or the repayment of capital or any return on investment made pursuant to this Prospectus.

WEB SITE – ELECTRONIC PROSPECTUS

A copy of this Prospectus can be downloaded from the website of the Company at www.empirebeergroup.com.au. Any person accessing the electronic version of this Prospectus for the purpose 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 an application form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

DISCLAIMER

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus that is not contained in this Prospectus. Any information not so contained may not be relied upon as having been

authorised by the Company, the Lead Manager or any other person in connection with the Offer. You should rely only on information in this Prospectus.

FOREIGN JURISDICTIONS

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 or invitation. No action has been taken to register or qualify the Shares or the Offer or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia.

The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

PHOTOGRAPHS

Photographs that appear in this Prospectus without descriptions are for illustrative purposes only, do not provide any form of endorsement and do not purport to represent the Company. Assets pictured in this Prospectus may not be assets of the Company unless otherwise stated.

KEY RISKS

The key risks associated with an investment in the Company are outlined in Section 8. You should consider these risks before deciding on whether to apply for Shares under this Prospectus. A summary of some of the key risks include:

Competition: Following completion of the Acquisition, the Company will compete with other companies, including other major car park technology companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. The potential exists for the nature and extent of the competition to change rapidly, which may cause loss to the Company. There can be no assurance that the Company can compete with changes in the competition within the industry in which it operates. There are limited regulatory requirements to enter the car parking technology market and it is possible that new competitors may enter the car parking technology market that provide products which are similar to those that the Company currently provides or otherwise compete with the Company's developed technologies.

TCP Agreements: The TCP Agreements provide for Meter Eye to receive a share of parking overstay infringement revenue that is generated at car parks operated by TCP that Meter Eye products have been deployed into. There is a risk that TCP and Meter Eye do not identify car parks suitable for Meter Eye products or that the deployment of Meter Eye's products into TCP operated car parks in the United Kingdom is slower than anticipated or does not occur at all beyond those that have already been installed. In addition, revenue to Meter Eye under the parking infringement revenue sharing model is derived partly from the issue of penalty charge notices for parking overstay incidents that are paid by infringers. There is a risk that the occurrence of parking overstay incidents may not be as high as anticipated and that penalty charge notices are issued but the penalty charge is not recovered which in either case would adversely impact the revenue collected by Meter Eye under the infringement revenue sharing model.

The TCP Agreements are an important element of the ongoing Meter Eye business of the Company post the completion of the Acquisition. Therefore, as indicated in the paragraph above, the termination or non-performance of the TCP Agreements would likely adversely impact on the performance of the business of the Meter Eye business where a suitable or similar arrangement could not be identified by the Company.

Regulation: The car parking industry in the countries in which Meter Eye currently operates is generally highly regulated and the introduction of new legislation or amendments to existing relevant legislation in any of those jurisdictions by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of the Company and its shares. In addition, there is a commercial risk that legal action may be taken against the Company in relation to commercial matters.

GENERAL MEETING

On 24 January 2010 the Company will hold a General Meeting to consider a number of matters, including matters relating to the issue of Shares pursuant to this Prospectus.

The Notice of Meeting for the General Meeting has been announced on ASX, and any Applicant that wishes to read further information regarding the matters to be considered at the General Meeting can obtain a copy of the Notice of Meeting from the ASX website at www.asx.com.au.

Unless all of the Resolutions outlined in the Notice of Meeting are passed at the General Meeting, the Offer will not proceed and no Shares will be issued pursuant to this Prospectus.

INDICATIVE TIMETABLE

Lodgement of Prospectus with the ASIC and opening date of Offer	20 January 2011
General Meeting and suspension of trading	24 January 2011
Closing Date of General Offer	5.00pm WST on 31 January 2011
Expected Settlement of Acquisition	1 February2011
Expected Despatch of Holding Statements	10 February 2011
Expected date for reinstatement of trading on ASX	11 February 2011

The above timetable is indicative only and subject to change.

CONTENTS

1. CORPORATE DIRECTORY

Directors

Mr Chris Morris
Mr Greg Bandy
Mr Tony King
Mr Ian Macliver

Proposed Directors

Mr Chris Morris
Chairman

Mr Paul Collins
Managing Director

Mr Roly Rogers
Technical Director

Mr Bernie Dickson
Non-Executive Director

Ms Penelope Maclagan
Non-Executive Director

Ms Tiffany Fuller
Non-Executive Director

Company Secretary

Mr Jeremy King

Registered Office

945 Wellington Street
WEST PERTH WA 6005

Telephone: +61 8 9322 7600
Facsimile: +61 8 9322 7602

Website

Empire Beer Group Limited:
www.empirebeergroup.com.au

Meter Eye Limited:
www.metereye.com

Share Registry

Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

Telephone: 1300 787 575
Facsimile: (08) 9323 2033

Solicitors to the Company

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Investigating Accountant

BDO Corporate Finance (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Corporate Advisor

Max Capital Pty Ltd
945 Wellington Street
WEST PERTH WA 6005

Lead Manager to the Offer

E.L. & C. Baillieu Stockbroking Ltd
Level 26, 360 Collins Street
Melbourne VIC 3000

2. CHAIRMAN'S LETTER

On behalf of the Directors, I am pleased to present this Prospectus and invite you to invest in Empire Beer Group Limited (**Empire** or **Company**). The Company is to be renamed Car Parking Technologies Limited upon completion of the acquisition (**Acquisition**) of 100% of the shares of Meter Eye Limited (**Meter Eye**).

This Prospectus has been issued for the purposes of the offer of 5,000,000 Shares at $0.20 each to raise $1,000,000 before costs.

On 22 December 2010, the Company announced that it had entered into an acquisition agreement to acquire 100% of Meter Eye. Meter Eye is a New Zealand based company which operates in the car park technology business. Meter Eye has a suite of innovative products which allow car park owners and operators to utilise their assets more efficiently. In the UK, Meter Eye has formed a relationship with Town and City Parking Limited (**TCP**) which operates over 1,000 car parks across the UK. Meter Eye has agreed with TCP to share in car parking infringement revenue generated at car park sites where Meter Eye's products are installed, subject to an assessment of each car park site.

The Acquisition is subject to the satisfaction of a number of conditions, including approval from Shareholders to a change in the nature of the business of the Company, which is being sought at the general meeting of the Company to be held on 24 January 2011 (**General Meeting**).

The Board considers this to be an excellent opportunity for the Company to gain exposure to a growth industry with global opportunities.

This Prospectus includes details of the Company and Meter Eye, the assets and proposed operations, together with a statement of the risks associated with investing in the Company. I recommend that you study this document carefully and, if you are interested in investing in the Company, seek independent professional advice. The Company intends to use the funds raised from the Offer primarily towards working capital to assist with the ongoing development of the Meter Eye business.

Amongst other things, the Company is also seeking approval at the General Meeting for the consolidation of its Share capital on a 3 for 4 basis (**Consolidation**). The Options currently on issue in the Company will also be consolidated on the same basis and their exercise price amended in inverse proportions to the consolidation ratio. **All references to Share capital or Securities in this Prospectus (unless stated otherwise) are on a post-Consolidation basis. Refer to Section 3.2 of this Prospectus for further details of the proposed Consolidation.**

Shareholders should note that, amongst other things, the Consolidation, the issue of Shares pursuant to the Offer, the issue of Shares pursuant to the Acquisition and the change in nature of the Company's activities are all subject to Shareholder approval to be sought at the General Meeting. Shareholders should therefore refer to the Notice of General Meeting for further details of these proposed transactions and their effect on Shareholders.

The Board looks forward to welcoming you as a Shareholder.

Yours sincerely

MR CHRIS MORRIS
CHAIRMAN

3. INVESTMENT OVERVIEW

3.1 Important Notice

This section is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

3.2 Consolidation

At the General Meeting to be held on 24 January 2011 the Company will seek approval to consolidate its existing Shares on issue on the basis of three (3) Shares for every four (4) Shares on issue (**Consolidation**).

The Shares to be issued under the Offer will be issued on a post-Consolidation basis. All references to Share capital in this Prospectus are on a post-Consolidation basis, unless otherwise stated.

3.3 Condition to Offer

The Offer is subject to the approval by Shareholders at the General Meeting of Resolutions 1 to 5 (inclusive) contained in the Notice of Meeting to be considered at the General Meeting.

The Offer is also conditional on ASX granting conditional approval to the re-instatement to trading of the Company's Shares on ASX after completion of the Acquisition.

Accordingly, if Shareholders do not approve Resolutions 1 to 5 (inclusive) outlined in the Notice of Meeting at the General Meeting or ASX does not grant the conditional approval, the Offer will not proceed and no Shares will be issued pursuant to this Prospectus.

3.4 Overview of Meter Eye

Meter Eye is a New Zealand based company which operates in the car park technology business.

Meter Eye has developed a suite of innovative products which allow car park owners and operators to utilise their assets more efficiently. In the UK, Meter Eye has formed a relationship with Town and City Parking Limited (**TCP**) which operates over 1,000 car parks across the UK. Meter Eye has agreed with TCP to share in car parking infringement revenue generated at car park sites where Meter Eye's products are installed, subject to an assessment of each suitable site.

Refer to Section 5.1 for a detailed background on Meter Eye and its products. In addition, further information on Meter Eye and its products can be found at www.metereye.com.

3.5 Objectives

The strategic objective of the Company is to exploit the technology acquired and developed by Meter Eye for the economic benefit of its Shareholders.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.

3.6 Purpose of the Offer and Use of Proceeds

The Company intends to apply the funds raised under the Offer ($1,000,000), together with the Company's cash at bank and cash equivalents (approximately $7,300,000 following completion of the Acquisition), as follows:

Use of Funds	Year 1 ($)	Year 2 ($)
Manufacture and distribution of technology products	540,000	675,000
Marketing and Business Development	280,000	280,000
Research, Support and Product Development	225,000	225,000
Exercise option to acquire RepNet software[1]	462,000	-
Repayment of debt[2]	1,527,651	-
Expenses of Offer	165,010	-
General Administration and Corporate costs	1,613,150	1,613,150
Working Capital	385,000	385,000
Total	**$5,197,811**	**$3,178,150**

Notes:

1. On settlement of the Acquisition and in accordance with the Acquisition Agreement, the Company shall exercise the RepNet software acquisition option as described more fully in section 8 of this prospectus,
2. On settlement of the Acquisition and in accordance with the Acquisition Agreement, the Company shall repay indebtedness currently owed by Meter Eye to ECONZ (approximately $1.53 million). Refer to Section 8.1 for details of the Acquisition Agreement.

The Directors believe the funds raised from the Offer together with the cash at bank and cash equivalents will give the Company sufficient working capital to achieve its objectives as stated in the above table. The above table is a statement of current intentions as of the date of lodgement of this Prospectus with the ASIC. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

3.7 Capital Structure

The proposed capital structure of the Company following the completion of the Offer and the settlement of the Acquisition and related transactions is set out below:

Shares	
Shares on issue after Consolidation	77,013,696
Shares issued pursuant to Offer	5,000,000
Shares to Vendors	72,750,000
Total Shares on issue following completion of Offer and Acquisition[1]	**154,763,696**

Options	
Unlisted Options to Proposed Directors, Company Secretary and consultants	1,500,000
Total Options on issue following completion of Offer and Acquisition[1]	**1,500,000**

Notes:

1. The above pro forma capital structure of the Company assumes that all relevant resolutions of the General Meeting are passed and that the Acquisition Agreement settles in accordance with its terms. In particular, it assumes:
   i. pre-Consolidation, the exercise of all outstanding Director held unlisted Options (12,000,000 Options exercisable at 6 cents and 4,500,000 Options exercisable at 10 cents);
   ii. pre-Consolidation, the exercise of all outstanding non Director held unlisted Options (1,250,000 Options exercisable at 10 cents);
   iii. the Consolidation completing;
   iv. the issue of 5,000,000 Shares under the Offer (post-Consolidation);
   v. the issue of 72,750,000 Shares as consideration to the Vendors (post-Consolidation); and
   vi. the issue of 1,500,000 unlisted post-Consolidation Options in accordance with Resolutions 7 to 10 (inclusive) of the Notice of Meeting (exercisable at 20 cents on or before 30 June 2013).

3.8 Dividend Policy

The Company does not yet have a dividend policy. The Company has no immediate intention to declare or distribute dividends. Payment of future dividends will depend upon the future profitability and financial position of the Company.

3.9 Enquiries

This document is important and should be read in its entirety. Persons in doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

Questions relating to the Offer can be directed to the Company by telephone.

4. DETAILS OF THE OFFER

4.1 The Offer

By this Prospectus, the Company offers for subscription 5,000,000 Shares at 20 cents each to raise $1,000,000.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

4.2 Applications

Applications for Shares under the Offer must be made using the Application Form.

Payment for the Shares must be made in full at the issue price of 20 cents per Share applied for. Applications for Shares must be for a minimum of 10,000 Shares and thereafter in multiples of 10,000 Shares. Completed Application Forms and accompanying cheques must be mailed or delivered to:

Empire Beer Group Limited
c/- Computershare Investor Services Pty Limited
GPO Box D182
PERTH WA 6840

Cheques should be made payable to "Empire Beer Group Limited – Share Offer Account" and crossed "Not Negotiable". Completed application forms must reach the above address by no later than the Closing Date, which is 31 January 2011.

The Company reserves the right to close the Offer early.

4.3 Oversubscriptions

The Company will not accept oversubscriptions.

4.4 Allotment

Subject to Resolutions 1 to 5 (inclusive) being passed at the General Meeting and ASX granting conditional approval for the Company to be reinstated to trading on the Official List, allotment of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date, but not before the completion of the Consolidation. Prior to allotment, all application monies shall be held by the Company on trust. The Company, irrespective of whether the allotment of Shares takes place, will retain any interest earned on the application monies.

The Directors reserve the right to allot Shares in full for any application or to allot any lesser number or to decline any application. Where the number of Shares allotted is less than the number applied for, or where no allotment is made, the surplus application monies will be returned by cheque to the applicant as soon as practicable.

4.5 Minimum Subscription

The minimum subscription to be raised pursuant to this Prospectus is $1,000,000.

If the minimum subscription has not been raised within four (4) months after the date of this Prospectus, all applications will be dealt with in accordance with the Corporations Act.

4.6 ASX Listing

The Company will apply to ASX within seven (7) days after the date of this Prospectus for Official Quotation of the Shares offered under this Prospectus. If ASX does not grant permission for Official Quotation of the Shares within three (3) months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, all applications will be dealt with in accordance with the Corporations Act.

4.7 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify these Securities or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of the Shares pursuant to 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.

4.8 Underwriter

The Offer is not underwritten.

4.9 CHESS

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement and Transfer Corporation Pty Ltd (**ASTC**), a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASTC Settlement Rules.

Under CHESS, the Company will not issue certificates to investors. Instead, Share and Option holders will receive a statement of their holding in the Company. If an investor is broker sponsored, ASTC will send a CHESS statement.

4.10 Risk factors

Prospective investors in the Company should be aware that subscribing for securities the subject of this Prospectus involves a number of risks. These risks are set out in Section 8 of this Prospectus and investors are urged to consider those risks carefully (and if necessary, consult their professional adviser) before deciding whether to invest in the Company.

The risk factors set out in Section 8, and other general risks applicable to all investments in listed securities not specifically referred to, may in the future affect

the value of the Shares. Accordingly, an investment in the Company should be considered speculative.

4.11 Privacy Statement

If you complete an application for Shares, 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 and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including 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 we hold about you. If you wish to do so, please contact the Share Registry at the relevant contact number 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 such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

5. COMPANY OVERVIEW

5.1 Historical Background of Company

As previously announced to the ASX the disposal of the Company's hospitality and brewing operations settled in early 2009.

On 12 November 2010, the Company announced to ASX that it had entered into a conditional heads of agreement to acquire 100% of Meter Eye.

On 22 December, 2010, the Company announced that it had finalised due diligence on Meter Eye and that it had entered into a full form binding share sale agreement (**Acquisition Agreement**) to acquire Meter Eye.

5.2 Meter Eye

(a) **Background and highlights**

Meter Eye Limited is a New Zealand incorporated private company limited by shares. It was incorporated on 30 September, 2003.

Meter Eye has developed a suite of innovative car parking technology solutions that deliver guidance, counting, enforcement and management solutions to car park owners, operators, councils and local authorities alike.

Meter Eye utilises wireless technology in its product range which accelerates the deployment and minimises the infrastructure required and disruption associated with the installation in a parking building or street.

Meter Eye's products can be installed in car parking buildings and open space areas, and range from guidance systems (advising drivers where there are free parks and how many), to innovative overstay technologies that remotely advise parking wardens of offending vehicles. Using the modular approach that Meter Eye has taken to its technology, it is also able to offer car counting solutions, fixed and mobile automatic number plate recognition solutions as well as valet management offerings for casinos and hotels.

Figure 1: Meter Eye's Wireless Car Counting Product

Included in Meter Eye's product range is a product that comprises an in-ground or overhead infra-red sensor that detects when a vehicle has occupied a parking bay, and can then determine how long that specific bay has been

occupied for and where relevant sending a message to a handheld device carried by an enforcement officer who can respond directly to the offending vehicle.

Figure 2: Meter Eye's Vehicle Detection Sensors

To date Meter Eye has sold in excess of 10,000 car parking sensors, which are installed in car parks in Australia, New Zealand, Singapore and the United Kingdom, in venues such as the recently opened Marina Bay Sands Casino in Singapore, the Optus centre in Sydney, and the multi-storey car parking precinct at Brisbane International Airport.

(b) **Meter Eye Products**

Meter Eye's product range includes infra-red vehicle detection sensors, wireless handheld terminals, repeater units, overhead signs and PCs, as well as a powerful web based reporting solution called RepNet. These products form the building blocks for Meter Eye's end to end product offering.

Meter Eye's principal products are:

- *SmartEnforce*: Programmable vehicle detection and monitoring in-ground and overhead sensors, improving infringement enforcement efficiency.

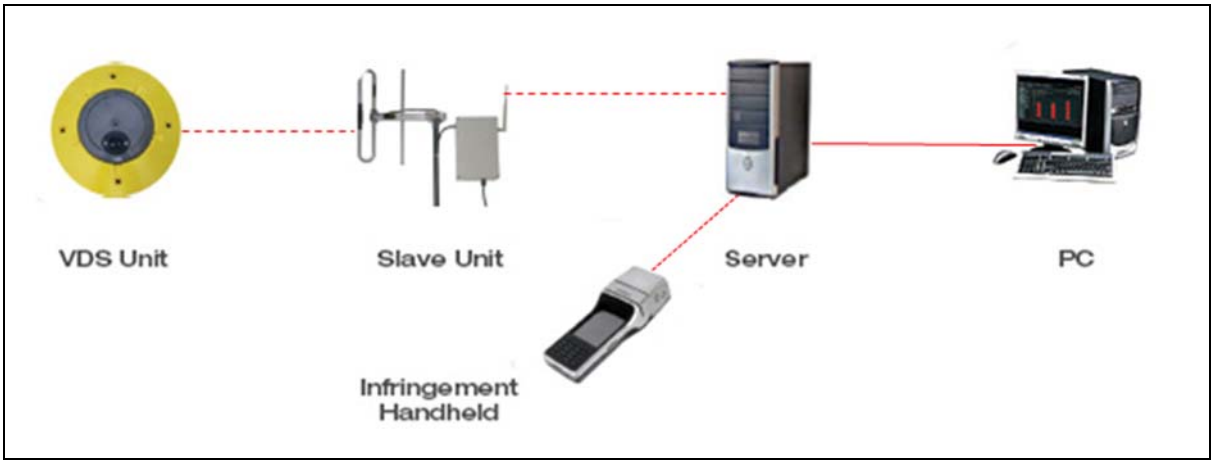

Figure 3: System Diagram for Vehicle Detection Sensor Product

- *SmartPlate*: Highly accurate infra-red automatic number plate recognition camera systems. Both fixed and mobile camera technology has been developed.

- *SmartCount*: Wireless car counting device and technology.

- *SmartGuide*: Wireless sensors provide guidance within car parks, improving traffic flow and car park turnover.

- *RepNet*: Sophisticated web based software which provides car parking asset owners and operators with a high level of real-time analysis concerning the use of their parking infrastructure. RepNet processes and analyses data collected by Meter Eye's products. RepNet is completely compatible and can be integrated with all of Meter Eye's parking products.

Figure 4: Snapshot of RepNet Enforcement Efficiency Report

Figure 5: Snapshot of RepNet "Heat Map" Report

The applications to which these product offerings can be deployed include:

- Efficiency improvements and management of commercial multi level car parks.
- Airport, supermarket and entertainment venue parking.
- On street parking both in metered and unmetered zones.
- Staff car parking and permit controlled parking.
- Vehicle surveying, car counting and associated data analysis.
- Portable parking analysis.
- Valet parking management for casinos and airports.
- Electronic infringement and ticketing.
- Automatic number plate recognition.

The Meter Eye technologies are scaleable and can be tailored to suit individual customer requirements. Overall, Meter Eye's products provide car park operators and owners with the ability to analyse and monitor the use of their assets, increase efficiency in terms of both traffic flow and enforcement and provide a clear picture of their asset's utilisation.

Key features of Meter Eye's products include:

- Meter Eye largely utilises wireless technology, simplifying installation and maintenance.
- As a result of continuing research the battery capability of the sensor device is such that up to 5 years battery life can now be achieved.

- The product range is broad – not just a guidance offering, but solutions which include guidance and monitoring, enforcement and vehicle counting. The product range is able to be cross-pollinated to create new product offerings and incremental revenue streams from a common back bone.

- Meter Eye technology uses infra-red signals in its sensor technology which provides high accuracy levels for car park operators.

- The Meter Eye sensor is extremely durable, and has special keys and locking mechanisms to enable access. Further each device is intelligent, which means the status of its battery or a malfunctioning device can be monitored and reported on remotely via a web interface

- The Meter Eye solution is backed up with RepNet, a web based software offering which is able to interface to the sensor and other Meter Eye products, and report on a wide range of statistics.

Figure 5: Meter Eye Parking Guidance System

(c) **Relationship with TCP**

In late 2009, Meter Eye entered into an exclusive contract with Town and City Parking (UK) Limited (**TCP**).

TCP is one of the largest retail car park operators in the UK, operating over 1000 car parks. Its clients include ASDA (UK subsidiary of Wal-Mart), Somerfield, Sainsburys, Matalan, Morrisons, Iceland, Tesco and the NHS. More information on TCP can be found at their website at www.townandcityparking.co.uk.

Under the TCP Agreements, TCP and Meter Eye have agreed to share ongoing parking infringement revenue at TCP's parking sites where Meter Eye products are installed (subject to an assessment of suitable sites).

Meter Eye and TCP are currently working with TCP's clients to roll-out the installation of Meter Eye products across suitable TCP sites. Funds raised from the Offer, together with the Company's existing cash assets, will provide Meter Eye with the capital required to increase production in order to meet expected demand from TCP and to deploy its products across the UK, and elsewhere.

The TCP Agreements provide the opportunity for Meter Eye to have its products installed in numerous car parks across the UK. Upon settlement of the Acquisition, the managing director of TCP, Mr Bernie Dickson, shall join the board of the Company as a Non-Executive Director.

(d) **Revenue Model**

Meter Eye's revenue is derived principally from two sources:

(i) Outright Product Sale

Revenue is generated from the sale of car parking technology products outright to end-users such as local councils. In addition to the one-off purchase fee, generally a licence style fee is charged for ongoing access to the RepNet software.

(ii) Parking infringement Revenue

In the UK, TCP and Meter Eye have agreed to share ongoing parking infringement revenue at TCP's parking sites where Meter Eye products are installed under this model.

The combination of Meter Eye's in-ground sensors and automatic number plate recognition camera systems with the RepNet software is highly effective at improving parking infringement enforcement and efficiency, and assisting in ensuring car park turnover. By providing reliable real-time information via wireless media, parking attendants using Meter Eye technology are able to efficiently infringe parking overstays.

A monthly licensing fee is also paid for access to the RepNet software.

(e) **Intellectual Property**

As part of its ongoing business, Meter Eye has been granted, or has applied for the following intellectual property rights in respect of the following products:

(i) NZ Patent 541683 – Vehicle Monitoring Apparatus, System and Method – Status: Sealed.

(ii) Australian Patent Application No. 2006235864 – Vehicle Monitoring Apparatus, System and Method – Status: Awaiting Examination.

(f) **Manufacturing and Suppliers**

Meter Eye is based in Cambridge, New Zealand. Meter Eye has relationships with a number of manufacturers and product suppliers:

(i) ECONZ

Since mid-2006, Meter Eye has worked closely with ECONZ, a leading NZ wireless technology solutions provider and developer.

The technology partnership with ECONZ has seen ECONZ undertake both the development of the RepNet software, as well as contribute significant expertise to the ongoing design and continuing improvements to the Meter Eye wireless products.

(ii) Other Key Suppliers

Nautech Electronics Ltd – an established contract electronics manufacturer located in Auckland, NZ. Nautech is responsible for all electronic manufacturing and final assembly of the sensor units. Nautech have also assisted with streamlining the products and processes used. Nautech has worked with Meter Eye since February 2007.

Novel Ways Ltd – Based in Hamilton, NZ, Novel Ways manufacture the hand held receivers and assist with the development of the software for the sensor and indicator units and most recently have taken over the manufacture of the RF slave units which are produced in relatively small manufacture runs.

KTL Technologies - a specialist signage manufacturer located north of Wellington, NZ. They are responsible for supplying all digital signage for displaying parking availability used with Meter Eye parking guidance systems.

Active Plastics Ltd - a plastics injection moulding and extrusion company located in Hamilton, NZ. They have been involved with Meter Eye since 2005 and are responsible for the manufacture of plastic and associated components for the Meter Eye products.

5.3 Directors, Proposed Directors and Key Personnel

As part of the Acquisition and change to the nature of the Company's activities, the Company proposes to implement a new Board structure.

The proposed new Board structure will not be implemented unless settlement of the Acquisition occurs.

(a) Directors and Proposed Directors

The proposed new Board of the Company will comprise of the following members:

(i) Mr Chris Morris (*Chairman*)

Mr Morris was appointed non-executive Chairman of the Company in March 2009.

Mr Morris is a founding member of Computershare Limited (established in 1978) and was appointed Chief Executive Officer in 1990.

Mr Morris' extensive knowledge of the securities industry and its user requirements from both a national and international perspective, coupled with his passion and long term strategic vision, have been

instrumental in developing Computershare into a global company that is unique in its provision of a full range of solutions to meet the needs of listed companies and their stakeholders.

In September 2010 he relinquished his executive responsibilities at Computershare Limited and is now Non-Executive Chairman.

(ii) Mr Paul Collins (*Managing Director*)

Mr Collins is currently the managing director of Meter Eye.

Mr Collins has a variety of experience in both the public and private sectors as well as private business ownership. As founder of Meter Eye his key strength is identifying business opportunities and drawing upon his own and others expertise to develop innovative technical solutions to take them through to commercial reality. In this regard Mr Collins and Mr Roly Rogers share a particularly close and successful collaboration which has been the cornerstone of Meter Eye's technological advancement.

During his tenure at Meter Eye Paul has developed a reputation as an expert in the field of parking management and his advice is regularly sought by parking retailers, regulatory authorities and parking management companies alike. His exposure to all facets of the parking industry from product design and installation, integration of hardware and software solutions through to high level analysis of management and statistical requirements makes him well placed to consult and advise on parking management solutions at all levels.

(iii) Mr Roly Rogers (*Technical Director*)

Mr Rogers was an early pioneer of wireless solutions. He has been responsible for the creation and implementation of a number of world-first wireless applications.

Mr Rogers is the founder of ECONZ Wireless, a New Zealand based software and technology company now in its 40th year of trading. He initiated the provision of wireless solutions at ECONZ with a ground breaking wireless fleet control system for the St John Ambulance Service in 1984. This lead to the deployment of further wireless work management systems within New Zealand and overseas, several of which have won industry awards. ECONZ was also responsible for developing the system used to capture data for the America's cup fleet, which drove the globally televised Virtual Spectator real-time animation.

Mr Rogers has applied his extensive experience with software, wireless technology and innovative thinking to Meter Eye's research and development programme. In conjunction with Mr Paul Collins, he continues to develop leading edge products and systems for Meter Eye.

(iv) Mr Bernie Dickson (*Non-Executive Director*)

Mr Dickson is the Managing Director of Town and City Parking (UK) Ltd (TCP). TCP operates over 1,000 car parks across the UK. Mr Dickson

originally joined the board of TCP in 1996. He has previously been a director and shareholder of Swedish parking company Sky Parks and has previously been a director of various companies in the travel, property and chemical sectors.

Mr Dickson spent 20 years in the City of London as an investment manager prior to entering the car parking industry. It is expected that Mr Dickson's extensive experience in the UK parking industry will prove invaluable to the Company.

(v) Ms Penelope Maclagan (*Non-Executive Director*)

Ms Maclagan is a non-executive director of Computershare Limited. She joined Computershare Limited in 1983 and was appointed to the Board as an executive director in May 1995.

Until 2008, as head of Computershare Technology Services, Ms Maclagan was responsible for planning, developing and executing technology across the world in support of that company's global strategy. In 2008, she reduced her day to day involvement in Computershare Limited and gave up her line management role and in September 2010 gave up her remaining executive responsibilities.

The Company expects to benefit significantly from Ms Maclagan's broad experience in managing the deployment of technology applications across international markets.

(vi) Ms Tiffany Fuller (*Non-Executive Director*)

Ms Fuller is a qualified Chartered Accountant who has had a 20 year career across Chartered Accounting, Corporate Finance, Investment Banking and Private Equity. Tiffany joined Rothschild Australia in 1997 in the Investment Banking Group after 8 years at Arthur Andersen in Audit, Corporate Finance and Management Consulting in Australia, the UK and the United States.

At Rothschild, Tiffany advised various private and public clients, was responsible for managing a Microcap Fund on behalf of a number of Australia's large industry superannuation funds, and was a founding director of the Rothschild e-Fund, a technology focused venture capital fund.

In this role, Tiffany worked closely with emerging technology companies at Board level and as corporate adviser. Her skills focus on strategic and financial advice, acquisitions, divestments, due diligence and governance.

Following completion of the Acquisition, the remaining current Directors of the Board, Mr Ian Macliver, Mr Greg Bandy and Mr Anthony King, will resign as part of this proposed new Board structure.

(b) Key Personnel

(i) Mr Andrew Perrier (*Global Sales and Marketing Manager*)

Mr Perrier's strength is in business development including in the parking industry in the last 5 years throughout Australasia and the Middle East. Prior to joining Meter Eye, Andrew was General Manager for car park ticket manufacturer Premier Business Print. Other international business development roles have included International Sales Manager for NZ Post subsidiary Datamail, and Managing Director India and Asia-Pacific for US based Information Management Research (now Captaris).

Mr Perrier is a past board member of the NZ Sales and Marketing Institute and holds an MBA from Massey University.

(ii) Mr Richard Ludbrook (*Chief Financial Officer*)

Richard is a Chartered Accountant and a member of the NZ Institute of Directors with over 15 years experience in financial and general management having worked across a range of industries in both New Zealand and the United Kingdom. Most recently Richard was employed as General Manager – Operations at an import/distribution company in New Zealand. Richard has responsibility for Meter Eye's financial planning and reporting, legal and information systems.

5.4 Corporate Governance

The Board is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of behaviour and accountability. The Board will develop strategies for the Company, review strategic objectives, and monitor the performance against those objectives. The overall goals of the corporate governance process are to:

(a) drive Shareholder value;

(b) assure a prudential and ethical base to the Company's conduct and activities; and

(c) ensure compliance with the Company's legal and regulatory obligations.

Consistent with these goals, the Board assumes the following primary responsibilities:

(a) formulation and approval of the strategic direction, objectives and goals of the Company;

(b) monitoring the financial performance of the Company, including approval of the Company's financial statements;

(c) ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;

(d) the identification of significant business risks and ensuring that such risks are adequately managed;

(e) the review of performance and remuneration of executive Directors; and

(f) the establishment and maintenance of appropriate ethical standards.

The Board is committed to the adoption of corporate governance policies and practices consistent with the ASX Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations", which are appropriate for a company of Empire's size and nature. Such policies include, but are not limited to, the Board charter, Board code of conduct, Board committee charters, continuous disclosure, trading in securities and risk management policies.

The Board also recognises its duty to ensure that its Shareholders and other stakeholders are informed of all major developments affecting the Company's state of affairs.

5.5 The Board of Directors

The Company's Board of Directors is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(a) maintain and increase Shareholder value;

(b) ensure a prudential and ethical basis for the Company's conduct and activities; and

(c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(a) developing initiatives for profit and asset growth;

(b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;

(c) acting on behalf of, and being accountable to, the Shareholders; and

(d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

5.6 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

(a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and

(b) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

No formal nomination committee or procedures have been adopted for the identification, appointment and review of the Board membership, but an

informal assessment process, facilitated by the Chairman in consultation with the Company's professional advisors, has been committed to by the Board.

5.7 Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

5.8 Remuneration arrangements

The remuneration of an Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

The total maximum remuneration of Non-executive Directors is the subject of a Shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The current limit, which may only be varied by Shareholders in general meeting, is an aggregate amount of $250,000 per annum.

5.9 External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

5.10 Audit committee

The Company will in due course establish a separate constituted audit committee.

5.11 Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

5.12 Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

6. INVESTIGATING ACCOUNTANT'S REPORT

[Report commences on following page]

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Private & Confidential

The Directors
Empire Beer Group Limited
945 Wellington Street
West Perth WA 6005

20 January 2011

Dear Sirs

INVESTIGATING ACCOUNTANT'S REPORT

1. Introduction

We have prepared this Investigating Accountant's Report ("**Report**") on historical financial information of Empire Beer Group Limited ("**Empire**" or "**the Company**") for inclusion in a Prospectus. Broadly, the Prospectus will offer up to 5,000,000 Ordinary Shares at an issue price of $0.20 each to raise $1,000,000 before costs, which is also the minimum subscription ("**the Offer**").

Expressions defined in the prospectus have the same meaning in this Report.

2. Basis of Preparation

This Report has been prepared to provide investors with information on the Income Statement, Statement of Changes in Equity and the Statement of Financial Position and the pro-forma Statement of Financial Position as noted in Appendices 1, 2 and 3.

This Report does not address the rights attaching to the shares to be issued in accordance with the Prospectus, nor the risks associated with the investment, and has been prepared based on the complete Offer being achieved. BDO Corporate Finance (WA) Pty Ltd ("**BDO**") has not been requested to consider the prospects for the Company, the shares on offer and related pricing issues, nor the merits and risks associated with becoming a shareholder and accordingly has not done so, and does not purport to do so. BDO accordingly takes no responsibility for these matters or for any matter or omission in the Prospectus, other than responsibility for this Report. Risk factors are set out in the Prospectus.

Expressions defined in the Prospectus have the same meaning in this Report.

BDO

3. Background

The disposal of Empire's hospitality and brewing operations settled in early 2009.

On 22 December 2010, the Company announced that it had finalised due diligence on Meter Eye Limited (**"Meter Eye"**), a New Zealand incorporated private company limited by shares, and that it had entered into a full form binding sale and purchase agreement (**"Acquisition Agreement"**) to acquire 100% of Meter Eye (**"Acquisition"**). This acquisition is subject to shareholder approval at a General Meeting to be held on 24 January 2011. Meter Eye has developed and delivers a range of car parking technology solutions.

The consideration for the Acquisition will be satisfied by the issue of 72,750,000 Empire Ordinary Shares (**"the Consideration Shares"**). The Acquisition Agreement provides that upon settlement Empire shall exercise the call option Meter Eye holds over the RepNet software for NZ$600,000.

4. Scope

You have requested BDO to prepare an Investigating Accountant's Report covering the following financial information:

- reviewed Income Statement of Empire for the period ended 31 October 2010;
- reviewed Income Statement of Meter Eye for the period ended 31 October 2010;
- reviewed Statement of Financial Position of Empire as at 31 October 2010;
- reviewed Statement of Financial Position of Meter Eye as at 31 October 2010;
- the proforma Statement of Financial Position as at 31 October 2010 reflecting the actual position as at that date, major transactions between that date and the date of our Report and the proposed capital raising under the Prospectus;
- the proforma Statement of Changes in Equity of Empire for the period ended 31 October 2010;
- the proforma Statement of Changes in Equity of Meter Eye for the period ended 31 October 2010; and
- the accounting policies applied by Empire in preparing its financial statements.

The historical financial information set out in the appendices to this Report has been extracted from the financial statements of the Company and Meter Eye for the period from 1 July 2010 to 31 October 2010.

The Directors are responsible for the preparation of the historical financial information including determination of the adjustments.

We have conducted our review of the historical financial information in accordance with the Australian Auditing and Assurance Standard ASRE 2405 "Review of Historical Financial Information Other than a Financial Report". We made such inquiries and performed such procedures as we, in our professional judgment, considered reasonable in the circumstances including:

- a review of work papers, accounting records and other documents pertaining to balances

in existence at 31 October 2010;

- a review of the assumptions used to compile the pro-forma Statement of Financial Position;
- a review of the adjustments made to the pro-forma historical financial information;
- a comparison of consistency in application of the recognition and measurement principles in Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by the Company disclosed in the appendices to this Report; and
- enquiry of Directors and others.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Our review was limited primarily to an examination of the historical financial information, the pro-forma financial information, analytical review procedures and discussions with both management and directors. A review of this nature provides less assurance than an audit and, accordingly, this Report does not express an audit opinion on the historical information or pro-forma financial information included in this Report or elsewhere in the Prospectus.

In relation to the information presented in this Report:-

- support by another person, corporation or an unrelated entity has not been assumed;
- the amounts shown in respect of assets do not purport to be the amounts that would have been realised if the assets were sold at the date of this Report; and
- the going concern basis of accounting has been adopted.

5. Conclusion

Statement on Historical Financial Information

Based on our review, which was not an audit, nothing has come to our attention which would cause us to believe the historical financial information as set out in the Appendices to this Report does not present fairly the financial performance for the four month period ended 31 October 2010 or the financial position as at 31 October 2010 in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia.

Statement of Pro-forma Financial Information

Based on our review, which was not an audit, nothing has come to our attention which would cause us to believe the pro-forma financial information does not present fairly the financial position of the Company as at 31 October 2010, in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia as if the pro-forma transactions had occurred on that date.

6. Subsequent Events

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief, no other material transactions or events outside of the ordinary business of the Company or Meter Eye have come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

The pro-forma Statement of Financial Position reflects the following events that have occurred subsequent to the period ended 31 October 2010:

- Additional funds borrowed by Meter Eye from ECONZ pursuant to ECONZ Loan Agreement of $57,905; and
- Repayment of Meter Eye Shareholder loan accounts of $29,443.

7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The pro-forma Statement of Financial Position post issue is shown in Appendix 2. This has been prepared based on the reviewed financial statements as at 31 October 2010 and the transactions and events relating to the issue of shares under this Prospectus:

- The exercise of Director Options held prior to settlement of the acquisition and completion of the Consolidation. This includes 12,000,000 Director Options exercisable at $0.06 to raise $720,000 and 5,750,000 Unlisted Options exercisable at $0.10 to raise $575,000;
- The consolidation of capital of Empire on the basis of
  - (i) Every four Ordinary Shares be consolidated into three Ordinary Shares; and
  - (ii) Every four outstanding Options be consolidated into three Options, with the exercise price of each option to be amended in inverse proportion to the ratio in accordance with ASX Listing Rule 7.22.1;
- The issue of 72,750,000 Ordinary Shares (on a post-consolidation basis) pursuant to the Acquisition Agreement to the Vendors of Meter Eye, at a deemed issue price of $0.20. Costs of the acquisition are estimated to be $240,000, which are to be expensed under the revised IFRS 3 *Business Combinations*;
- The issue of 5,000,000 Ordinary Shares (on a post-consolidation basis) at an assumed issue price of $0.20 each pursuant to the Prospectus to raise $1,000,000. Costs of the offer are estimated to be $165,010, which are to be offset in equity against the Contributed Equity;
- The Statement of Financial Position of Meter Eye is presented in Australian Dollars, and has been translated from New Zealand dollars at the exchange rate of 1 NZD / 0.7788 AUD at 31 Oct 2010. The Income Statement of Meter Eye is presented in Australian Dollars, and has been translated from New Zealand dollars at the average

exchange rate for the period of 1 NZD / 0.7873 AUD at 31 Oct 2010;

- The issue of 1,500,000 Unlisted Options, exercisable at $0.20 on or before 30 June 2013, to Consultants, the Company Secretary and Proposed Directors, valued at $266,403;
- The Acquisition Agreement provides that upon settlement Empire shall exercise the call option Meter Eye holds over the RepNet software for $466,920 (NZ$600,000); and
- Repayment of the pro-forma Borrowings balance of $1,527,651 on completion of the acquisition.

8. Disclosures

BDO Corporate Finance (WA) Pty Ltd is the corporate advisory arm of BDO in Perth.

Neither BDO Corporate Finance (WA) Pty Ltd nor BDO, nor any director or executive or employee thereof, has any financial interest in the outcome of the proposed transaction except for the normal professional fee due for the preparation of this Report.

Consent to the inclusion of the Investigating Accountant's Report in the Prospectus in the form and context in which it appears, has been given. At the date of this Report, this consent has not been withdrawn.

Yours sincerely

BDO Corporate Finance (WA) Pty Ltd

BDO

Peter Toll
Director

BDO

APPENDIX 1

EMPIRE BEER GROUP LIMITED

INCOME STATEMENT

	Empire Reviewed For the period from 1-Jul-10 to 31-Oct-10 $	Meter Eye Reviewed For the period from 1-Jul-10 to 31-Oct-10 $
Revenue from continuing operations	-	310,172
Other income	804,061	-
Cost of Goods Sold	-	(166,011)
Consulting fees	-	(35,799)
Depreciation	-	(27,204)
Employee benefits expense	(25,323)	(264,737)
Interest and finance costs	(19,993)	(74,615)
Sales, marketing and entertainment	(4,747)	(23,427)
Shareholder relation costs	(20,470)	-
Software support and development	-	(131,344)
Travel and accommodation	-	(87,062)
Other expenses	(43,449)	(113,078)
Profit before income tax expense	**690,079**	**(613,105)**
Income tax expense	-	-
Net Profit for the half-year	**690,079**	**(613,105)**

The Income Statement is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4.

BDO

APPENDIX 2
EMPIRE BEER GROUP LIMITED
STATEMENT OF FINANCIAL POSITION

	Notes	Empire Reviewed 31-Oct-10 $	Meter Eye Reviewed 31-Oct-10 $	Consolidation Adjustments $	Subsequent Events / Pro-forma Adjustments $	Pro-forma After Issue $
CURRENT ASSETS						
Cash and cash equivalents	2	5,339,901	144,166	-	(76,119)	5,407,948
Trade and other receivables		14,383	320,699	-	-	335,082
Inventories		-	283,818	-	-	283,818
Other Financial Assets		1,352,163	-	-	-	1,352,163
TOTAL CURRENT ASSETS		**6,706,447**	**748,683**	**-**	**(76,119)**	**7,379,011**
NON-CURRENT ASSETS						
Property, Plant and Equipment		-	172,759	-	-	172,759
Goodwill	3	-	-	15,671,156	-	15,671,156
Intangible assets	4	-	2,110	(2,110)	466,920	466,920
TOTAL NON-CURRENT ASSETS		**-**	**174,869**	**15,669,046**	**466,920**	**16,310,835**
TOTAL ASSETS		**6,706,447**	**923,552**	**15,669,046**	**390,801**	**23,689,846**
CURRENT LIABILITIES						
Trade and other payables		13,376	228,379	-	-	241,755
Customer Deposits		-	273,605	-	-	273,605
Borrowings	5	-	1,499,189	-	(1,499,189)	-
TOTAL CURRENT LIABILITIES		**13,376**	**2,001,173**	**-**	**(1,499,189)**	**515,360**
NON-CURRENT LIABILITIES						
Borrowings		-	41,425	-	-	41,425
TOTAL NON-CURRENT LIABILITIES		**-**	**41,425**	**-**	**-**	**41,425**
TOTAL LIABILITIES		**13,376**	**2,042,598**	**-**	**(1,499,189)**	**556,785**
NET ASSETS / (LIABILITIES)		**6,693,071**	**(1,119,046)**	**15,669,046**	**1,889,990**	**23,133,061**
EQUITY						
Contributed equity	6	14,232,890	1,067,068	13,482,932	2,129,990	30,912,880
Reserves	7	1,392,611	-	-	266,403	1,659,014
Accumulated Losses	8	(8,932,430)	(2,186,114)	2,186,114	(506,403)	(9,438,833)
TOTAL EQUITY		**6,693,071**	**(1,119,046)**	**15,669,046**	**1,889,990**	**23,133,061**

The pro-forma Statement of Financial Position after Issue is as per the Statement of Financial Position before Issue adjusted for the transactions relating to the issue of shares pursuant to this Prospectus. The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4.

BDO

APPENDIX 3

EMPIRE BEER GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

	Empire Reviewed 31-Oct-10 $	Meter Eye Reviewed 31-Oct-10 $	Consolidation Adjustments $	Pro-forma Adjustments $	Pro-forma After Issue $
Balance at 1 July 2010	6,002,992	(505,941)	-	-	5,497,051
Comprehensive income for the period					
Profit/(Loss) for the period	690,079	(613,105)	2,186,114	(506,403)	1,756,685
Other comprehensive income for the period					
	-	-	-	-	-
Total comprehensive income for the period	690,079	(613,105)	2,186,114	(506,403)	1,756,685
Transactions with equity holders in their capacity as equity holders:					
Contributed equity, net of transaction costs	-	-	13,482,932	2,129,990	15,612,922
Share Based Payments	-	-	-	266,403	266,403
Total transactions with equity holders	-	-	13,482,932	2,396,393	15,879,325
Balance at 31 October 2010	6,693,071	(1,119,046)	15,669,046	1,889,990	23,133,061

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4.

BDO

APPENDIX 4

EMPIRE BEER GROUP LIMITED

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

FOR THE PERIOD ENDED 31 OCTOBER 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

a) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian Accounting Standards, International Financial Reporting Standards (**"IFRS"**), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial report has also been prepared on a historical cost basis, except for available-for-sale financial assets that have been measured at fair value. Non-current assets and disposal groups held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Empire Beer Group Limited (''company'' or ''parent entity'') as at 31 October 2010 and the results of all subsidiaries for the period then ended. Empire Beer Group Limited and its subsidiaries together are referred to as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balance and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction proves evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated income statement and Statement of Financial Position respectively.

Subsidiaries are accounted for in the parent entity financial statements at cost.

c) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Empire Beer Group Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are included in the fair value reserve in equity.

Group Companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position
- Income and expenses for each Income Statement are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Revenue is recognised for the major business activities as follows:

(i) Sale of Goods

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) Interest income

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

e) Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

f) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities

where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax consolidation legislation

Empire Beer Group Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation.

The head entity, Empire Beer Group Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand alone payer in its own right.

In addition to its own current and deferred tax amounts, Empire Beer Group Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution (or distributions from) wholly-owned tax consolidated entities.

g) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

h) Business combinations

The acquisition method of accounting is used to account for all business combinations. Consideration is measured at the fair value of the assets transferred, liabilities incurred and equity interests issued by the group on acquisition date. Consideration also includes the acquisition date fair values of any contingent consideration arrangements, any pre-existing equity interests in the acquiree and share-based payment awards of the acquiree that are required to be replaced in a business combination. The acquisition date is the date on which the group obtains control of the acquiree. Where equity instruments are issued as part of the consideration, the value of the equity instruments is their published market price at the acquisition date unless, in rare circumstances it can be demonstrated that the published price at acquisition date is not fair value and that other evidence and valuation methods provide a more reliable measure of fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in business combinations are, with limited exceptions, initially measured at their fair values at acquisition date. Goodwill represents the excess of the consideration transferred and the amount of the non-controlling interest in the acquiree over fair value of the identifiable net assets acquired. If the consideration and non-controlling interest of the acquiree is less than the fair value of the net identifiable assets acquired, the difference is recognised in profit or loss as a bargain purchase price, but only after a reassessment of the identification and measurement of the net assets acquired.

For each business combination, the group measures non-controlling interests at either fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed when incurred. Transaction costs arising on the issue of equity instruments are recognised directly in equity and transaction costs arising on the issue of debt as part of the consideration are accounted for in accordance with note 1(q).

Where the group obtains control of a subsidiary that was previously accounted for as an equity accounted investment in associate or jointly controlled entity, the group remeasures its previously held equity interest in the acquiree at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss. Where the group obtains control of a subsidiary that was previously accounted for as an available-for-sale investment, any balance on the available-for-sale reserve related to that investment is recognised in profit or loss as if the group had disposed directly of the previously held interest.

Where settlement of any part of the cash consideration is deferred, the amounts payable in future are discounted to present value at the date of exchange using the entity's incremental borrowing rate as the discount rate.

Assets and liabilities from business combinations involving entities or businesses under common control are accounted for at the carrying amounts recognised in the group's controlling shareholder's consolidated financial statements.

i) Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments.

j) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

k) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

l) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Recoverability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators

that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement in other expenses.

The amount of the impairment loss is recognised in the income statement within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in statement of comprehensive income.

m) Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

n) Investments and other financial assets

Classification

The Group classifies its investments in the following categories: loans and receivables and financial assets at fair value through profit or loss. The classification depends on the purpose for which the investments were acquired.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position and borrowings.

Financial assets at fair value-through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of

ownership.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

o) Property, Plant and equipment

Property, Plant and equipment is stated at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Buildings are depreciated on a straight-line basis over the estimated useful life of the asset and all other assets are depreciated using the diminishing value method as follows:

Plant and equipment - 3 to 20 years

The assets useful lives and residual values are reviewed, and adjusted if appropriate, at each balance sheet date.

p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

r) Employee benefits

(i) *Wages and salaries, annual leave and sick leave*
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) *Long service leave*
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) *Share-based payments*
Share-based compensation benefits are provided to employees via the Empire Beer Group Employee Option Plan and an employee share scheme.

The fair value of options granted under the Empire Beer Group Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date,

the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the income statement with a corresponding adjustment to equity.

Under the employee share scheme, shares issued by the Empire Beer Group Employee Share Plan to employees for no cash consideration vest immediately on grant date. On this date, the market value of the shares issued is recognised as an employee benefits expense with a corresponding increase in equity.

s) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

t) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

BDO

NOTE 2. CASH & CASH EQUIVALENTS	Reviewed 31-Oct-10 $		Pro-forma After Issue $
Cash and cash equivalents	5,399,901		5,407,948
Adjustments arising in the preparation of the pro-forma Cash balance are summarised as follows:			
Reviewed balance of Empire as at 31 Oct 2010			5,339,901
Reviewed balance of Meter Eye as at 31 Oct 2010			144,166
Subsequent Events:			
Amounts loaned to Meter Eye by ECONZ		57,905	
Repayment of Meter Eye loans		(29,443)	
			28,462
Pro-forma adjustments:			
Shares to be issued pursuant to the exercise of options held by existing Directors and Associates		1,295,000	
Proceeds from Ordinary Shares issued under this Prospectus		1,000,000	
Capital raising costs		(165,010)	
Meter Eye acquisition costs		(240,000)	
Exercise of Repnet Option to acquire Repnet Software pursuant to the Acquisition Agreement		(466,920)	
Repayment of Borrowings		(1,527,651)	
			(76,119)
Pro-forma Balance			**5,407,948**

BDO

NOTE 3. GOODWILL	Reviewed 31-Oct-10 $	Pro-forma After Issue $
Goodwill	-	15,671,156
Adjustments arising in the preparation of the pro-forma Goodwill balance are summarised as follows:		
Reviewed balance of Empire as at 31 Oct 2010		-
Reviewed balance of Meter Eye as at 31 Oct 2010		-
Consolidation adjustments:		
Fair value attributable to goodwill on 100% acquisition of Meter Eye [Notional fair value of Ordinary Shares in Empire issued of $14,550,000 less fair value of net assets acquired of ($1,121,156)] Refer to note 7 for more detail.		15,671,156
Pro-forma Balance		**15,671,156**

NOTE 4. INTANGIBLE ASSETS	Reviewed 31-Oct-10 $	Pro-forma After Issue $
Intangible Assets	-	466,920
Adjustments arising in the preparation of the pro-forma Goodwill balance are summarised as follows:		
Reviewed balance of Empire as at 31 Oct 2010		-
Reviewed balance of Meter Eye as at 31 Oct 2010		2,110
Consolidation adjustments:		
Elimination on consolidation		(2,110)
Pro-forma adjustments:		
Exercise of Repnet Option to acquire Repnet Software pursuant to the Acquisition Agreement		466,920
Pro-forma Balance		**466,920**

BDO

NOTE 5. BORROWINGS	Reviewed 31-Oct-10 $		Pro-forma After Issue $
Borrowings	-		-
Adjustments arising in the preparation of the pro-forma Goodwill balance are summarised as follows:			
Reviewed balance of Empire as at 31 Oct 2010			-
Reviewed balance of Meter Eye as at 31 Oct 2010			1,499,189
Subsequent Events:			
Additional Borrowings subsequent to 31 Oct 10		57,905	
Repayment of Borrowings subsequent to 31 Oct 10		(29,443)	
			28,462
Pro-forma adjustments:			
Repayment of Borrowings on completion of the Acquisition			(1,527,651)
Pro-forma Balance			-

BDO

NOTE 6. CONTRIBUTED EQUITY	Reviewed 31-Oct-10 $	Number of Shares	Pro-forma After Issue $
Contributed Equity	14,232,890		30,912,880
Adjustments arising in the preparation of the pro-forma Contributed Equity balance are summarised as follows:			
Reviewed balance of Empire as at 31 Oct 2010		84,934,928	14,232,890
Reviewed balance of Meter Eye as at 31 Oct 2010			1,067,068
Pro-forma adjustments (pre-consolidation):			
Empire Ordinary Shares to be issued pursuant to the exercise of options held by existing Directors and Associates		17,750,000	1,295,000
Consolidation adjustments:			
Consolidation of capital on basis of every four shares be consolidated into three shares		(25,671,232)	-
72,750,000 Empire Ordinary Shares issued to Meter Eye Shareholders as consideration (Consideration Shares)		72,750,000	14,550,000
Elimination of Meter Eye Share Capital			(1,067,068)
			13,482,932
Pro-forma adjustments (post-consolidation):			
The issue of 5,000,000 Empire Ordinary Shares at $0.20 each pursuant to the Prospectus		5,000,000	1,000,000
Capital raising costs			(165,010)
			834,990
Pro-forma Balance		**154,763,696**	**30,912,880**

BDO

NOTE 7. SHARE BASED PAYMENTS RESERVES	Reviewed 31-Oct-10 $	Number of Options	Pro-forma After Issue $
Share Based Payments Reserve	1,392,611		1,659,014
Adjustments arising in the preparation of the pro-forma Share Based Payments Reserve balance are summarised as follows:			
Reviewed balance of Empire as at 31 Oct 2010		17,750,000	1,392,611
Reviewed balance of Meter Eye as at 31 Oct 2010			-
Pro-forma adjustments (pre-consolidation):			
Options (unlisted) to be exercised prior to consolidation and settlement		(17,750,000)	-
Pro-forma adjustments (post-consolidation):			
The issue of 1,500,000 Unlisted Options to Consultants, the Company Secretary and Proposed Directors, valued at $266,403*		1,500,000	266,403
Pro-forma Balance		**1,500,000**	**1,659,014**

*The terms of the Unlisted Options issued post consolidation are as follows:

Item	
Underlying Security spot price	$0.24
Exercise price	$0.20
Valuation date	21 December 2010
Expiration date	30 June 2013
Life of the Options	3 years
Volatility	120%
Risk free rate	5.86%
Number of Options	1,500,000
Valuation per Option	$0.1776
Valuation per Tranche	$266,403

NOTE 8. ACCUMULATED LOSSES	Reviewed 31-Oct-10 $	Pro-forma After Issue $
Accumulated Losses	(8,932,430)	(9,438,833)
Adjustments arising in the preparation of the pro-forma Accumulated Losses balance are summarised as follows:		
Reviewed balance of Empire as at 31 Oct 2010		(8,932,430)
Reviewed balance of Meter Eye as at 31 Oct 2010		(2,186,144)
Consolidation adjustments:		
The elimination of opening accumulated losses on consolidation		2,186,144
Pro-forma adjustments:		
Share Based Payments		(266,403)
Acquisition costs		(240,000)
Pro-forma Balance		**(9,438,833)**

NOTE 9: BUSINESS COMBINATION

A summary of the acquisition details with respect to the proposed Meter Eye acquisition as included in our Report is set out below. These details have been determined for the purposes of the pro-forma adjustments as at 31 Oct 2010 however will require re-determination as at the successful acquisition date which may result in changes to the values as disclosed below.

Details of the net assets acquired, purchase considertion and goodwill are as follows:	Fair Value $
Net Assets acquired	
Cash and cash equivalents	144,166
Trade and other receivables	320,699
Inventories	283,818
Property, Plant and Equipment	172,759
Trade and other payables	(228,379)
Customer Deposits	(273,605)
Borrowings - current	(1,499,189)
Borrowings - non current	(41,425)
Fair value of net assets acquired	**(1,121,156)**
Purchase Consideration	
Equity instruments issued	14,550,000
Fair Value attributable to Goodwill	**15,671,156**

1. The equity instruments issued (the Consideration Shares) comprises 72,750,000 ordinary shares in Empire at a fair value of $0.20 per share.

2. On acquisition the excess above the fair value of the net assets acquired will need to be attributed to the identifiable intangible assets with any excess then allocated to goodwill. For the purpose of our Report we have allocated all the excess to goodwill. Management have however identified the following intangible assets which they believe to have some value, to which a value will be allocated on the successful completion of the Meter Eye acquisition:

    - Trademarks
    - Patents
    - Copyright
    - Customer contracts
    - Software and systems

NOTE 10: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 11: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the prospectus.

7. RISK FACTORS

7.1 Introduction

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 this Prospectus, before deciding whether to apply for Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed. References to the Company in this section assume the completion of the Acquisition.

7.2 Competition

Following completion of the Acquisition, the Company will compete with other companies, including other major car park technology companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. The potential exists for the nature and extent of the competition to change rapidly, which may cause loss to the Company. There can be no assurance that the Company can compete with changes in the competition within the industry in which it operates. There are limited regulatory requirements to enter the car parking technology market and it is possible that new competitors may enter the car parking technology market that provide products which are similar to those that the Company currently provides or otherwise compete with the Company's developed technologies.

7.3 TCP Agreements

The TCP agreements provide for Meter Eye to receive a share of infringement revenue that is generated at car parks operated by TCP that Meter Eye have been deployed into. There is a risk that TCP and Meter Eye do not identify car parks suitable to Meter Eye products or that the deployment of Meter Eye's products into TCP operated car parks is slower than anticipated or does not occur at all beyond those that have already been installed. In addition, revenue to Meter Eye under the infringement revenue sharing model is partly derived from the issue of penalty charge notices for parking overstay incidents that are paid by infringers. There is a risk that the occurrence of parking overstay incidents may not be as high as anticipated and that penalty charge notices are issued but the penalty charge is not recovered which in either case would adversely impact the revenue collected by Meter Eye under the infringement revenue sharing model.

The TCP Agreements are an important element of the ongoing Meter Eye business of the Company post the completion of the Acquisition. Therefore, as indicated in the paragraph above, the termination or non-performance of the TCP Agreements would likely adversely impact on the performance of the business of the Meter Eye business where a suitable or similar arrangement could not be identified by the Company.

7.4 Regulation

The car parking industry in the jurisdictions in which Meter Eye operates are generally highly regulated and 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

those legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of the Company and its shares. In addition, there is a commercial risk that legal action may be taken against the Company in relation to commercial matters.

7.5 Manufacturing

Meter Eye currently outsources manufacturing for its car parking technology products to manufacturers and suppliers based in New Zealand. Manufacturing encompasses various business risks including risks relating to the quality of the products manufactured and the inherent variable cost of manufacturing. In addition recent global economic conditions have resulted in certain electronic component manufacturers reducing or halting production which has and may continue to cause disruption, increased lead times and cost to manufacturers used by Meter Eye. These risks may impact on the performance of the business of Meter Eye.

7.6 Wilsons Distribution Agreement

Meter Eye is a party to a distribution agreement with Wilsons Parking Australia 1992 Limited (**Wilsons**) (**Wilsons Agreement**). The Wilsons Agreement (summarised in section 8 below) contains a change of control termination provision and Wilsons have provided written advice that while they do not intend to terminate the agreement they are reserving their rights. However, there remains a risk that Wilsons may ultimately exercise their rights under this agreement in this respect. Termination of the Wilsons Agreement may lead to a reduction in revenue for Meter Eye where it is unable to supplement the lost value of the agreement with Wilsons.

7.7 Nautech Manufacturing Arrangements

Meter Eye utilises Nautech Electronics Limited (**Nautech**) in respect of its electronic componentry requirements. Meter Eye does not have a written agreement in place in respect of the supply of such products. If Nautech were to elect to halt the provision of such products to Meter Eye or produce products which were unacceptable to Meter Eye, in the absence of a written agreement Meter Eye may find it difficult to enforce legal remedies against Nautech which may ultimately impact the business of Meter Eye. This would also require the Company to source the electronic componentry from other providers. There is no guarantee that such componentry could be sourced at or less than the costs that Meter Eye currently sources these parts from Nautech.

7.8 Unforeseen Expenditure Risk

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

7.9 Licensing and Marketing Risks

Following completion of the Acquisition, the Company intends to review the potential of other overseas markets. There can be no assurance that these

markets will be established successfully which could adversely affect the business of the Company.

7.10 Economic Risks

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

7.11 Foreign Exchange

The Company currently conducts its operations across international borders, including at this time New Zealand, Singapore and the UK.

In the future, a proportion of the Company's revenues, cash inflows, other expenses, capital expenditure and commitments may be denominated in foreign currencies, namely with costs and income likely to be mainly in NZ dollars, Australian dollars and GBP initially.

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.

7.12 Additional Requirements for Capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. 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.

7.13 Reliance on Key Management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees ceases their employment.

7.14 Management of Growth

There is a risk that management of the Company will not be able to implement the Company's growth strategy after completion of the Acquisition. The capacity of the new management to properly implement and manage the strategic direction of the Company may affect the Company's financial performance.

7.15 Share Market

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) the demand for, and supply of, capital; and

(f) terrorism or other hostilities.

7.16 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 securities offered under this Prospectus.

Therefore, the securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those 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 Shares.

8. MATERIAL CONTRACTS

Set out below is a summary of contracts to which the Company is a party or will obtain a benefit and obligation of following completion of the Acquisition Agreement and which may be material in terms of this Prospectus.

To fully understand all the rights and obligations of a material contract it is necessary to review each contract in full and summaries should be read in that light.

8.1 Acquisition Agreement

On 21 December 2010, the Company entered into the Acquisition Agreement pursuant to which the shareholders of Meter Eye Limited agreed to sell, and the Company agreed to acquire, 100% of the issued share capital of Meter Eye Limited.

The material terms of the Acquisition Agreement are as follows:

(a) Conditions Precedent

(i) The Company must obtain all necessary Shareholder approvals required by the Corporations Act and the ASX Listing Rules in relation to the Acquisition;

(ii) the Company must comply with any requirements of ASX including, if necessary, the requirements of Chapters 1 and 2 of the ASX Listing Rules, including issuing the Prospectus, as if the Company were applying for admission to the official list of ASX (as required by ASX Listing Rule 11.1.3);

(iii) the Company must receive a letter from ASX confirming that ASX will grant conditional re-quotation of the Shares on the Official List of ASX, on terms:

(A) which are contemplated in the Acquisition Agreement;

(B) which are not inconsistent with the terms of the Acquisition Agreement; and

(C) acceptable to the Company (acting reasonably);

(iv) Meter Eye must obtain any necessary regulatory and third party consents, waivers and approvals in relation to the Acquisition;

(v) the Company must complete the Offer or receive binding commitments in respect thereof;

(vi) no material adverse change having occurred with respect to each party;

(vii) the shareholders of Meter Eye being must be satisfied that 100% of the Director and executive Options have been exercised, the subscription funds in respect of those Director and executive Options received by the Company, and new Shares have been issued upon the exercise of those Director and executive Options;

(viii) the Company holding an agreed minimum amount of net tangible assets immediately prior to settlement following the exercise by directors and associates of Options currently held by them; and

(ix) Electronic Company of New Zealand (1971) Limited (ECONZ) providing confirmation to the Company confirming that the charge held by ECONZ over Meter Eye together with the financing statement registered on the personal property securities register will be irrevocably and fully discharged upon repayment of all moneys secured by the charge.

(b) Consideration

The Company will satisfy the consideration for the Acquisition through the issue of 72,750,000 fully paid ordinary Shares (**Consideration Shares**) to the shareholders of Meter Eye.

(c) Loan

The Company has provided Meter Eye an unsecured working capital loan of $500,000 on commercial terms (12.5% per annum interest, repayable in one instalment on 30 June 2011).

(d) Appointment of Directors and Board Composition

The Company has agreed that Mr Paul Collins, Mr Roly Rogers and Mr Bernie Dickson shall be appointed as directors of the Company at settlement of the Acquisition together with Ms Penelope Maclagan and Ms Tiffany Fuller.

In addition, Mr Greg Bandy, Mr Ian Macliver and Mr Tony King shall resign from the Board of the Company at such time. Following settlement, the board composition will comprise Mr Chris Morris, Mr Paul Collins, Mr Roly Rogers, Mr Bernie Dickson, Ms Penelope Maclagan and Ms Tiffany Fuller.

(e) Warranties and Other terms

The Acquisition Agreement also contains other terms considered standard for an agreement of this nature including but not limited to warranties and representations on behalf of the Company and the Vendors, termination provisions and other standard clauses.

8.2 Agreements with Town and City Parking Limited

Meter Eye is party to the following agreements with Town and City Parking Limited (**TCP**):

(a) Business Agreement:

This agreement is the umbrella agreement by which Meter Eye and TCP establish their contractual relationship. It is agreed that Meter Eye shall exclusively supply and distribute the vehicle detection sensor (**VDS**) units and RepNet software systems to car parks operated by TCP in the UK. Provisions include:

(i) TCP is appointed exclusive distributor of Meter Eye products within the UK. Meter Eye is appointed exclusive supplier of car sensing technologies to TCP.

(ii) TCP shall identify car park sites suitable for the VDS system and install in as many suitable sites as possible.

(iii) Revenue accrues to Meter Eye for car parking sites where the VDS sites are installed as follows:

(A) an up-front payment on delivery to the UK of the VDS units;

(B) A monthly data management fee for each car park installed with the VDS product; and

(C) A share of penalty charge notice (**PCN**) revenue generated at each car park site, after allowing for a deduction for the agreed car park owner's percentage, if any.

(iv) TCP is responsible for installation and maintenance of Meter Eye products and collection of all PCN revenue. Meter Eye are responsible for the costs of producing and delivering the product to TCP in the UK.

(v) Term of agreement: to 31 December 2013

(vi) Minimum deployment: 10,000 parking bays per year (approximately 29 car parks of 350 bays), provided that Meter Eye and TCP identify and agree on sufficient suitable sites to allow this.

(vii) Meter Eye and TCP agree to issue PCNs for every enforceable infringement during the hours that an attendant is on the car park site.

(viii) Meter Eye and TCP have agreed that the parties shall agree which use of products is most suited to a particular car park site and shall document any particular provisions in respect of each car park in a separate appendix, which shall include the particular PCN revenue sharing arrangements for that site.

(ix) Business Agreement may be terminated by either party if the other party is in default and the default is not remedied within 30 days of notice or if an insolvency event occurs in respect of one party.

(b) Fixed Automatic Number Plate Recognition Camera Agreement:

This agreement regulates the relationship between Meter Eye and TCP in respect of Meter Eye's fixed automatic number plate recognition (**FANPR**) product and is effectively a collateral agreement to the Business Agreement. Provisions include:

(i) Exclusive arrangements are same as for VDS System under Business Agreement.

(ii) Term of agreement: same as Business Agreement.

(iii) TCP is responsible for installation and maintenance of Meter Eye products and collection of all PCN revenue.

(iv) Meter Eye and TCP share the costs of freight of the FANPR product to the UK.

(v) Revenue to Meter Eye for FANPR sites:

(A) A share of PCN revenue generated at each car park site, after allowing for a deduction for the agreed car park owner's percentage, if any; and

(B) A monthly data management fee for each car park installed with the FANPR product.

(c) Mobile Automatic Number Plate Recognition Camera Agreement:

This agreement regulates the relationship between Meter Eye and TCP in respect of Meter Eye's mobile ANPR (**MANPR**) product and is effectively a collateral agreement to the Business Agreement. Provisions include:

(i) Exclusive arrangements are same as for VDS System under Business Agreement.

(ii) Term of agreement: same as Business Agreement.

(iii) Installation, maintenance and collection of PCN revenue: same as Business Agreement.

(iv) Meter Eye and TCP share the costs of freight to UK.

(v) Revenue to Meter Eye for MANPR sites:

(A) A share of PCN revenue generated at each car park site, after allowing for a deduction for the agreed car park owner's percentage, if any; and

(B) A monthly data management fee for each car park installed with the MANPR product.

(d) Software, License, Maintenance and Support Agreement:

This Agreement regulates the provision by Meter Eye of a licence to use the Meter Eye software in respect of the VDS, fixed and mobile ANPR products. Provisions include:

(i) Protective clauses regarding the use of the Software by TCP and the continued ownership of the software by TCP.

(ii) Clauses which set out the services to be provided by Meter Eye to TCP in exchange for the data management fee, namely:

(A) advice and assistance by telephone and email on operating the software;

(B) other advice and assistance as may reasonably be required to obtain full benefit and use of software;

(C) investigation, diagnosis, repair and correction of defects and problems in the software including on-site assistance if necessary; and

(D) provision of updates and new releases of the software.

(iii) Meter Eye is required to offer updates to the software to TCP.

8.3 RepNet Option Deed

On 1 July 2010, Meter Eye entered into an option deed with ECONZ whereby Meter Eye was granted a call option over the RepNet software for a fee of NZ$600,000.

In accordance with the Acquisition Agreement, following settlement of the Acquisition, the Company shall exercise the call option under this Deed to acquire ownership of the RepNet software.

8.4 Wilson Parking Distribution Agreement

On 8 February 2007, Meter Eye entered into a 5 year distribution agreement with Wilson Parking New Zealand Limited and Wilson Parking Australia 1992 Limited. This is an exclusive distributorship agreement for Asia, Australia and New Zealand in respect of Meter Eye's vehicle detection sensor units which commits Wilsons to distribute a minimum of 25,000 units over 5 years with a minimum of 3,000 units to be distributed per year.

The Wilsons Agreement contains a change of control termination provision and Wilsons have provided written advice that while they do not intend to terminate the agreement they are reserving their rights in this respect.

8.5 Active Plastics Manufacturing Agreement

Meter Eye is a party to a manufacturing agreement with Active Plastics Limited of Hamilton, New Zealand dated 7 December 2006.

Under this agreement Active Plastics Limited agrees to exclusively produce Meter Eye's VDS products and agrees to sell such products to Meter Eye exclusively.

The agreement contains provisions customary of such an agreement and are confidential in nature.

8.6 Deeds of Indemnity, Insurance and Access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company agrees to indemnify each Director to the extent permitted by the Corporations Act against any liability arising as a result of the Director acting in the capacity as a director of the Company. The Company is also required to maintain insurance policies for the benefit of the Directors and must also allow the Directors to inspect Company documents in certain circumstances.

9. RIGHTS ATTACHING TO SECURITIES

9.1 Shares

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

(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 fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend Rights**

Subject to the rights of persons (if any) entitled to Shares with special rights to dividend the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

(d) **Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, 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 of the Company, 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. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, Shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other Shares.

(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 or the Listing Rules.

(f) **Variation of Rights**

Pursuant to 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.

10. ADDITIONAL INFORMATION

10.1 Disclosure of Interests

Directors are not required under the Company's Constitution to hold any Shares.

As at the date of this Prospectus, the existing Directors have relevant interests in Securities as set out in the table below:

Existing Director	Pre Consolidation Shares	Options
Mr Chris Morris	31,960,607	2,000,000 (10c, 30 June 2011) 2,400,000 (6c, 31 December 2011)
Mr Ian Macliver	4,379,682	Nil
Mr Greg Bandy	500,000	2,000,000 (10c, 30 June 2011) 4,800,000 (6c, 31 December 2011)
Mr Tony King	6,753,251	500,000 (10c, 30 June 2011) 4,800,000 (6c, 31 December 2011)

Mr Tony King and Mr Ian Macliver are directors of Max Capital Pty Ltd which shall receive a corporate advisory and prospectus management fee of $60,000 in respect of this Prospectus and a $90,000 success fee on successful completion of the Acquisition.

Following the settlement of the Acquisition in accordance with the Acquisition Agreement and assuming that all relevant resolutions at the General Meeting are passed including without limitation in respect of the Consolidation, the Proposed Directors will have relevant interests in Securities as set out below:

Proposed Director	Post Consolidation Shares	Options
Mr Chris Morris	27,270,455	Nil
Mr Paul Collins	23,687,169	Nil
Mr Roly Rogers	23,108,257	Nil
Mr Bernie Dickson	9,069,269	Nil

Ms Penelope Maclagan	1,312,500	200,000 (20c, June 30 2013)
Ms Tiffany Fuller	Nil	300,000 (20c, June 30 2013)

10.2 Remuneration

The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors has been set at an amount not to exceed $250,000 per annum.

The remuneration of executive Directors will be fixed by the Directors and may be paid by way of fixed salary or consultancy fee.

The annual remuneration (inclusive of superannuation in respect of Australian Proposed Directors) payable to each of the Proposed Directors following the completion of the Acquisition and appointment of the Proposed Directors is as follows:

Proposed Director	Annual Remuneration
Mr Chris Morris (Chairman)	Nil
Mr Paul Collins (Managing Director)	$155,000
Mr Roly Rogers (Technical Director)	$115,000
Mr Bernie Dickson (Non-executive Director)	Nil
Ms Penelope Maclagan (Non-executive Director)	$20,000
Ms Tiffany Fuller (Non-executive Director)	$40,000

10.3 Fees and Benefits

Other than as set out below or elsewhere in this Prospectus, no:

(a) Director or Proposed Director of the Company;

(b) person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(c) promoter of the Company; or

(d) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in the Prospectus as a financial services licensee involved in the issue,

has, or had within 2 years before lodgement of this Prospectus with ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the offer of Securities under this Prospectus; or

(c) the offer of Securities under this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Director of the Company or for services rendered in connection with the formation or promotion of the Company or the offer of Securities under this Prospectus.

BDO Corporate Finance (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which has been included in Section 6 of this Prospectus. The Company estimates it will pay BDO Corporate Finance (WA) Pty Ltd a total of $20,000 for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

Max Capital Pty Ltd has acted as corporate advisor and prospectus manager to the Company. The Company estimates it will pay Max Capital Pty Ltd a total of $60,000 for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

E.L. & C. Baillieu Stockbroking Ltd (**E.L. & C. Baillieu**) has acted as Lead Manager to the Offer..

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer and has been involved in due diligence enquiries on legal matters. The Company estimates it will pay Steinepreis Paganin $25,000 for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

10.4 Consents

Each of the parties referred to in this section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and

(b) to the maximum extent permitted by law, expressly disclaim and take no 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.

BDO Audit (WA) Pty Ltd has given their written consent to being named as auditor in this Prospectus in the form and context in which it is included. BDO Audit (WA) Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

BDO Corporate Finance (WA) Pty Ltd has given its written consent to the inclusion of the Investigating Accountant's Report in Section 6 in the form and context in which the report is included. BDO Corporate Finance (WA) Pty Ltd has not withdrawn its consent prior to the lodgement of the Prospectus with the ASIC.

Max Capital Pty Ltd has given its written consent to being named as corporate advisor to the Company in this Prospectus. Max Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

E.L. & C. Baillieu has given, and not withdrawn prior to the lodgement of this Prospectus with the ASIC its written consent to being named as Lead Manager to the Offer. E.L. & C. Baillieu has not authorised or caused the issue of this Prospectus of the making of the Offer and takes no responsibility for any part of the Prospectus. E.L. & C. Baillieu makes no representation regarding, and to the extent permitted by law, excludes responsibility for, any statements in or omissions from any part of this Prospectus.

Steinepreis Paganin has given its written consent to being named as the solicitor to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named the Company's Share Registry in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

10.5 Restricted Securities

ASX has indicated that certain existing security holders may be required to enter into agreements which restrict dealings in Securities held by them. These agreements will be entered into in accordance with the Listing Rules.

10.6 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately $165,010 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Amount ($)
ASIC fees	$2,010
ASX fees	$48,000
Investigating Accountant	$20,000
Legal Advisors	$25,000
Prospectus project management	$60,000
Printing	$5,000
Miscellaneous	$5,000
TOTAL	**$165,010**

10.7 Litigation

Meter Eye is party to a dispute with Kingspan Developments Limited (**Kingspan Litigation**), a UK based company, in respect of product distributorship arrangements. The Kingspan Litigation settled by way of a Deed of Settlement dated 8 November 2010 between the parties with Meter Eye required to pay a final settlement amount of £120,000 in two scheduled instalments of £30,000 by 8 December 2010 and £90,000 by 28 February 2011. The first instalment was paid on or prior to the due date. Pending the final settlement being paid in accordance with the Deed of Settlement, the New Zealand High Court has ordered a stay in proceedings.

As at the date of this Prospectus, other than the Kingspan Litigation detailed above which has settled, the Company and Meter Eye are not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company or Meter Eye.

10.8 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant application forms. If you have not, please email the Company at info@empirebeergroup.com.au and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at www.empirebeergroup.com.au.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

10.9 Taxation

The acquisition and disposal of Securities in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

10.10 Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain.

Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Mr Chris Morris
Chairman
For and on behalf of
Empire Beer Group Limited

12. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

A$** or **$ means an Australian dollar.

Acquisition means the acquisition by the Company of 100% of the issued shares in Meter Eye pursuant to the Acquisition Agreement.

Acquisition Agreement means the share sale agreement dated 21 December 2010 between the Company, Meter Eye and certain vendors as set out in schedule 1 thereto.

Application Form means the application form accompanying this Prospectus in respect of the Offer.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange as the context requires.

Board means the board of Directors as constituted from time to time.

Business Day means a week day when trading banks are ordinarily open for business in Perth, Western Australia.

Company or **Empire Beer** means Empire Beer Group Limited (to be renamed Car Parking Technologies Limited) (ABN 45 119 327 169).

Consolidation means the consolidation of the Company's share and option capital on a three (3) for four (4) basis as described more fully in the Notice of General Meeting.

Closing Date means the closing date of the Offer as set out in the 'Indicative Timetable' Section of this Prospectus.

Constitution means the constitution of the Company.

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

Directors means the directors of the Company at the date of this Prospectus.

ECONZ means Electronic Company of New Zealand (1971) Limited.

General Meeting means the general meeting of Shareholders to be held at 11.00am (WST) on 24 January 2011 at Sebel Residence, East Perth, and includes any adjournment thereof.

Listing Rules means the official listing rules of ASX.

ME and **Meter Eye** means Meter Eye Limited, a New Zealand incorporated company with company number 1412599.

Notice of General Meeting means the Notice of General Meeting convening the General Meeting

Offer means the offer of Shares pursuant to this Prospectus as outlined in Section 4.

Official List means the Official List of ASX.

Official Quotation means official quotation by ASX in accordance with the Listing Rules.

Option means an option to subscribe for a Share subject to the terms and conditions set out in Section 9 of this Prospectus.

Proposed Directors means each of Mr Chris Morris, Mr Paul Collins, Mr Roly Rogers, Mr Bernie Dickson, Ms Penelope Maclagan and Ms Tiffany Fuller.

Prospectus means this prospectus.

Resolutions means the resolutions contained in the Notice of General Meeting to be considered at the General Meeting.

Securities means Shares and Options.

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

Share Registry means Computershare Investor Services Pty Limited.

Shareholder means a holder of Shares.

TCP Agreements means each of the agreements entered into between TCP and Meter Eye as detailed in section 8 of this Prospectus.

Vendors means each of Electronic Company of New Zealand (1971) Limited, Roly Rogers, Bernie Dickson, Dave and Maureen Mackie, Bart Engelsman, Richard Ludbrook, Felicity Ludbrook, Bailey Ingham Trustees Ltd as Trustees for CCS Trust, Simon Philip Wallace, Sievwrights Trustee Services (No. 4) Limited as Trustees for the Wallace Family Trust, Tony and Mary Garner, Boussal Pty Ltd, Johnstone Super Fund Account, David Oakley JMC Automotive Group Pty Ltd, A&L Johnson Investments Pty Ltd as Trustees for the A&L Johnson Superannuation Fund, Callogan Investments Ltd (or Nominee,) Mast Financial Pty Ltd as trustee for the A to Z Investment Trust, Moat Investments Pty Ltd as trustee for the Moat Investment Trust, Paul Collins, Jo Collins as Trustees for the Collins Investment Trust and Hayward Australasia Pty Ltd.

WST means Western Standard Time as observed in Perth, Western Australia.