



(Subject to Deed of Company Arrangement)

13 March 2015

Dear Shareholder,

OPENING OF NON-RENOUNCEABLE ENTITLEMENT OFFER TO RAISE UP TO \$1.18M

Further to our letter to you dated 6 March 2015, please find **enclosed** the prospectus ("**Prospectus**") for Stanfield Funds Management Limited's ("**Company**") pro-rata non-renounceable entitlement offer to raise approximately \$1.18 million (before costs) ("**Entitlement Offer**") and other offers of securities. The Entitlement Offer is fully underwritten by CPS Capital Group Pty Ltd ("**Underwriter**").

Please also find **enclosed** a supplementary prospectus ("**Supplementary Prospectus**") dated 13 March 2015 which contains a summary of the formal underwriting agreement between the Company and the Underwriter, and clarification on the payment of sub-underwriting fees. The Supplementary Prospectus must be read together with the Prospectus.

The Company wishes to correct a statement made in its letter to you dated 6 March 2015 and note that **eligible shareholders may also apply for shares in excess of their entitlement** under the Entitlement Offer in accordance with section 1.5 of the Prospectus. Please refer to sections 1.5 and 1.9(a) of the Prospectus, as well as the Supplementary Entitlement Offer Application Form accompanying the Supplementary Prospectus.

If you have any queries about the Entitlement Offer, please contact the Company on +61 8 6315 3505. Questions relating to the Supplementary Entitlement Offer Application Form can be directed to the Company's share registry, Automic Registry Services, on 1300 288 664 (within Australia) or +61 8 9324 2099 (outside of Australia).

Stephen Hewitt-Dutton
Company Secretary

Stanfield Funds Management Limited ACN 006 222 395
(Subject to Deed of Company Arrangement)

283 Rokeby Road, Subiaco WA 6008
TEL: 08 6315 3505 FAX: 08 9481 1947

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stanfield

Stanfield Funds Management Limited
(Subject to Deed of Company Arrangement)
ACN 006 222 395

Prospectus

Entitlement Offer

For the conditional, non-renounceable, pro rata entitlement offer of Shares to Shareholders at an issue price of \$0.25 each on the basis of 1 new Share for every 1 Share held at the Record Date to raise approximately \$1,180,148 before costs (**Entitlement Offer**).

Conversion Offers

For the conditional offers of:

- 2,320,000 Shares to the Class A Noteholders, together with 2 free attaching Noteholder Options for each Share issued, pursuant to the conversion of the Class A Notes (**Conversion Offer A**);
- 2,080,000 Shares to the Class B Noteholders, together with 2 free attaching Noteholder Options for each Share issued, pursuant to the conversion of the Class B Notes (**Conversion Offer B**); and
- 344,548 Shares to the Class C Noteholder, together with 640,000 Noteholder Options, pursuant to the conversion of the Class C Notes (**Conversion Offer C**).

Creditor Offers

For the conditional offers of:

- 909,665 Shares to the Unsecured Creditors for nil cash consideration, together with 1 free attaching Creditor Option for each Share issued, pursuant to the DOCA (**Creditor Offer A**); and
- 770,000 Shares to the New Creditors in consideration of services provided to the Company (**Creditor Offer B**).

Broker Offer

For the conditional offer of 900,000 Shares to the Underwriter (and/or its nominees) at a nominal issue price of \$0.01 each pursuant to the Underwriting Agreement (**Broker Offer**).

Underwriting

The Entitlement Offer is fully underwritten by CPS Capital Group Pty Ltd.

Important notice

This document is important and it should be read in its entirety. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay. The securities offered by this Prospectus should be considered highly speculative.

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IMPORTANT INFORMATION

General

This Prospectus is dated 4 March 2015 and a copy of this Prospectus was lodged with ASIC on 4 that date. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Shares offered pursuant to this Prospectus to be admitted for quotation on ASX.

No securities will be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

Persons wishing to apply for Shares pursuant to an Offer must do so using the appropriate Application Form attached to or accompanying this Prospectus. Before applying for Shares potential investors should carefully read this Prospectus so that they can make an informed assessment of the rights and liabilities attaching to the Shares, the assets and liabilities of the Company, its financial position and performance, profits and losses, and prospects. By returning a completed Application Form, the applicant acknowledges that it has received and read this Prospectus, has acted in accordance with the terms of the relevant Offer, agrees to all of the terms and conditions set out in this Prospectus and makes the statements set out in the Application Form.

Any investment in the Company should be considered highly speculative. Applicants should read this Prospectus in its entirety and persons considering applying for Shares pursuant to the Prospectus should obtain professional advice.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus. Any such information or representations may not be relied upon as having been authorised by the Directors.

The Offers of securities under this Prospectus do not constitute offers in any jurisdiction outside Australia. The Offers are not made to persons or places to which, or in which, it would not be lawful to make such an offer of securities. Any persons in such places who come into possession of this Prospectus should seek advice on and comply with any legal restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

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 of these restrictions. Failure to comply with these restrictions may violate 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. For further information on selling restrictions see Section 1.19.

Deed Administrator

The Deed Administrator (including in his capacity as Administrator and Trustee) has not been involved in the preparation of this Prospectus and has taken no part in the preparation of any documents and expresses no opinion regarding the Recapitalisation Proposal. The Deed Administrator (including in its capacity as Administrator) has not independently verified any of the information contained in this Prospectus. Neither the Deed Administrator nor its servants, agents or employees make any representation or warranty (express or implied) as to the accuracy,

reasonableness or completeness of the information contained in this Prospectus. To the extent permissible by law, all such parties and entities expressly disclaim any and all liability for, or based on or relating to, any such information contained in, or errors in or omissions from this Prospectus.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.stanfieldfunds.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 this 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 on +61 8 6315 3505.

Pursuant to Class Order 00/044, 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 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 Application Form. If you have not, please contact the Company at +61 8 6315 3505 and the Company will send you, at no cost, 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.stanfieldfunds.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 Application Form, it was not provided together with the Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Risk factors

Any investment in the Company should be considered speculative. Before deciding to invest in the Company, investors should read the entire Prospectus. In considering the prospects for the Company, investors should consider the assumptions underlying the prospective financial information and the risk factors set out in Section 4 that could affect the performance of the Company. Investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, accountant or other independent financial adviser before deciding to invest.

Representations

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company or the Directors in relation to the Offers.

Forward looking statements

This Prospectus contains forward looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as

assumptions regarding future events. These events, as at the date of this Prospectus, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur. Further, the Company may not update or revise any forward looking statement if events subsequently occur or information subsequently becomes available that affects the original forward looking statement.

Interpretation

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in Section 9.

A reference to \$ in this Prospectus is a reference to Australian currency unless otherwise stated.

All references to time in this Prospectus relate to the time in Perth, Western Australia.

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CORPORATE DIRECTORY

Directors

Carlyle Clump – Non-Executive Chairman
Paul Doropoulos – Executive Director and Chief Financial Officer
Xavier Kris – Non-Executive Director
James Pearson – Non-Executive Director
William Ng – Non-Executive Director
Thomas Sargent – Non-Executive Director

Company Secretary

Stephen Hewitt-Dutton

Registered Office

283 Rokeby Road
Subiaco WA 6008

Administrator/ Deed Administrator*

Mathew Gollant
Rodgers Reidy Chartered Accountants
Level 3, 326 William Street
Melbourne VIC 3000

Share Registry*

Automic Registry Services
Level 1, 7 Ventnor Avenue
WEST PERTH WA 6005

Auditor*

Grant Thornton Australia
The Rialto, Level 30, 525 Collins Street
Melbourne VIC 3000

Corporate Adviser

Boardroom Capital Pty Ltd
c/- Kensington Tax and Accounting
Suite E1, 118 Railway Street
West Perth WA 6872

Lead Manager and Underwriter

CPS Capital Group Pty Ltd
Level 45, 108 St Georges Terrace
Perth WA 6000

Investigating Accountant

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

Legal Adviser

Price Sierakowski Corporate
Level 24, 44 St Georges Terrace
Perth WA 6000

ASX Code

SFN

Website

www.stanfieldfunds.com.au

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus

LETTER FROM THE CHAIRMAN

Dear Investor

On behalf of the Board, I am pleased to present you with this Prospectus – whether you are an existing Shareholder or an investor seeking to become a Shareholder of Stanfield Funds Management Limited (Subject to Deed of Company Arrangement).

The Company will seek the approval of Shareholders to a number of resolutions to give effect to the Recapitalisation Proposal. Once completed, the Recapitalisation Proposal will give the Company a new capital structure with new working capital, and the Company will no longer be subject to the Deed of Company Arrangement (**DOCA**).

The Entitlement Offer is conditional on the relevant condition set out in Section 1.2, however it will proceed irrespective of whether or not any Shares issued pursuant to the Entitlement Offer are quoted on ASX. The Conversion Offers, Creditor Offers and Broker Offer are subject to the relevant conditions summarised in Section 1.2.

Since being placed into administration, the Company has raised an aggregate of \$1,180,000 by issuing the Notes. Of this amount, \$907,622 has been paid to the Deed Administrator for distribution by the Deed Administrator in accordance with the DOCA (including for the payment of the Deed Administrator's fees). The balance of these funds has been retained by the Company and will be used in accordance with the table set out in Section 1.7.

Upon completion of the Recapitalisation Proposal, the DOCA will be wholly effectuated and terminated and full control of the Company will be returned to the Board. In addition, it is anticipated that the Company's securities will be reinstated to trading on the ASX.

Details about the risks of investing in the Company are contained in Section 4 and we recommend that investors read these carefully and obtain any necessary professional advice before deciding to invest.

Whether you are an existing Shareholder or you are seeking to join the Company as a Shareholder, on behalf of the Board I would like to thank you for your support of the Company and we look forward to having you as a Shareholder into the future.

Yours faithfully



Carlyle Clump
Chairman
4 March 2015

KEY OFFER DETAILS

Key financial information	
Offer Price per Share under the Entitlement Offer	\$0.25
Shares offered under the Entitlement Offer ¹	4,720,594
Amount to be raised under the Entitlement Offer (before costs)	\$1,180,148
Existing Shares on issue	4,720,594
Shares to be issued under the Conversion Offers ²	4,744,548
Noteholder Options to be issued under the Conversion Offers ³	9,440,000
Shares to be issued under the Creditor Offers ⁴	1,679,665
Creditor Options to be issued under Creditor Offer A ⁵	909,665
Shares to be issued under the Broker Offer ⁶	900,000
Total Shares on issue upon completion of the Offers	16,765,401
Market capitalisation at the Offer Price on completion of the Offers ⁷	\$4,191,350

Notes:

- Shares offered to Eligible Shareholders on a 1 for 1 basis under the Entitlement Offer. The Entitlement Offer is fully underwritten by CPD Capital Group Pty Ltd.
- Shares offered to the Noteholders pursuant to the conversion of the Notes. See Section 6.2 for a summary of the terms of the Class A Notes, Section 6.3 for a summary of the terms of the Class B Notes and Section 6.4 for a summary of the terms of the Class C Notes.
- Noteholder Options offered to the Noteholders pursuant to conversion of the Notes. Each Noteholder Option will have an exercise price of \$0.25 and an expiry date 3 years from issue. See Section 7.2 for full terms and conditions of the Noteholder Options.
- Shares offered to the Unsecured Creditors in accordance with the DOCA, and to the New Creditors in consideration of services provided to the Company. See Section 6.1 for a summary of the terms of the DOCA.
- Creditor Options offered to the Unsecured Creditors in accordance with the DOCA. Each Creditor Option will have an exercise price of \$0.20 and an expiry date 1 year from issue. See Section 7.3 for full terms and conditions of the Creditor Options.
- Shares offered to the Underwriter (and/or its nominees) in accordance with the Underwriting Agreement. See Section 6.5 for a summary of the terms of Underwriting Agreement.
- The market capitalisation amount has been determined by multiplying the anticipated total number of Shares on issue upon ASX Reinstatement by the Offer Price.
- Please refer to Section 1.8 for further details relating to the proposed capital structure of the Company.

Indicative timetable	
Prospectus lodged with ASIC and ASX	4 March 2015
Entitlement Offer	
Record Date	12 March 2015
Prospectus sent to Eligible Shareholders	12 March 2015
First Opening Date	13 March 2015
Notice of Meeting sent to Shareholders	18 March 2015
First Closing Date (5.00pm WST)	24 March 2015
Issue of Shares under the Entitlement Offer	27 March 2015
Conversion Offers, Creditor Offers and Bonus Offer	
General Meeting of Shareholders	20 April 2015
Second Opening Date	24 April 2015
Second Closing Date	1 May 2015
Issue of securities under the Conversion Offers, Creditor Offers and Broker Offer	7 May 2015
DOCA effectuated and Deed Administrator retire	7 May 2015
Expected date for Shares (including all Shares issued under the Offers) to be reinstated to trading on ASX	12 May 2015

Note: The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company.

INVESTMENT OVERVIEW

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. The Shares offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares.

Topic	Summary	More information
Introduction		
Who is the issuer of the Prospectus?	Stanfield Funds Management Limited (Subject to Deed of Company Arrangement) ACN 006 222 395 (Company).	Section 2.1
Who is the Company and what does it do?	The Company is an Australian public company that has been listed on the ASX since 1994. The Company is a strategic, cross-border, Asia focused investment and management services company. Its current focus is to leverage the growth and social changes underway in Asia which have been driven by increases in the population and personal wealth in the region.	Sections 2.1 and 2.6
What are the Company's key assets?	The Company currently has the following key assets: <ul style="list-style-type: none"> 833,500 shares in Aquaint Capital Holdings Limited (ASX:AQU) which are subject to ASX imposed escrow that expires on 11 November 2015; and 1,889,521 shares in Mariner Corporation Limited (ASX:MCX). 	Section 2.2
What is the Company's business plan?	The Company's focus is to leverage the growth in Asia and invest directly into Asian markets via strategically acquired corporate investments and, potentially, via a funds management platform. Initially, the Company's primary focus will be in the technology and services industries. The Company's plans will enable shareholders to participate in the growth and social changes underway in Asia. The Company will leverage the knowledge, experience and network of its team to deliver on its direct and indirect investment strategies. In addition, the Company will seek to provide management services alongside its investments through the provision of operational guidance and support. By leveraging the Company's networks and strategic and operational know-how, the	Section 2.6

Topic	Summary	More information
	<p>Company considers that this will provide the best opportunity for its investments to realise their full potential.</p>	
<p>What are the Offers?</p>	<p>Entitlement Offer</p> <p>The Company is undertaking a conditional, non-renounceable, pro-rata entitlement offer of Shares to Eligible Shareholders at an issue price of \$0.25 each on the basis of 1 new Share for every 1 Share held at the Record Date to raise approximately \$1,180,148 (before costs) (Entitlement Offer).</p> <p>Conversion Offers</p> <p>The Company has entered into convertible note agreements under which it has issued 58 Class A Notes to the Class A Noteholders to raise \$580,000, 52 Class B Notes to the Class B Noteholders to raise 520,000, and 8 Class C Notes to the Class C Noteholders to raise \$80,000. In addition, the Company has entered into, or will enter into, agreements with the relevant Noteholders under which the parties have agreed that the Notes will be converted into securities by the Noteholders returning an Application Form under the relevant Conversion Offer.</p> <p>Accordingly, the Company is undertaking offers of:</p> <ul style="list-style-type: none"> • 2,320,000 Shares and 4,640,000 Noteholder Options to the Class A Noteholders (Conversion Offer A); • 2,080,000 Shares and 4,160,000 Noteholder Options to the Class B Noteholders (Conversion Offer B); and • 344,548 Shares and 640,000 Noteholder Options to the Class C Noteholders (Conversion Offer C). <p>Creditor Offers</p> <p>In accordance with the DOCA, the Company is undertaking an offer of 909,665 Shares to the Unsecured Creditors for nil cash consideration, together with 1 free attaching Creditor Option for each Share issued to the Unsecured Creditors (Creditor Offer A).</p> <p>In addition, the Company is undertaking an offer of</p>	<p>Section 1.1</p>

Topic	Summary	More information
	<p>770,000 Shares to the New Creditors in consideration of services provided to the Company (Creditor Offer B).</p> <p>Broker Offer</p> <p>The Company is undertaking an offer of 900,000 Shares to the Underwriter (and/or its nominees) at a nominal issue price of \$0.01 each pursuant to the Underwriting Agreement (Broker Offer).</p>	
<p>What are the conditions to the Offers?</p>	<p>The Entitlement Offer is subject to the Class A Noteholders and Class C Noteholder agreeing to convert their respective Class A Notes and Class C Notes into securities.</p> <p>The Conversion Offers, Creditor Offers and Broker Offer are subject to the following conditions:</p> <ul style="list-style-type: none"> • Shareholders approving the Specified Resolutions at the General Meeting of the Company to be held on or about 20 April 2015; • the Company satisfying ASX's conditions to ASX Reinstatement; and • the DOCA terminating fully effectuated. 	<p>Sections 1.2</p>
<p>Why are the Offers being conducted?</p>	<p>The purposes of the Offers are to:</p> <ul style="list-style-type: none"> • complete the Recapitalisation Proposal so that the DOCA can be terminated wholly effectuated and full control of the Company can be returned to the Board; • comply with ASX's conditions to ASX Reinstatement so that the Company's securities can resume trading on the ASX; and • raise funds for use by the Company in accordance with Section 1.7; • discharge the Company obligations to the Noteholders under the Notes; • retire certain debt owing by the Company to the Unsecured Creditors and New Creditors; and • "cleanse" securities issued under the Conversion Offers, Creditor Offers and Broker 	<p>Section 1.6</p>

Topic	Summary	More information
	Offers to ensure that the securities are not subject to any secondary sale restrictions under the Corporations Act.	
Recapitalisation Proposal		
Why is the Company subject to a Deed of Company Arrangement?	<p>Following a period of negative performance as a result of difficult market conditions, on 12 August 2014 the Company voluntarily appointed Mathew Gollant and Timothy Holden to act as joint and several administrators of the Company pursuant to section 436A(1) of the Corporations Act. As a result, the Company's securities were immediately suspended from quotation on the ASX and have remained suspended since that date.</p> <p>At a meeting of creditors held on 16 September 2014 pursuant to section 439A(1) of the Corporations Act, the creditors resolved pursuant to section 439C of the Corporations Act that the Company enter into a deed of company arrangement in respect of, and for the purposes of giving effect to, the Recapitalisation Proposal.</p> <p>Timothy Holden resigned as joint and several administrator of the Company effective 1 October 2014. Accordingly, Mathew Gollant is the sole administrator of the Company.</p> <p>On 6 October 2014, the Company, the Administrator and the Proponent entered into a deed of company arrangement (DOCA) under which the Administrator became the administrator of the DOCA.</p>	Section 2.3
What is the Recapitalisation Proposal?	The Recapitalisation Proposal involves the Company restructuring and recapitalisation of the Company for the purposes of wholly effectuating the DOCA and enabling the Company to resume trading on the ASX.	Section 2.4
What are the key terms of the Recapitalisation Proposal?	<p>The key terms of the Recapitalisation Proposal are as follows:</p> <ul style="list-style-type: none"> • the Company will raise \$580,000 from the issue of 58 Class A Notes to the Class A Noteholders; • the Company will raise \$520,000 from the issue of 52 Class B Notes to the Class B Noteholders; • the Company will raise \$80,000 from the 	Section 2.4

Topic	Summary	More information
	<p>issue of 8 Class C Notes to the Class C Noteholder;</p> <ul style="list-style-type: none"> • the Company will raise \$1,180,148 from the issue of 4,720,594 shares via a non-renounceable, fully underwritten entitlement offer to Shareholders on a 1 for 1 basis at an issue price of \$0.25 each (i.e. the Entitlement Offer); • the Company will pay \$907,622 in cash to the Deed Administrator for distribution by the Deed Administrator in accordance with the DOCA; • the Company will issue up to 909,665 Shares and 909,665 Creditor Options to the Unsecured Creditors in accordance with the DOCA; • the Company will issue 770,000 Shares to the New Creditors via Creditor Offer B; • the Company will issue 900,000 Shares to the Underwriter (and/or its nominees) for nominal consideration of \$9,000 in accordance with the Underwriter Agreement; • the DOCA will be terminated upon it being fully effectuated with the Deed Administrator retiring and the Company being fully released and discharged from all creditor claims; and • the Company's securities will be reinstated to trading on the ASX. <p>In addition, as part of the Recapitalisation Proposal, the Company restructured its Board on 6 October 2014 with John Pereira and Jason Tao ceasing to be Directors, and Carlyle Clump, Paul Doropoulos, Xavier Kris and James Pearson joining William Ng and Thomas Sargent on the Board.</p>	
<p>What approvals will be sought at the General Meeting?</p>	<p>At the General Meeting to be held on or about 20 April 2015, the Company will seek Shareholder approval to the following resolutions (Specified Resolutions):</p> <ul style="list-style-type: none"> • the issue of 58 Class A Notes to the Class A Noteholders, and the issue of 2,320,000 Shares and 4,640,000 Noteholder Options pursuant to the conversion of the Class A 	<p>Section 2.5</p>

Topic	Summary	More information
	<p>Notes (please refer to Section 6.2 for further details);</p> <ul style="list-style-type: none"> • the issue of 52 Class B Notes to the Class B Noteholders, and the issue of 2,080,000 Shares and 4,160,000 Noteholder Options pursuant to the conversion of the Class B Notes (please refer to Section 6.3 for further details); • the issue of 8 Class C Notes to the Class C Noteholder, and the issue of 344,548 Shares and 640,000 Noteholder Options pursuant to the conversion of the Class C Notes (please refer to Section 6.4 for further details); • the issue of 909,665 Shares and 909,665 Creditor Options to the Unsecured Creditors in accordance with the DOCA; • the issue of 770,000 Shares to the New Creditors in consideration of services provided to the Company; and • the issue of 900,000 Shares to the Underwriter (and/or its nominees) in accordance with the Underwriting Agreement. <p>In addition, the Company will seek approval to various other resolutions for the purposes of its annual general meeting.</p>	
Summary of key risks		
<p>Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks. The risk factors set out in Section 4, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. This Section summarises only some of the risks which apply to an investment in the Company and investors should refer to Section 4 for a more detailed summary of the risks.</p>		
<p>No refund to applicants under the Entitlement Offer</p>	<p>The Entitlement Offer will proceed irrespective of whether or not the Shares issued pursuant to the Entitlement Offer are quoted on ASX. Accordingly, there is a risk that Shares issued under the Entitlement Offer will not be quoted on ASX. In these circumstances, the Shares will not be tradable and applicants will not receive a refund for their applications under the Entitlement Offer.</p>	<p>Section 4.1(a)</p>
<p>Termination of the DOCA</p>	<p>As the Company is subject to the DOCA, there is a risk that if the terms and conditions of the DOCA are not satisfied, the Company may proceed into</p>	<p>4.1(b)</p>

Topic	Summary	More information
	liquidation.	
Poor investment performance	The Company's primary focus will be to seek new investment and acquisition opportunities to increase Share value in accordance with its business plan in Section 2.6. Negative investment performance directly reduces the value of the Company's assets and investments, as well as any funds under management.	Section 4.2(a)
Future acquisitions	The Company may make acquisitions of, or significant investments in, other projects or businesses. Such transactions are inherently accompanied by risk and there is no guarantee that such acquisitions or investments will be successful and return value to Shareholders.	Section 4.2(b)
Dependence on key personnel	The Company's investment and acquisition decisions will initially be determined by the Board. Going forward, the Company may engage additional personnel (whether or not as Directors) as required to assist with the investment decisions of the Company. Loss of key personnel may impact on the Company's ability to identify and develop profitable investment opportunities. It could also result in the loss of clients and an inability to attract new clients.	Section 4.2(c)
Future profitability	The Company has incurred significant losses in the past, ultimately resulting in the appointment of the Administrator. Although the Directors have confidence in the future revenue-earning potential of the Company, it is not certain that the Company will achieve or sustain profitability or a positive cash flow.	Section 4.2(d)
Future capital needs	Further funding may be required by the Company to fund its activities, including investments and acquisitions. There can be no assurance that such funding will be available. An inability to obtain funding may affect the business and financial condition of the Company.	Section 4.2(e)
Proposed use of funds and other key terms of the Offers		
What is the proposed use of funds raised under the Offers?	The Company intends to apply the funds raised from the Offers as set out in Section 1.7.	Section 1.7
Will the Company be adequately funded after completion of	The Directors are satisfied that on completion of the Offers, the Company will have sufficient working capital to carry out its stated objectives.	Section 1.7

Topic	Summary	More information																												
the Offers?																														
What are the key dates of the Offer?	<table border="1"> <thead> <tr> <th data-bbox="472 353 911 421">Event</th> <th data-bbox="914 353 1147 421">Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="472 425 911 515">Prospectus lodged with ASIC and ASX</td> <td data-bbox="914 425 1147 515">4 March 2015</td> </tr> <tr> <td data-bbox="472 519 911 586">Record Date</td> <td data-bbox="914 519 1147 586">12 March 2015</td> </tr> <tr> <td data-bbox="472 591 911 680">Prospectus sent to Eligible Shareholders</td> <td data-bbox="914 591 1147 680">12 March 2015</td> </tr> <tr> <td data-bbox="472 685 911 752">First Opening Date</td> <td data-bbox="914 685 1147 752">13 March 2015</td> </tr> <tr> <td data-bbox="472 757 911 846">Notice of Meeting sent to Shareholders</td> <td data-bbox="914 757 1147 846">18 March 2015</td> </tr> <tr> <td data-bbox="472 851 911 940">First Closing Date (5.00pm WST)</td> <td data-bbox="914 851 1147 940">24 March 2015</td> </tr> <tr> <td data-bbox="472 945 911 1034">Issue of Shares under Entitlement Offer</td> <td data-bbox="914 945 1147 1034">27 March 2015</td> </tr> <tr> <td data-bbox="472 1039 911 1128">General Meeting of Shareholders</td> <td data-bbox="914 1039 1147 1128">20 April 2015</td> </tr> <tr> <td data-bbox="472 1133 911 1200">Second Opening Date</td> <td data-bbox="914 1133 1147 1200">24 April 2015</td> </tr> <tr> <td data-bbox="472 1205 911 1272">Second Closing Date</td> <td data-bbox="914 1205 1147 1272">1 May 2015</td> </tr> <tr> <td data-bbox="472 1276 911 1411">Issue of securities under the Conversion Offers, Creditor Offers and Broker Offer</td> <td data-bbox="914 1276 1147 1411">7 May 2015</td> </tr> <tr> <td data-bbox="472 1415 911 1505">DOCA effectuated and Deed Administrator retire</td> <td data-bbox="914 1415 1147 1505">7 May 2015</td> </tr> <tr> <td data-bbox="472 1509 911 1644">Expected date for Shares to be reinstated to trading on ASX</td> <td data-bbox="914 1509 1147 1644">12 May 2015</td> </tr> </tbody> </table> <p data-bbox="472 1675 1147 1742">The above dates are indicative only and may change without notice.</p>	Event	Date	Prospectus lodged with ASIC and ASX	4 March 2015	Record Date	12 March 2015	Prospectus sent to Eligible Shareholders	12 March 2015	First Opening Date	13 March 2015	Notice of Meeting sent to Shareholders	18 March 2015	First Closing Date (5.00pm WST)	24 March 2015	Issue of Shares under Entitlement Offer	27 March 2015	General Meeting of Shareholders	20 April 2015	Second Opening Date	24 April 2015	Second Closing Date	1 May 2015	Issue of securities under the Conversion Offers, Creditor Offers and Broker Offer	7 May 2015	DOCA effectuated and Deed Administrator retire	7 May 2015	Expected date for Shares to be reinstated to trading on ASX	12 May 2015	“Key Offer Details”
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What rights and liabilities attach to the securities being offered?	<p data-bbox="472 1771 1147 1973">Other than to the extent described in Section 1.1 for Shares issued under the Entitlement Offer, all Shares issued under the Offer will rank equally in all respects with existing Shares on issue. The rights and liabilities attaching to the Shares are described in Section 7.1.</p> <p data-bbox="472 2004 1147 2033">The terms and conditions of the Noteholder</p>	Section 7.1																												

Topic	Summary	More information
	<p>Options are set out in Section 7.2.</p> <p>The terms and conditions of the Creditor Option are set out in Section 7.3.</p>	
Are the Offers underwritten?	The Entitlement Offer is fully underwritten by CPS Capital Group Pty Ltd. No other Offer is underwritten.	Section 1.11
Will the Shares issued under the Offer be listed?	The Company will apply to ASX no later than 7 days from the date of this Prospectus for official quotation of the Shares on the ASX. However, the Entitlement Offer will proceed irrespective of whether or not the Company achieves ASX Reinstatement or the Shares issued pursuant to the Entitlement Offer are quoted on the ASX.	Sections 1.1 and 1.17.
What are the tax implications of investing in securities under the Offers?	The tax consequences of any investment in securities will depend upon your particular circumstances. Prospective investors should obtain their own tax advice before deciding to invest.	Section 1.23
What is the Company's dividend policy?	<p>The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop its business.</p> <p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.</p>	Section 1.13
How do I apply for securities under the Offers?	<p>Applications for Shares under the Entitlement Offer must be made by completing the Entitlement Offer Application Form and must be accompanied by a cheque in Australian dollars for the full amount of the application, being \$0.25 per Share. Cheques must be made payable to "Stanfield Funds Management Limited – Subscription Account" and should be crossed "Not Negotiable."</p> <p>Applications for Shares under the Bonus Offer must be made by completing the Bonus Offer Application Form and must be accompanied by a cheque in Australian dollars for the full amount of the application, being \$0.01 per Share. Cheques</p>	Section 1.9

Topic	Summary	More information
	<p>must be made payable to “Stanfield Funds Management Limited – Subscription Account” and should be crossed “Not Negotiable.”</p> <p>Applications for securities under the Conversion Offers, Creditor Offers or Broker Offer must be made by completing the relevant Application Form.</p>	
<p>When will I receive confirmation that my application has been successful?</p>	<p>Under the Entitlement Offer, it is expected that holding statements will be sent to successful applicants by post on or about 30 March 2015.</p> <p>Under the Conversion Offers, Creditor Offers and Broker Offer, it is expected that holding statements will be sent to applicants by post on or about 12 May 2015.</p>	<p>Section 1.24</p>
<p>How can I find out more about the Prospectus or the Offers?</p>	<p>Questions relating to the Offer can be directed to the Company on +61 8 6315 3505. Questions relating to applications for securities can be directed to the Share Registry, Automatic Registry Services, on 1300 288 664 (if calling from within Australia) or +61 8 9324 2099 (if calling from outside Australia).</p>	<p>Section 1.24</p>
<p>Board and management</p>		
<p>Who are the Directors of the Company?</p>	<p>The Directors of the Company are:</p> <ul style="list-style-type: none"> • Carlyle Clump – Non-Executive Chairman; • Paul Doropoulos – Executive Director and Chief Financial Officer; • Xavier Kris – Non-Executive Director; • James Pearson – Non-Executive Director; • William Ng – Non-Executive Director; and • Thomas Sargant – Non-Executive Director. 	<p>Section 5.2</p>
<p>Who are the key management personnel?</p>	<p>Paul Doropoulos is presently the only person engaged in an executive capacity with the Company. Paul is engaged as Chief Financial Officer and a Director.</p> <p>Other members of the Board have in the past provided, and may in the future provide, corporate services to Company for fees. See Section 5.6 for further information.</p>	<p>Sections 5.5 and 5.6</p>
<p>What are the</p>	<p>The security holdings, interests and remuneration</p>	<p>Sections 5.4, 5.5</p>

Topic	Summary	More information
significant interests of Directors?	of the Directors are set out in Sections 5.4 and 5.5. Section 5.6 sets out details of agreements which Directors may benefit from.	and 5.6
Miscellaneous		
What material contracts is the Company a party to?	The material contracts of the Company include: <ul style="list-style-type: none"> • the DOCA; • the convertible note agreements for the Class A Notes, Class B Notes, and Class C Notes; • the Underwriting Agreement with CPS Capital Group Pty Ltd; and • the Services Agreement with Boardroom Capital Pty Ltd. Section 5.6 sets out details of agreements which Directors may benefit from.	Sections 6 and 5.6
What is the financial position of the Company?	Refer to the Investigating Accountant's Report included in Section 3 which sets out historical financial information and pro forma financial information for the Company.	Section 3
Will any securities be subject to escrow?	The Company anticipates that the only securities offered under the Offers that will be subject to escrow are those issued under the Broker Offer. The Shares issued under the Broker Offer are to be subject to voluntary escrow on the following basis: <ul style="list-style-type: none"> • 25% (225,000 Shares in total) escrowed for a period of 6 months from the date of ASX Reinstatement; and • 75% (675,000 Shares in total) escrowed for a period of 12 months from the date of ASX Reinstatement. 	Section 1.1

1. DETAILS OF THE OFFERS

1.1 STRUCTURE OF THE OFFERS

Entitlement Offer

By this Prospectus, the Company offers a conditional, non-renounceable, pro rata entitlement offer of Shares to Eligible Shareholders at an issue price of \$0.25 each on the basis of 1 new Share for every 1 Share held at the Record Date to raise approximately \$1,180,148 (before expenses). The Entitlement Offer will be fully underwritten by CPS Capital Group Pty Ltd.

The Entitlement Offer is conditional on the condition described in Section 1.2.

Important: Investors should be aware that the Entitlement Offer will proceed irrespective of whether or not the conditions to the other Offers described in Section 1.2 are satisfied. Accordingly, there is a risk that Shares issued under the Entitlement Offer will not be quoted on ASX. In these circumstances, the Shares will not be tradable and applicants will not receive a refund for their applications under the Entitlement Offer. The Company is undertaking the Entitlement Offer so that it can raise urgently needed funds whilst it continues to take all necessary steps to complete the Recapitalisation Proposal and achieve ASX Reinstatement. If and when ASX Reinstatement is achieved, the Shares issued under the Entitlement Offer will be quoted on ASX and will therefore become tradeable on the ASX.

Other than to the extent set out above, the Shares to be issued under the Entitlement Offer are of the same class and will rank equally in all respects with the existing fully paid ordinary shares in the Company. The existing rights and liabilities attaching to the Shares are further described in Section 7.1 of the Prospectus.

Applications for Shares under the Entitlement Offer may only be made by Eligible Shareholders. Applications must be made using the Entitlement Offer Application Form accompanying this Prospectus and received by the Company on or before the First Closing Date. Persons wishing to apply for Shares under the Entitlement Offer should refer to Section 1.9 for further details and instructions.

Conversion Offer A

The Company has entered into a convertible note agreement with the Proponent on behalf of the Class A Noteholders under which it has issued 58 Class A Notes to the Class A Noteholders and in return the Company has received \$580,000.

In addition, the Company has entered into, or will prior to issuing any Shares under the Entitlement Offer enter into, agreements with the Class A Noteholders under which the parties agree that the Class A Notes will be converted into securities by the Class A Noteholders returning their Conversion Offer A Application Forms on or before the Second Closing Date. Accordingly, the Company is offering to the Class B Noteholders 2,320,000 Shares, together with 2 free attaching Noteholder Options for each Share issued, pursuant to the conversion of the Class A Notes.

Conversion Offer A is conditional on the conditions described in Section 1.2.

Shares to be issued under Conversion Offer A are of the same class and will rank equally in all respects with the existing fully paid ordinary shares in the Company. The existing

rights and liabilities attaching to the Shares are further described in Section 7.1 of the Prospectus. The terms and conditions of the Noteholder Options to be issued under Conversion Offer A are as set out in Section 7.2.

Applications for securities under Conversion Offer A may only be made by the Class A Noteholders. Applications must be made using the Conversion Offer A Application Form accompanying this Prospectus and received by the Company on or before the Second Closing Date. Persons wishing to apply for securities should refer to Section 1.9 for further details and instructions.

Conversion Offer B

The Company has entered into convertible note agreements with Class B Noteholders under which it has issued up to 52 Class B Notes to Exempt Investors to raise 520,000

In addition, the Company has entered into or will prior to ASX Reinstatement enter into, agreements with the Class B Noteholders under which the parties agree that the Class B Notes will be converted into securities by the Class B Noteholders returning their Conversion Offer B Application Forms on or before the Second Closing Date. Accordingly, the Company is offering to the Class B Noteholders 2,080,000 Shares, together with 2 free attaching Noteholder Options for each Share issued, pursuant to the conversion of the Class B Notes.

Conversion Offer B is conditional on the conditions described in Section 1.2.

Shares to be issued under Conversion Offer B are of the same class and will rank equally in all respects with the existing fully paid ordinary shares in the Company. The existing rights and liabilities attaching to the Shares are further described in Section 7.1 of the Prospectus. The terms and conditions of the Noteholder Options to be issued under Conversion Offer B are as set out in Section 7.2.

Applications for securities under Conversion Offer B may only be made by the Class B Noteholders. Applications must be made using the Conversion Offer B Application Form accompanying this Prospectus and received by the Company on or before the Second Closing Date. Persons wishing to apply for securities should refer to Section 1.9 for further details and instructions.

Conversion Offer C

The Company has entered into a convertible note agreement with the Class C Noteholder under which it has issued a total of 8 Class C Notes to the Class C Noteholder to raise \$80,000.

In addition, the Company has entered into, or will prior to ASX Reinstatement enter into, an agreement with the Class C Noteholder under which the parties agree that the Class C Notes will be converted into securities by the Class C Noteholder returning their Conversion Offer C Application Forms on or before the Second Closing Date. Accordingly, the Company is offering 344,548 Shares (which includes the conversion of accrued interest of \$6,137 into Shares at a conversion price of \$0.25 each) and 640,000 Noteholder Options to the Class C Noteholder pursuant to the conversion of the Class C Notes.

Conversion Offer C is conditional on the conditions described in Section 1.2.

Shares to be issued under Conversion Offer C are of the same class and will rank equally in all respects with the existing fully paid ordinary shares in the Company. The existing

rights and liabilities attaching to the Shares are further described in Section 7.1 of the Prospectus. The terms and conditions of the Noteholder Options to be issued under Conversion Offer C are as set out in Section 7.2.

Applications for securities under Conversion Offer C may only be made by the Class C Noteholder. Applications must be made using the Conversion Offer C Application Form accompanying this Prospectus and received by the Company on or before the Second Closing Date. Persons wishing to apply for securities should refer to Section 1.9 for further details and instructions.

Creditor Offer A

The Company is offering 909,665 Shares to the Unsecured Creditors for nil cash consideration, together with 1 free attaching Creditor Option for each Share issued, for the purpose of satisfying the claims of the Unsecured Creditors against the Company and otherwise in accordance with the DOCA.

Creditor Offer A is conditional on the conditions described in Section 1.2.

Shares to be issued under Creditor Offer A are of the same class and will rank equally in all respects with the existing fully paid ordinary shares in the Company. The rights and liabilities attaching to the Shares are further described in Section 7.1 of the Prospectus. The terms and conditions of the Creditor Options are set out in Section 7.3.

Applications for securities under Creditor Offer A may only be made by the Unsecured Creditors. Applications must be made using the Creditor Offer A Application Form accompanying this Prospectus and received by the Company on or before the Second Closing Date. Persons wishing to apply for securities should refer to Section 1.9 for further details and instructions.

Creditor Offer B

The Company is offering 770,000 Shares to the New Creditors in consideration of services provided to the Company in relation to the Recapitalisation Proposal.

Creditor Offer B is conditional on the conditions described in Section 1.2.

Shares to be issued under Creditor Offer B are of the same class and will rank equally in all respects with the existing fully paid ordinary shares in the Company. The rights and liabilities attaching to the Shares are further described in Section 7.1 of the Prospectus.

Applications for securities under Creditor Offer B may only be made by the New Creditors. Applications must be made using the Creditor Offer B Application Form accompanying this Prospectus and received by the Company on or before the Second Closing Date. Persons wishing to apply for securities should refer to Section 1.9 for further details and instructions.

Broker Offer

The Company is offering 900,000 Shares to the Underwriter (and/or its nominees) at a nominal issue price of \$0.01 each pursuant to the Underwriting Agreement summarised in Section 6.5 (**Broker Offer**). The Shares are being offered to the Underwriter at a nominal price in partial consideration of underwriting and lead manager services provided by the Underwriter to the Company in relation to the Entitlement Offer.

The Company will enter into escrow agreements with the recipients of the Shares. Each recipient's Shares will be subject to the following escrow periods:

- 25% will be escrowed for a period of 6 months from the date of ASX Reinstatement: and
- 75% will be escrowed for a period of 12 months from the date of ASX Reinstatement.

The Broker Offer is conditional on the conditions described in Section 1.2.

Other than to the extent set out above, Shares to be issued under the Broker Offer are of the same class and will rank equally in all respects with the existing fully paid ordinary shares in the Company. The existing rights and liabilities attaching to the Shares are further described in Section 7.1 of the Prospectus.

Applications for Shares under the Broker Offer may only be made by the Underwriter and/or its nominees. Applications must be made using the Broker Offer Application Form accompanying this Prospectus and received by the Company on or before the Second Closing Date. Persons wishing to apply for Shares under the Broker Offer should refer to Section 1.9 for further details and instructions.

1.2 **CONDITIONAL OFFERS**

Entitlement Offer

The Entitlement Offer made under this Prospectus is subject to the condition set out below.

- **Agreements with Noteholders**

The Company is in the process of entering into agreements with the Noteholders under which the parties will agree to convert the relevant Notes into securities under the relevant Conversion Offers. The terms of the Class B Notes already provide that they are convertible into securities by the Company. No Shares will be issued under the Entitlement Offer unless and until the Company has entered into agreements with the relevant Class A Noteholders and Class C Noteholder to confirm that the conversion of the relevant Class A Notes and Class C Notes will occur in accordance with Conversion Offer A and Conversion Offer C (as applicable).

The Entitlement Offer is not subject to the conditions below and Shares will be issued pursuant to the Entitlement Offer irrespective of whether or not any of the conditions below are satisfied. This may create a situation whereby the Shares issued under the Entitlement Offer are not quoted on ASX (and therefore are not tradable on ASX). The Shares would only be quoted on ASX if and when the conditions set out below are satisfied.

Conversion Offers, Creditor Offers and Broker Offer

The Conversion Offers, Creditor Offers and Broker Offer made under this Prospectus are subject to the conditions set out below. The Company has 3 months from the date of this Prospectus to satisfy the conditions below, unless ASIC agrees to extend this timeframe in accordance with the Corporations Act.

- **Shareholder approval**

The Conversion Offers, Creditor Offers and Broker Offers are conditional on the Company obtaining Shareholder approval to the Specified Resolutions at the Company's General Meeting to be held on or about 20 April 2015. Please see Section 2.5 for further information.

- **Satisfaction of ASX requirements**

The Company has received approval from ASX to have its securities reinstated to trading on the ASX subject to satisfying certain conditions, including that the Company holds \$1,000,000 in cash, net of all liabilities, immediately prior to ASX Reinstatement. The Conversion Offers, Creditor Offers and Broker Offer are conditional upon the Company being reasonably satisfied of its ability to satisfy the requirements of the ASX for ASX Reinstatement. Please see Section 4.1 for further information.

- **Termination of the DOCA**

The Conversion Offers, Creditor Offers and Broker Offer are conditional upon the Company being reasonably satisfied that there is no impediment to the effectuation and termination of the DOCA. The Directors anticipate that the Company will issue securities under the Conversion Offers, Creditor Offers and Broker Offer within 3 business days of the Second Closing Date, at which time the DOCA will be effectuated and the Deed Administrator will retire. Please refer to Section 6.1 for further details of the DOCA.

1.3 MINIMUM SUBSCRIPTION

There is no minimum level of subscription for any of the Offers.

1.4 ELIGIBLE SHAREHOLDERS

Eligible Shareholders for the purposes of the Entitlement Offer are those persons who:

- are registered as a holder of Shares as at 5.00pm (WST) on 12 March 2015; and
- have a registered address in Australia or New Zealand, or are otherwise eligible under all applicable securities laws to receive an offer of Shares under the Entitlement Offer.

Please see Section 1.19 for the treatment of foreign investors.

1.5 ADDITIONAL NEW SHARES

Eligible Shareholders may also apply for Shares in excess of their entitlement under the Entitlement Offer (**Additional New Shares**).

Any Additional New Shares will be limited to the extent that there are sufficient Shares from Eligible Shareholders who do not take up their full entitlement (i.e. that form part of the Shortfall) or from Shares that would have been offered to ineligible Shareholders if they had been entitled to participate in the Entitlement Offer.

Additional New Shares will only be allocated to Eligible Shareholders, if and to the extent that the Company so determines, in its absolute discretion, having regard to circumstances

as at the time of the close of the Entitlement Offer and subject to the Corporations Act and the ASX Listing Rules. The Company may apply any scale-back in its absolute discretion. The Company decision on the number of Additional New Shares allocated to Eligible Shareholders will be final.

To the extent that there remains any shortfall in the take-up of the Entitlement Offer following allocations of Additional New Shares, the Directors reserve the right to issue the shortfall at their discretion, subject to the Company's obligations under the Underwriting Agreement (see Section 6.5 for further details).

The Underwriter has advised the Company that it has entered into, or will enter into, agreements with various sub-underwriters pursuant to which all of any shortfall under the Entitlement Offer will be placed to the clients of the sub-underwriters.

The Company notes that no Shares will be issued to an applicant under this Prospectus or via the shortfall if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the shortfall to any related parties of the Company.

1.6 PURPOSE OF THE OFFERS

The principal purposes of the Offers are to:

- complete the Recapitalisation Proposal so that the DOCA can be terminated wholly effectuated and full control of the Company can be returned to the Board;
- comply with ASX's conditions to ASX Reinstatement so that the Company's securities can resume trading on the ASX;
- raise funds for use by the Company in accordance with Section 1.7;
- discharge the Company obligations to the Noteholders under the Notes;
- retire certain debt owing by the Company to the Unsecured Creditors and New Creditors; and
- "cleanse" securities issued under the Conversion Offers, Creditor Offers and Broker Offers to ensure that the securities are not subject to any secondary sale restrictions under the Corporations Act.

1.7 PROPOSED USE OF FUNDS

Assuming that the Entitlement Offer is fully subscribed (on the basis that the Entitlement Offer is fully underwritten), the Company intends to use the funds raised pursuant to the Offers as follows:

Use of funds	Amount	%
Payments to the Deed Administrator in accordance with the DOCA	\$907,622	36.0%
Costs associated with the Recapitalisation Proposal	\$460,000	18.3%
Review of existing assets	\$150,000	6.0%
Review and evaluation of new assets and investments	\$600,000	23.8%
Working capital	\$401,526	15.9%
Total	\$2,519,148	100.00%

The above table is a statement of current intentions as of the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

Whilst the Directors are satisfied that upon completion of the Offers the Company will have sufficient working capital to meet its stated objectives, investors should be aware that the Company may use and expend its cash reserves more quickly than contemplated. This may or may not leave the Company in a negative cash flow situation which may ultimately affect the value of the Company's Shares.

Further, any future investments and acquisitions that may be contemplated by the Company may exceed the current or projected working capital of the Company. Accordingly, any such investments and acquisitions may need to be funded by debt and/or equity issues (as required) and may be subject to Shareholder approvals (if required).

1.8 CAPITAL STRUCTURE

Assuming that the Offers are fully subscribed (and on the basis that the Entitlement Offer is fully underwritten) the proposed capital structure of the Company upon completion of the Offers is set out in the following table:

Capital structure	Existing	Post-completion
Existing Shares	4,720,594	4,720,594
Shares issued under the Entitlement Offer ¹	-	4,720,594
Shares issued under Conversion Offer A ²	-	2,320,000
Shares issued under Conversion Offer B ³	-	2,080,000
Shares issued under Conversion Offer C ⁴	-	344,548
Shares issued under Creditor Offer A ⁵	-	909,665
Shares issued under Creditor Offer B ⁶	-	770,000
Shares issued under Broker Offer ⁷		900,000
Total Shares	4,720,594	16,765,401
Noteholder Options ⁸	-	9,440,000
Creditor Options ⁹	-	909,665
Fully diluted share capital	4,720,594	27,115,066

Notes:

9. Shares offered to Eligible Shareholders on a 1 for 1 basis under the Entitlement Offer. The Entitlement Offer is fully underwritten by CPD Capital Group Pty Ltd.
10. Shares offered to the Class A Noteholders pursuant to the conversion of the Class A Notes. See Section 6.2 for a summary of the terms of the Class A Notes.
11. Shares offered to the Class B Noteholders pursuant to the conversion of the Class B Notes. See Section 6.3 for a summary of the terms of the Class B Notes.
12. Shares offered to the Class C Noteholder pursuant to the conversion of the Class C Notes. See Section 6.4 for a summary of the terms of the Class C Notes.
13. Shares offered to the Unsecured Creditors in accordance with the DOCA. See Section 6.1 for a summary of the terms of the DOCA.
14. Shares offered to the New Creditors in consideration of services provided to the Company.
15. Shares offered to the Underwriter (and/or its nominees) in accordance with the Underwriting Agreement. See Section 6.5 for a summary of the terms of Underwriting Agreement.
16. Noteholder Options offered to the Noteholders pursuant to conversion of the Notes. Each Noteholder Option will have an exercise price of \$0.25 and an expiry date 3 years from issue. See Section 7.2 for full terms and conditions of the Noteholder Options.
17. Creditor Options offered to the Unsecured Creditors in accordance with the DOCA. Each Creditor Option will have an exercise price of \$0.20 and an expiry date 1 year from issue. See Section 7.3 for full terms and conditions of the Creditor Options.

1.9 APPLICATIONS FOR SECURITIES

(a) Entitlement Offer

If you are an Eligible Shareholder and you wish to participate in the Entitlement Offer, you should complete the Entitlement Offer Application Form. Eligible Shareholders may do any of the following:

- take up all or part of their entitlement under the Entitlement Offer (see below); or
- do nothing (see below).

Eligible Shareholders who wish to **take up all or part of their entitlement** under the Entitlement Offer should complete the Entitlement Offer Acceptance Form in respect of the number of Shares (including any Additional New Shares) they wish to subscribe for and arrange for payment of the Application Monies in accordance with Section 1.9(a).

If Eligible Shareholders decide **not to accept all or part of their entitlement** to Shares, or fail to accept by the Second Closing Date, the part of their entitlement not accepted will lapse. Shares not subscribed for will form part of the shortfall. Eligible Shareholders should note that if they do not take up their entitlement then although they will continue to own the same number of Shares, their percentage holding in the Company will be reduced.

All applications must be completed in accordance with the detailed instructions on the Entitlement Offer Application Form and be accompanied by a cheque or bank cheque drawn on an Australian bank and made payable to “Stanfield Funds Management Limited – Subscription Account” (**Subscription Account**) and should be crossed “Not Negotiable”. No brokerage or stamp duty is payable.

Completed Entitlement Offer Application Forms and accompanying cheques must be received by the Company before 5.00pm (WST) on the First Closing Date by either being delivered to, or posted to, the following address:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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All Application Monies received with duly completed Entitlement Offer Application Forms will be paid into the Subscription Account.

The Company will deal with the Application Monies held in the Subscription Account after the following instructions are issued by the Directors:

- transfer all of the Application Monies received under this Prospectus and held in the Subscription Account to the Company; and
- issue the Shares offered under the Entitlement Offer.

An original, completed and lodged Entitlement Offer Application Form together with a cheque for the Application Monies constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Entitlement Offer Application

Form. The Entitlement Offer Application Form does not need to be signed to be valid.

If the Entitlement Offer Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may still be treated by the Company as valid. The Directors' decision as to whether to treat an Entitlement Offer Application Form as valid and how to construe, amend or complete the Entitlement Offer Application Form is final, however an applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque accompanying the Entitlement Offer Application Form.

Applicants are encouraged to lodge their Entitlement Offer Application Forms as soon as possible as the Entitlement Offer may close early without notice.

(b) Conversion Offer A

If you are a Class A Noteholder you may apply for securities under Conversion Offer A by completing the Conversion Offer A Application Form. Conversion Offer A Application Forms must be received by the Company before 5.00pm (WST) on the Second Closing Date by either being delivered to, or mailed to, the following address:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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An original, completed and lodged Conversion Offer A Application Form constitutes a binding and irrevocable offer to convert the relevant Class A Notes into Shares and Noteholder Options. The Conversion Offer A Application Form does not need to be signed to be valid.

If the Conversion Offer A Application Form is not completed correctly, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend or complete the Conversion Offer A Application Form is final.

(c) Conversion Offer B

If you are a Class B Noteholder you may apply for securities under Conversion Offer B by completing the Conversion Offer B Application Form. Conversion Offer B Application Forms must be received by the Company before 5.00pm (WST) on the Second Closing Date by either being delivered to, or mailed to, the following address:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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An original, completed and lodged Conversion Offer B Application Form constitutes a binding and irrevocable offer to convert the relevant Class B Notes into Shares and Noteholder Options. The Conversion Offer B Application Form does not need to be signed to be valid.

If the Conversion Offer B Application Form is not completed correctly, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend or complete the Conversion Offer B Application Form is final.

(d) Conversion Offer C

If you are the Class C Noteholder you may apply for securities under Conversion Offer C by completing the Conversion Offer C Application Form. Conversion Offer C Application Forms must be received by the Company before 5.00pm (WST) on the Second Closing Date by either being delivered to, or mailed to, the following address:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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An original, completed and lodged Conversion Offer C Application Form constitutes a binding and irrevocable offer to convert the relevant Class C Notes into Shares and Noteholder Options. The Conversion Offer C Application Form does not need to be signed to be valid.

If the Conversion Offer C Application Form is not completed correctly, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend or complete the Conversion Offer C Application Form is final.

(e) Creditor Offer A

If you are an Unsecured Creditor you may apply for Shares under Creditor Offer A by completing the Creditor Offer A Application Form. Creditor Offer A Application Forms must be received by the Company before 5.00pm (WST) on the Second Closing Date by either being delivered to, or mailed to, the following address:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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An original, completed and lodged Creditor Offer A Application Form constitutes a binding and irrevocable offer to subscribe for Shares. The Creditor Offer A Application Form does not need to be signed to be valid.

If the Creditor Offer A Application Form is not completed correctly, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend or complete the Creditor Offer A Application Form is final.

(f) Creditor Offer B

If you are the Underwriter or a nominee of the Underwriter you may apply for Shares under Creditor Offer B by completing the Creditor Offer B Application Form. Creditor Offer B Application Forms must be received by the Company before

5.00pm (WST) on the Second Closing Date by either being delivered to, or mailed to, the following address:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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An original, completed and lodged Creditor Offer B Application Form constitutes a binding and irrevocable offer to subscribe for Shares. The Creditor Offer B Application Form does not need to be signed to be valid.

If the Creditor Offer B Application Form is not completed correctly, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend or complete the Creditor Offer B Application Form is final.

(g) Broker Offer

If you are the Underwriter or a nominee of the Underwriter and you wish to participate in the Broker Offer, you should complete the Bonus Offer Application Form.

All applications must be completed in accordance with the detailed instructions on the Broker Offer Application Form and be accompanied by a cheque or bank cheque drawn on an Australian bank and made payable to "Stanfield Funds Management Limited – Subscription Account" (**Subscription Account**) and should be crossed "Not Negotiable". No brokerage or stamp duty is payable.

Completed Broker Offer Application Forms and accompanying cheques must be received by the Company before 5.00pm (WST) on the Second Closing Date by either being delivered to, or posted to, the following address:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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All Application Monies received with duly completed Broker Offer Application Forms will be paid into the Subscription Account.

The Company will deal with the Application Monies held in the Subscription Account after the following instructions are issued by the Directors:

- transfer all of the Application Monies received under this Prospectus and held in the Subscription Account to the Company; and
- issue the Shares offered under the Broker Offer.

An original, completed and lodged Broker Offer Application Form together with a cheque for the Application Monies constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Broker Offer Application Form. The Broker Offer Application Form does not need to be signed to be valid.

If the Broker Offer Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may still be treated by the Company as valid. The Directors' decision as to whether to treat a Broker Offer Application Form as valid and how to construe, amend or complete the Broker Offer Application Form is final, however an applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque accompanying the Broker Offer Application Form.

Applicants are encouraged to lodge their Broker Offer Application Forms as soon as possible as the Broker Offer may close early without notice.

1.10 NO RIGHTS TRADING

Entitlements under the Entitlement Offer are non-renounceable and accordingly cannot be traded on the ASX or any other stock exchange, or privately transferred.

1.11 UNDERWRITING

CPS Capital Group Pty Ltd has agreed to fully underwrite the Entitlement Offer. A summary of the Underwriting Agreement is set out in Section 6.5.

The Underwriter has advised the Company that it has entered into, or will enter into, agreements with various sub-underwriters pursuant to which all of any shortfall under the Entitlement Offer will be placed to the clients of the sub-underwriters.

The Company notes that no Shares will be issued to an applicant under this Prospectus or via the Shortfall if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the shortfall to any related parties of the Company.

1.12 CAPITAL RAISING FEES

Under the Underwriting Agreement, the Underwriter will receive a total fee of 7% (plus GST) of funds raised under the Entitlement Offer. In addition, the Underwriter will pay a sub-underwriting fee of up to 5% of any funds raised by any sub-underwriters under the Entitlement Offer.

1.13 DIVIDEND POLICY

The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop its business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

1.14 ALLOCATION AND ISSUE OF SHARES

Subject to compliance with the DOCA and the Corporations Act, the Directors reserve the right to reject any Application Form or to issue a lesser number of securities than that applied for. If the number of securities allocated is less than that applied for, or no issue is made, any surplus Application Monies will be promptly refunded without interest.

The issue of securities pursuant to this Prospectus will occur as soon as practicable after the First Closing Date or the Second Closing Date (as applicable). After the securities have been issued, holding statements will be dispatched to Shareholders as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the securities. Applicants who sell securities before they receive their holding statement will do so at their own risk.

1.15 APPLICATION MONIES

The Application Monies for Shares to be issued pursuant to the Entitlement Offer or the Broker Offer will be held in the Subscription Account on behalf of applicants until the Shares are issued or, if the Shares are not issued, until the Application Monies are returned to applicants.

If Shares are not issued to an applicant under the Entitlement Offer or the Broker Offer, a cheque will be drawn and the relevant Application Monies will be refunded as soon as practicable after the First Closing Date or the Second Closing Date, as applicable.

1.16 FAILURE OF CONDITIONS

If any of the conditions set out in Section 1.2 are not satisfied within 3 months of the date of this Prospectus (or such later date agreed by ASIC in accordance with the Corporations Act) the Conversion Offers and the Creditor Offers will not proceed and no securities will be issued under those Offers. The Entitlement Offer will, however, proceed irrespective of whether or not the conditions in Section 1.2 are satisfied.

1.17 ASX QUOTATION

The Company's Shares have been suspended from trading on the ASX since 12 August 2014. The Company will apply to ASX no later than 7 days from the date of this Prospectus to have the Shares to be issued pursuant to this Prospectus quoted on the ASX.

If approval for quotation of the Shares is not granted within 3 months of the date of this Prospectus (or such later date agreed by ASIC in accordance with the Corporations Act), the Conversion Offers, Creditor Offers and Broker Offer will not proceed and no securities will be issued under these Offers.

Important: Please be aware that the Entitlement Offer will proceed irrespective of whether or not the conditions to the other Offers described in Section 1.2 are satisfied. Accordingly, there is a risk that Shares issued under the Entitlement Offer will not be quoted on ASX. In these circumstances, the Shares will not be tradable and applicants will not receive a refund for their applications under the Entitlement Offer. The Company is undertaking the Entitlement Offer so that it can raise urgently needed funds whilst it continues to take all necessary steps to complete the Recapitalisation Proposal and achieve ASX Reinstatement. If and when ASX Reinstatement is achieved, the Shares issued under the Entitlement Offer will be quoted on ASX and will therefore become tradeable on the ASX.

Neither ASX nor ASIC take responsibility for the contents of this Prospectus. The fact that ASX may grant quotation of the Shares issued pursuant to this Prospectus is not to be taken in any way as an indication by ASX as to the merits of the Company or the Shares.

1.18 CHESS

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

ASX Settlement will send a CHESS statement to Shareholders who are broker sponsored as soon as reasonably practicable following the issues of securities under the Offers. Each CHESS statement will set out the number of securities issued to each applicant under this Prospectus, and provide details of the applicant's holder identification number and the participant identification number of the sponsor. CHESS issue advices will be sent by the Share Registry.

The Share Registry will send a statement to applicants who are registered on the Issuer Sponsored sub-register as soon as reasonably practicable following the issues of securities under the Offers. Each statement will contain the number of securities issued to the applicant under this Prospectus and the applicant's security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes.

1.19 FOREIGN INVESTORS

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise permit an offer of Shares in any jurisdiction outside Australia. It is the responsibility of non-Australian resident investors to obtain all necessary approvals for the issue to them of Shares offered pursuant to this Prospectus.

Hong Kong

This Prospectus has not been, and will not be, registered as a 'prospectus' under the Companies Ordinance (Cap. 32) of Hong Kong (**Companies Ordinance**), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong by means of any document, other than:

- (i) to 'professional investors' (as defined in the SFO); or
- (ii) in other circumstances that do not result in this Prospectus being a 'prospectus' (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person issued Shares may sell, or offer to

sell, such Shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such Shares.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

1.20 NOMINEES, TRUSTEES AND CUSTODIANS

The foreign selling restrictions summarised in Section 1.19 apply to the underlying beneficial holder. Nominees, trustees or custodians must not apply on behalf of any beneficial holder that would not itself be eligible under the Offer.

Nominees, trustees and custodians are therefore advised to seek independent advice as to how they should proceed. Failure to comply with restrictions set out in this Prospectus may result in violations of applicable securities laws.

With respect to the Entitlement Offer, Shareholders who hold Shares on behalf of persons who are resident outside Australia or New Zealand are responsible for ensuring that accepting the Offer and receiving new Shares does not breach regulations in the relevant overseas jurisdictions. Return of a completed Entitlement Offer Acceptance Form will constitute a representation by the applicant that there has been no breach of such regulations with respect to the Entitlement Offer.

1.21 PRIVACY DISCLOSURE

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Shares, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Shares will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

1.22 FINANCIAL 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 financial projection 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.

1.23 TAXATION

It is the responsibility of all applicants to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisers. Neither the Company nor its Directors or officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to in this Prospectus.

1.24 ENQUIRIES

This document is important and it should be read in its entirety. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

Questions relating to the Offers can be directed to the Company on +61 8 6315 3505 during normal business hours in Perth, Western Australia.

Questions relating to the completion of an Application Form can be directed to the Share Registry on 1300 737 760 (if calling from within Australia) or +61 2 9290 9600 (if calling from outside Australia).

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2. OVERVIEW OF THE COMPANY AND THE RECAPITALISATION PROPOSAL

2.1 THE COMPANY

The Company was incorporated on 7 December 1983 and listed on the ASX on 30 June 1994. The Company is a strategic, cross-border, Asia focused investment and management services company. Its current focus is to leverage the growth and social changes underway in Asia which have been driven by increases in the population and personal wealth in the region.

2.2 EXISTING ASSETS

At the date of this Prospectus, the key assets of the Company consist of the following investment holdings:

- **Aquaint Capital Holdings Limited (ASX:AQU)**

The Company holds 833,500 shares in AQU which are subject to ASX imposed escrow that expires on 11 November 2015. The closing price of shares in AQU on 27 February 2015 was \$0.30. AQU's activities consist of investment and a management business focusing on property related assets, providing loans to property development businesses, and operating a coaching and seminar business.

- **Mariner Corporation Limited (ASX:MCX)**

The Company holds 1,889,521 shares in MCX. The closing price of shares in MCX on 27 February 2015 was \$0.21. MCX has recently invested in a 90% stake of a portfolio of plant and equipment rental assets for approximately \$11.36 million. These rental assets have a positive cash flow and residual value.

The Company has no other material assets and it will retain these existing assets through its administration and DOCA phase. The Board will review and evaluate these investments following ASX Reinstatement to determine whether to liquidate or retain them.

2.3 ADMINISTRATION AND THE DOCA

Following a period of negative performance as a result of difficult market conditions, on 12 August 2014, the Company voluntarily appointed Mathew Gollant and Timothy Holden to act as joint and several administrators of the Company pursuant to section 436A(1) of the Corporations Act. As a result, the Company's securities were immediately suspended from quotation on the ASX and have remained suspended since that date.

At a meeting of creditors held on 16 September 2014 pursuant to section 439A(1) of the Corporations Act, the creditors resolved pursuant to section 439C of the Corporations Act that the Company enter into a deed of company arrangement in respect of, and for the purposes of giving effect to, the Recapitalisation Proposal.

Timothy Holden resigned as a joint and several administrator of the Company effective 1 October 2014, leaving Mathew Gollant as the sole administrator of the Company (**Administrator**).

On 6 October 2014, the Company, the Administrator and the Proponent entered into the DOCA under which the Administrator became the administrator of the DOCA (**Deed**

Administrator). Minor amendments were made to the DOCA on or about 9 January 2015. A summary of the DOCA (as amended) is set out in Section 6.1.

2.4 RECAPITALISATION PROPOSAL

In addition to governing the affairs of the Company whilst it is subject to the DOCA and the entitlements of creditors, the DOCA sets out the process for the Company's proposed reconstruction and recapitalisation. Under the recapitalisation proposal (**Recapitalisation Proposal**), and in certain cases subject to Shareholders approving the Specified Resolutions, it is proposed that:

- the Company will raise approximately \$2,369,148 (before costs) via the following capital raisings:
 - \$580,000 from the issue of 58 Class A Notes to the Class A Noteholders;
 - \$520,000 from the issue of 52 Class B Notes to the Class B Noteholders;
 - \$80,000 from the issue of 8 Class C Notes to the Class C Noteholder;
 - \$1,180,148 from the issue of 4,720,594 shares via a non-renounceable, fully underwritten entitlement offer to shareholders on a 1 for 1 basis at an issue price of \$0.25 each (i.e. the Entitlement Offer);
 - \$9,000 from the issue of 900,000 Shares to the Underwriter (and/or its nominees);
- the Company will make the following payments:
 - \$907,622 in cash to the Deed Administrator for distribution by the Deed Administrator in accordance with the DOCA (including for the payment of the Deed Administrator's fees) (n.b. this amount has been paid to the Deed Administrator using funds raised pursuant to the Notes);
 - the issue of up to 909,665 Shares and 909,665 Creditor Options to the Unsecured Creditors via Creditor Offer A;
 - the issue of 770,000 Shares to the New Creditors via Creditor Offer B;
- the DOCA will be terminated fully effectuated, the Deed Administrator will retire and the Company will be fully released and discharged from all creditor claims; and
- the Company's securities will be reinstated to trading on the ASX.

As part of the Recapitalisation Proposal, the Company restructured its Board on 6 October 2014 with John Pereira and Jason Tao ceasing to be Directors, and Carlyle Clump, Paul Doropoulos, Xavier Kris and James Pearson joining William Ng and Thomas Sargent on the Board.

At the date of this Prospectus, the Company has received:

- \$580,000 from the issue of 58 Class A Notes;
- \$520,000 from the issue of 52 Class B Notes; and

- \$80,000 from the issue of the 8 Class C Notes.

The Company has used \$907,622 of these funds to pay the full amount payable to the Deed Administrator in accordance with the DOCA. The balance of the funds raised via the Notes has or will be used by the Company in accordance with the table set out in 5r

2.5 GENERAL MEETING

Under section 250N of the Corporations Act, a public company is required to hold its annual general meeting within 5 months of the end of its financial year. However, as announced to ASX on 24 October 2014, ASIC granted the Company an extension to the date by which the Company must convene its annual general meeting for the financial year ended 30 June 2014 (**General Meeting**). The Company intends to hold the General Meeting on or about 20 April 2015 at which the Company will seek Shareholder approval to the following resolutions (**Specified Resolutions**) for the purposes of the Recapitalisation Proposal:

- the issue of 58 Class A Notes to the Class A Noteholders, and the issue of 2,320,000 Shares and 4,640,000 Noteholder Options pursuant to the conversion of the Class A Notes (please refer to Section 6.2 for further details);
- the issue of 52 Class B Notes to the Class B Noteholders, and the issue of 2,080,000 Shares and 4,160,000 Noteholder Options pursuant to the conversion of the Class B Notes (please refer to Section 6.3 for further details);
- the issue of 8 Class C Notes to the Class C Noteholder, and the issue of 344,548 Shares and 640,000 Noteholder Options pursuant to the conversion of the Class C Notes (please refer to Section 6.4 for further details);
- the issue of 909,665 Shares and 909,665 Creditor Options to the Unsecured Creditors in accordance with the DOCA;
- the issue of 770,000 Shares to the New Creditors in consideration of services provided to the Company; and
- the issue of 900,000 Shares to the Underwriter (and/or its nominees) for nominal consideration of \$0.01, in partial consideration of services provided to the Company pursuant to the underwriting agreement summarised in Section 6.5.

In addition, the Company will put the following resolutions to Shareholders at the General Meeting:

- the adoption of the remuneration report for the financial year ended 30 June 2014;
- the re-election of Directors due for retirement in accordance with the Company's Constitution;
- set the maximum remuneration payable to Non-Executive Directors;
- an increase of the Company placement capacity to 25% for the purposes of Listing Rule 7.1A; and
- any other resolutions that the Board considers necessary in the circumstances.

2.6 BUSINESS PLAN

The Company's focus is to leverage the growth in Asia and invest directly into Asian markets via strategically acquired investments and, potentially, via funds management platforms. Initially, the Company's primary focus will be in the technology and services industries. The Company's investment plans will enable shareholders to participate in the growth and social changes underway in Asia. The Directors consider Asia to be the preferred region for investment given the nature of its developing economies and their potential for growth.

According to a report by United Nations Department of Economic and Social Affairs titled *World Economic Situation and Prospects 2015*, East Asia is currently the world's fastest growing region, with Gross Domestic Product (**GDP**) growth estimated at 6.1% in 2014. The region is projected to remain the fastest growing in the world, with stable growth 6.1% estimated in 2015 and 6.0% in 2016. Economic growth in South Asia is also expected to gradually pick up from an estimated 4.9% in 2014 to 5.4% in 2015 and 5.7% in 2016. This improvement will largely be led by India.

The Company will leverage the knowledge, experience and networks of its team to deliver on its direct and indirect investment strategies. The Company's investment and acquisition decisions will initially be determined by the Board. Going forward, the Company may engage additional personnel (whether or not as Directors) as required to assist with the investment decisions of the Company. By investing in short and long-term opportunities, the Company aims to maximise the value of its asset portfolio, earn dividends from its assets, realise the value of its assets from disposals and, ultimately, maximise the value of its Shares.

In addition, the Company will seek to provide management services alongside its investments through the provision of operational guidance and support. By leveraging the Company's networks and strategic and operational know-how, the Company considers that this will provide the best opportunity for its investments to realise their full potential.

2.7 FUTURE INVESTMENTS

Upon ASX Reinstatement, a significant portion of the Company's assets will be comprised of cash. As such, disclosure is required regarding the expertise of the current Directors and, more specifically, how this level of expertise will assist the Company in making investment decisions.

The Directors have a broad range of commercial and public company experience. The Directors also have broad experience in investments, finance, management and corporate transactions for various listed and non-listed entities, which will be relevant to the assessment of potential investments and acquisitions by the Company. The Directors consider that their contacts and relevant experience will provide assistance in identifying and developing new projects for investments and acquisitions.

The Directors are committed to the highest standards of corporate governance and they will make themselves readily available to meet the requirements of the Company and its operations going forward. The Directors will ensure that they devote sufficient time, attention and skill to the duties of their position and the Company's business.

Investment strategies may be adopted as and when suitable opportunities are identified by the Board. The Company's present investment strategy is described in Section 2.6. The Company may be subject to additional risks in the future relating to its investments that cannot be identified as at the date of this Prospectus.

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3. INVESTIGATING ACCOUNTANT'S REPORT

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STANFIELD FUNDS MANAGEMENT LIMITED
Investigating Accountant's Report

26 February 2015





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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

26 February 2015

The Directors
Stanfield Funds Management Limited
283 Rokeby Road
Subiaco WA 6008

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

1. Introduction

We have been engaged by Stanfield Funds Management Limited ('Stanfield' or 'the Company') to prepare this Investigating Accountant's Report ('Report') on the historical financial information and pro forma historical financial information of Stanfield for inclusion in the Prospectus. Broadly, the Prospectus is for the following offers:

- The conditional, non-renounceable, pro rata entitlement offer of Shares to Shareholders at an issue price of \$0.25 each on the basis of 1 new Share for every 1 Share held to raise approximately \$1,180,148 before costs ('Entitlement Offer');
- The conditional Conversion Offers of:
 - 2,320,000 Shares and 4,640,000 Noteholder Options to Class A Convertible Noteholders in consideration for the conversion of all Class A Convertible Notes. The Noteholder Options have an exercise price of \$0.25 each and expire on the date that is 3 years after the date that the Noteholder Option is issued ('Conversion Offer A');
 - The issue of 2,080,000 Shares and 4,160,000 Noteholder Options to Class B Convertible Noteholders in consideration for the conversion of all Class B Convertible Notes ('Conversion Offer B'); and
 - The issue of 344,548 Shares and 640,000 Noteholder Options to Class C Convertible Noteholders in consideration for the conversion of all Class B Convertible Notes ('Conversion Offer C').
- The conditional Creditor Offers of:
 - 909,665 Shares to the Unsecured Creditors for nil cash consideration, together with 1 free attaching Creditor Option for every 1 Share issued ('Creditor Offer A'). The Creditor Options have an exercise price of \$0.20 each and expire on the date that is 1 year after the date that the Creditor Option is issued; and
 - 770,000 Shares to the New Creditors in consideration of services provided to the Company ('Creditor Offer B').

2

(together the Entitlement Offer, Conversion Offers and the Creditor Offers are referred to as the 'Offers'). The Entitlement Offer will be fully underwritten.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd ('BDO') holds an Australian Financial Services Licence (AFS Licence Number 316158).

2. Scope

Historical financial information

You have requested BDO to review the following historical financial information of Stanfield included in the Prospectus:

- The Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2014;
- The Statement of Financial Position as at 30 June 2014; and
- The Statement of Changes in Equity for the year ended 30 June 2014.

(collectively the 'historical financial information').

The historical financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and Stanfield's adopted accounting policies. The historical financial information has been audited by the Company's auditor in accordance with the Australian Auditing Standards. The Company's auditor issued a modified opinion on the historical financial information.

The historical financial information is presented in the Appendices to this report in an abbreviated form, in so far as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro Forma historical financial information

You have requested BDO to review the pro forma historical statement of financial position as at 30 June 2014 for Stanfield referred to as the 'pro forma historical financial information'.

The pro forma historical financial information has been derived from the historical financial information of Stanfield, after adjusting for the effects of any subsequent events described in section 7 and the pro forma adjustments described in section 8. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in section 7 and section 8, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the pro forma historical financial information does not represent the company's actual or prospective financial position.

3. Background

The Company was incorporated on 7 December 1983 and listed on the Australian Securities Exchange ('ASX') on 30 June 1994. The Company is a strategic, cross-border, Asia focused investment company seeking new investment opportunities. At the date of the Prospectus, the key assets of the Company consist of its two investments in Aquaint Capital Holdings Limited and Mariner Corporation Limited, both ASX listed companies.

On 12 August 2014, the Company voluntarily appointed joint and several administrators of the Company. As a result, the Company's securities were immediately suspended from quotation on the ASX and have remained suspended since that date. At a meeting of creditors held on 16 September 2014, the creditors resolved that the Company enter into a deed of company arrangement ('DOCA') in respect of, and for the purposes of giving effect to, the Recapitalisation Proposal.

In addition to governing the affairs of the Company with respect to its creditors, the DOCA sets out the process for the Company's proposed reconstruction and recapitalisation. Under the Recapitalisation Proposal, and subject to Shareholders approving the Resolutions, it is proposed that:

- the Company will raise approximately \$2,360,148 (before costs) via the following capital raisings:
 - \$580,000 from the issue of 58 Class A Convertible Notes to Class A Noteholders;
 - \$520,000 from the issue of 52 Class B Convertible Notes to Class B Noteholders;
 - \$80,000 from the issue of 8 Class C Convertible Notes to the Class C Noteholder;
 - \$1,180,148 from the issue of 4,720,594 Shares via a non-renounceable, fully underwritten entitlement offer to Shareholders on a 1 for 1 basis at an issue price of \$0.25 each;
- the Company will make the following payments under the DOCA:
 - \$907,622 in cash to the Deed Administrator for distribution by the Deed Administrator in accordance with the DOCA;
 - the issue of up to 909,665 Shares and 909,665 Creditor Options to the Unsecured Creditors via the Creditor Offer A; and
 - the issue of 770,000 Shares to New Creditors via Creditor Offer B.
- the DOCA will be terminated fully effectuated, the Deed Administrator will retire and the Company will be fully released and discharged from all creditor claims; and
- the Company's securities will be reinstated to trading on the ASX.

4. Director's responsibility

The directors of Stanfield are responsible for the preparation of the historical financial information and pro forma historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information and included in the pro forma historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

5. Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

6. Conclusion

Historical financial information

A qualified opinion was issued in regard to the historical financial information of Stanfield as at 30 June 2014 on the basis that the Company's auditor was unable to obtain sufficient appropriate audit evidence around the validity of a number of material expenses recognised in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2014, specifically:

- Occupancy costs of \$30,000 for the new office in Hong Kong;
- Legal costs of \$5,000 paid in association with the acquisition of Easy Bookings; and
- Website design costs of \$2,070.

Based on our review, which was not an audit, with the exception of the matter described in the preceding paragraph, 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, in all material aspects, the financial performance for the year ended 30 June 2014 or the financial position as at 30 June 2014 in accordance with the stated basis of preparation as described in section 2.

Pro-forma historical financial information

Based on our review, which is not an audit, with the exception of the matter described in regard to the historical financial information in the preceding paragraph, nothing has come to our attention that causes us to believe that the pro forma historical financial information is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 2.

7. Subsequent Events

The pro-forma statement of financial position reflects the following events that have occurred subsequent to the period ended 30 June 2014:

- On 12 August 2014, the Company voluntarily appointed joint and several administrators of the Company. At a meeting of creditors held on 16 September 2014, the creditors resolved that the Company enter into a DOCA;

- The Company entered into a convertible note agreement to raise \$580,000 (before costs) by the issue of 58 Class A Convertible Notes which will convert into a total of 2,320,000 Shares and 4,640,000 Noteholder Options;
- The Company entered into a convertible note agreement to raise \$520,000 (before costs) by the issue of 52 Class B Convertible Notes which will convert into a total of 2,080,000 Shares and 4,160,000 Noteholder Options;
- The Company entered into a convertible note agreement to raise \$80,000 (before costs) by the issue of 8 Class C Convertible Notes which will convert into a total of 344,548 Shares and 640,000 Noteholder Options;
- In the period following 1 July 2014, an amount of \$93,947 in interest charges were incurred on the Company's borrowings from the Secured Creditors;
- In the period following 1 July 2014, the Company incurred expenses totalling approximately \$374,446 which has been recorded as trade creditors;
- In the period following 1 July 2014, the Company is expecting to receive a GST refund of \$61,151 which has been recorded as a current asset; and
- The Company paid an amount of \$907,622 to the Deed Administrator from funds raised. The Deed Administrator used these funds to repay the Secured Creditors a total amount of \$549,999 (\$497,299 related to current borrowings and an amount of \$52,700 related to trade creditors), to repay the Unsecured Creditors a total amount of \$75,805. The remaining balance totalling \$281,818 were fees paid to the Administrators.

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 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.

8. 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 30 June 2014, the subsequent events set out in section 7, and the following transactions and events relating to the issue of Shares under this Prospectus:

- Pursuant to the Entitlement Offer, the issue of up to 4,720,594 Shares at an issue price of \$0.25 each to raise up to \$1,180,148 before costs;
- Costs of the Offers and the Recapitalisation Proposal are estimated to be \$460,000, which are to be offset against contributed equity;
- Pursuant to Conversion Offer A, the conversion of all Class A Convertible Notes into 2,320,000 Shares and 4,640,000 Noteholder Options exercisable at \$0.25 and expiring on a date which is 3 years after issue;
- Pursuant to Conversion Offer B, the conversion of all Class B Convertible Notes into 2,080,000 Shares and 4,160,000 Noteholder Options exercisable at \$0.25 and expiring on a date which is 3 years after issue;
- Pursuant to Conversion Offer C, the conversion of all Class C Convertible Notes into 344,548 Shares and 640,000 Noteholder Options exercisable at \$0.25 and expiring on a date which is 3 years after issue;

- Pursuant to the Creditor Offer A, the issue of up to 909,665 Shares to Unsecured Creditors for nil consideration together with 909,665 Creditor Options exercisable at \$0.20 and expiring on a date which is 1 year after issue. This satisfied the repayment of the remaining Unsecured Creditors totalling \$227,416;
- Pursuant to the Creditor Offer B, the issue of up to 770,000 Shares to New Creditors in consideration for services provided to the Company for a total value of \$192,500; and
- Pursuant to the Underwriting Agreement with CPS Capital Group Pty Ltd ('CPS') the Company will issue CPS 900,000 Shares at an issue price of \$0.01 each in consideration for services performed in relation to the Entitlement Offer. These shares have a fair value of \$0.25 each and a total value of \$225,000. As these services relate to the Entitlement Offer they are to be offset against contributed equity.

9. Consent

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report, this consent has not been withdrawn.

10. Disclosures

BDO Corporate Finance (WA) Pty Ltd is the corporate advisory arm of BDO in Perth. Without modifying our conclusions, we draw attention to the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

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.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd



Peter Toll

Director

APPENDIX 1
STANFIELD FUNDS MANAGEMENT LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Audited for the year ended 30-Jun-14 \$
Revenue from continuing operations	283,685
Other income	-
Expenses	
Employments costs	(369,449)
Occupancy expenses	(82,866)
Professional fees	(110,663)
Impairment of available-for-sale investments	(142,596)
Provision for doubtful debts	(32,400)
Other expenses	(114,144)
Finance costs	(19,389)
Profit before income tax expense	(587,822)
Income tax benefit/(expense)	-
Net operating profit for the year	(587,822)

This statement of profit or loss and other comprehensive income shows the historical financial performance of Company and is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4 and the prior year financial information set out in Appendix 5. Past performance is not a guide to future performance.

APPENDIX 2
STANFIELD FUNDS MANAGEMENT LIMITED
STATEMENT OF FINANCIAL POSITION

	Notes	Audited as at 30-Jun-14 \$	Subsequent events \$	Pro forma adjustments \$	Pro forma after Offer \$
CURRENT ASSETS					
Cash and cash equivalents	2	180,582	272,378	720,148	1,173,108
Other current assets	3	16,254	61,151	-	77,405
Assets classified as available for sale		28,343	-	-	28,343
TOTAL CURRENT ASSETS		225,179	333,529	720,148	1,278,856
NON CURRENT ASSETS					
Available for sale financial assets		450,090	-	-	450,090
TOTAL NON CURRENT ASSETS		450,090	-	-	450,090
TOTAL ASSETS		675,269	333,529	720,148	1,728,946
CURRENT LIABILITIES					
Trade and other payables	4	344,160	245,941	(419,916)	170,185
Borrowings	5	403,352	(403,352)	-	-
TOTAL CURRENT LIABILITIES		747,512	(157,411)	(419,916)	170,185
NON CURRENT LIABILITIES					
Borrowings	6	-	1,180,000	(1,180,000)	-
TOTAL NON CURRENT LIABILITIES		-	1,180,000	(1,180,000)	-
TOTAL LIABILITIES		747,512	1,022,589	(1,599,916)	170,185
NET ASSETS/(LIABILITIES)		(72,243)	(689,060)	2,320,064	1,558,761
EQUITY					
Issued capital	7	17,211,882	-	2,320,064	19,531,946
Reserves		109,852	-	-	109,852
Accumulated losses	8	(17,393,977)	(689,060)	-	(18,083,037)
TOTAL EQUITY		(72,243)	(689,060)	2,320,064	1,558,761

The pro-forma statement of financial position after the Offer is as per the statement of financial position before the Offer adjusted for any subsequent events and 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 and the prior year financial information set out in Appendix 5.

APPENDIX 3
STANFIELD FUNDS MANAGEMENT LIMITED
STATEMENT OF CHANGES IN EQUITY

	Notes	Audited for the year ended 30-Jun-14 \$	Subsequent events \$	Pro forma adjustments \$	Pro forma after Offer \$
Balance as at 1 July 2013		(16,806,155)	-	-	(16,806,155)
<i>Comprehensive income for the period</i>					
Profit/(Loss) for the period	8	(587,822)	(689,060)	-	(1,276,882)
Total comprehensive income for the period		(17,393,977)	(689,060)	-	(18,083,037)
<i>Transactions with equity holders in their capacity as equity holders</i>					
Issued capital, net of transaction costs	7	17,211,882	-	2,320,064	19,531,946
Reserves		109,852	-	-	109,852
Total transactions with equity holders		17,321,734	-	2,320,064	19,641,798
Balance as at 30 June 2014		(72,243)	(689,060)	2,320,064	1,558,761

The above 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 and the prior year financial information set out in Appendix 5.

APPENDIX 4

STANFIELD FUNDS MANAGEMENT LIMITED

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT 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.

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 equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial information has also been prepared on a historical cost basis, except for derivatives and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal group's held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

Going concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus and the success of the Recapitalisation Proposal. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

Reporting basis and conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Income tax

The income tax expense or benefit (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 between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognized from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

b) Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity 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. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

c) Trade and other receivables

Trade receivables are recognised as the amount receivable and are due for settlement no more than 30 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised.

A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. 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 effective interest rate.

Loans granted are recognised at the amount of consideration given or the cost of services provided to be reimbursed.

d) Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days of recognition.

e) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of financial performance over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

g) Available-for-sale financial assets

Available-for-sale financial assets are non derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

h) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial Assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite

lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of financial performance. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

i) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

j) Employee Benefits

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 statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefit Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of 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 to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments transactions

The Company provides benefits to employees (including directors) of the Company in the form of share options. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employee becomes unconditionally entitled to the options. The fair value of the options granted is measured using Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight line basis over the period from grant date to the date on which the relevant employees become fully entitled to the award ('vesting date'). The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

k) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of financial assets

A financial asset is considered impaired if objective evidence indicates that one or more events that have had a negative effect on the estimated cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Groups that share similar risk characteristics.

All impairment losses are recorded in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

Options

The fair value of options issued is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

Taxation

The Company is subject to income taxes in Australia. Significant judgement is required when determining the Company's provision for income taxes. The Company estimates its tax liabilities based on the Company's understanding of the tax law.

Convertible notes

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption.

	Audited 30- Jun-14	Pro forma after Offer
	\$	\$
NOTE 2. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents	180,582	1,173,108
<i>Adjustments to arise at the pro-forma balance:</i>		
Audited balance of Stanfield at 30 June 2014		180,582
<i>Subsequent events:</i>		
Funds received from the issue of Class A Convertible Notes		580,000
Funds received from the issue of Class B Convertible Notes		520,000
Funds received from the issue of Class C Convertible Notes		80,000
Repayment of Secured Creditors during the period by Deed Administrator*		(549,999)
Repayment of Unsecured Creditors during the period by Deed Administrator*		(75,805)
Payment of Administrator fees during the period*		(281,818)
		<u>272,378</u>
<i>Pro-forma adjustments:</i>		
Proceeds from shares issued pursuant to the Entitlement Offer		1,180,148
Costs of the Offers		(460,000)
		<u>720,148</u>
Pro-forma Balance		<u>1,173,108</u>
*These balances total to \$907,622 which are the payments to the Deed Administrators in accordance with the DOCA		

	Audited 30- Jun-14	Pro forma after Offer
	\$	\$
NOTE 3. OTHER CURRENT ASSETS		
Other current assets	16,254	77,405
<i>Adjustments to arise at the pro-forma balance:</i>		
Audited balance of Stanfield at 30 June 2014		16,254
<i>Subsequent events:</i>		
GST refund to be received		61,151
		<u>61,151</u>
Pro-forma Balance		<u>77,405</u>

	Audited 30- Jun-14	Pro forma after Offer
NOTE 4. TRADE AND OTHER PAYABLES	\$	\$
Trade and other payables	344,160	170,185
<i>Adjustments to arise at the pro-forma balance:</i>		
Audited balance of Stanfield at 30 June 2014		344,160
<i>Subsequent events:</i>		
Repayment of Secured Creditors during the period by Deed Administrator		(52,700)
Repayment of Unsecured Creditors during the period by Deed Administrator		(75,805)
Additional trade creditors incurred during the period		374,446
		245,941
<i>Pro-forma adjustments:</i>		
Securities issued pursuant to the Creditor Offer A to satisfy trade creditors		(227,416)
Securities issued pursuant to the Creditor Offer B to satisfy trade creditors		(192,500)
		(419,916)
Pro-forma Balance		170,185

	Audited 30- Jun-14	Pro forma after Offer
NOTE 5. BORROWINGS - CURRENT	\$	\$
Borrowings - Current	403,352	-
<i>Adjustments to arise at the pro-forma balance:</i>		
Audited balance of Stanfield at 30 June 2014		403,352
<i>Subsequent events:</i>		
Interest charges accrued on borrowings		93,947
Repayment of Secured Creditors during the period by Deed Administrator		(497,299)
		(403,352)
Pro-forma Balance		-

	Audited 30- Jun-14	Pro forma after Offer
	\$	\$
NOTE 6. BORROWINGS - NON CURRENT		
Borrowings - Non current	-	-
<i>Adjustments to arise at the pro-forma balance:</i>		
Audited balance of Stanfield at 30 June 2014		-
<i>Subsequent events:</i>		
Issue of Class A Convertible Notes		580,000
Issue of Class B Convertible Notes		520,000
Issue of Class C Convertible Notes		80,000
		<u>1,180,000</u>
<i>Pro-forma adjustments:</i>		
Conversion of Class A Convertible Notes		(580,000)
Conversion of Class B Convertible Notes		(520,000)
Conversion of Class C Convertible Notes		(80,000)
		<u>(1,180,000)</u>
Pro-forma Balance		<u>-</u>

	Audited 30- Jun-14	Pro forma after Offer
	\$	\$
NOTE 7. CONTRIBUTED EQUITY		
Contributed equity	17,211,882	19,531,946
	Number of shares	\$
<i>Adjustments to arise at the pro-forma balance:</i>		
Audited balance of Stanfield at 30 June 2014	4,720,594	17,211,882
<i>Pro-forma adjustments:</i>		
Shares issued pursuant to the Entitlement Offer	4,720,594	1,180,148
Costs of the Offers	-	(460,000)
Securities issued pursuant to the Creditor Offer A to satisfy trade creditors	909,665	227,416
Securities issued pursuant to the Creditor Offer B to satisfy trade creditors	770,000	192,500
Conversion of Class A Convertible Notes	2,320,000	580,000
Conversion of Class B Convertible Notes	2,080,000	520,000
Conversion of Class C Convertible Notes	344,548	80,000
Shares issued to CPS for services relating to the Entitlement Offer	900,000	225,000
Shares issued to CPS considered costs of the Offers	-	(225,000)
	<u>12,044,807</u>	<u>2,320,064</u>
Pro-forma Balance	<u>16,765,401</u>	<u>19,531,946</u>

Following completion of the Offers, the Company will have the following options on issue:

Options on issue at completion of Offers	Number
Creditor Options exercisable at \$0.20 expiring 1 year from date of issue	909,665
Noteholder Options exercisable at \$0.25 expiring 3 years from date of issue	9,440,000
Total	10,349,665

	Audited 30-Jun-14	Pro-forma after Offer
NOTE 8. ACCUMULATED LOSSES	\$	\$
Accumulated losses	(17,393,977)	(18,083,037)
<i>Adjustments to arise at the pro-forma balance:</i>		
Audited balance of Stanfield at 30 June 2014		(17,393,977)
<i>Subsequent events:</i>		
Interest charges accrued on borrowings		(93,947)
Additional trade creditors incurred during the period		(374,446)
Payment of Administrator fees during the period		(281,818)
GST refund to be received		61,151
		<u>(689,060)</u>
Pro-forma Balance		<u>(18,083,037)</u>

NOTE 9: RELATED PARTY DISCLOSURES

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

NOTE 10: 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.

APPENDIX 5
STANFIELD FUNDS MANAGEMENT LIMITED
HISTORICAL FINANCIAL INFORMATION

Historical Statement of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-13 \$	Audited for the year ended 30-Jun-12 \$
Revenue from continuing operations	76,550	476,625
Other income	2,703,100	17,234
Expenses		
Employments costs	(194,176)	(837,406)
Depreciation and amortisation expense	-	(797)
Occupancy expenses	(36,670)	(54,874)
Professional fees	(84,124)	(150,003)
Impairment of available-for-sale investments	(527,267)	(197,483)
Settlement of legal claims	-	(160,000)
Other expenses	(69,440)	(168,347)
Finance costs	(304,712)	(271,632)
Fair value movements - derivatives	(211,000)	(126,333)
Profit/(loss) before income tax	1,352,261	(1,473,016)
Income tax expense/(benefit)	-	-
Profit/(loss) from continuing operations	1,352,261	(1,473,016)
Profit from discontinued operations	567,106	159,113
Profit/(loss) for the period	1,919,367	(1,313,903)
Items that may be reclassified to profit or loss		
Movement in available-for-sale financial assets	(48,140)	66,483
Total comprehensive income for the year	1,871,227	(1,247,420)

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APPENDIX 5
STANFIELD FUNDS MANAGEMENT LIMITED
HISTORICAL FINANCIAL INFORMATION

Historical Statement of Financial Position	Audited as at 30-Jun-13 \$	Audited as at 30-Jun-12 \$
CURRENT ASSETS		
Cash and cash equivalents	43,779	2,704,969
Trade and other receivables	40,512	259,138
Derivative financial instruments	-	211,000
Convertible note	-	633,000
Loans	-	848,506
Assets classified as available for sale	120,929	247,930
TOTAL CURRENT ASSETS	205,220	4,904,543
NON CURRENT ASSETS		
Other financial assets	500,100	-
Intangibles	-	50,000
Loans	-	1,536,057
TOTAL NON CURRENT ASSETS	500,100	1,586,057
TOTAL ASSETS	705,320	6,490,600
CURRENT LIABILITIES		
Trade and other payables	289,170	335,091
Borrowings	185,674	3,623,169
TOTAL CURRENT LIABILITIES	474,844	3,958,260
NON CURRENT LIABILITIES		
Borrowings	-	4,246,753
TOTAL NON CURRENT LIABILITIES	-	4,246,753
TOTAL LIABILITIES	474,844	8,205,013
NET ASSETS/(LIABILITIES)	230,476	(1,714,413)
EQUITY		
Issued capital	16,926,779	16,859,779
Reserves	109,852	151,330
Accumulated losses	(16,806,155)	(18,725,522)
TOTAL EQUITY	230,476	(1,714,413)

4. RISK FACTORS

As with any share investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and a general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

This Section 4 identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Prospectus and consult their professional adviser before deciding whether to apply for securities under this Prospectus.

4.1 RISKS TO ASX REINSTATEMENT

(a) No refund to applicants under the Entitlement Offer

Please be aware that the Entitlement Offer will proceed irrespective of whether or not the Shares issued pursuant to the Entitlement Offer are quoted on ASX. The only condition to the Entitlement Offer proceeding is the relevant condition set out in Section 1.2. Accordingly, there is a risk that Shares issued under the Entitlement Offer will not be quoted on ASX. In these circumstances, the Shares will not be tradable and applicants will not receive a refund for their applications under the Entitlement Offer.

The Company is undertaking the Entitlement Offer so that it can raise urgently needed funds whilst it continues to take all necessary steps to complete the Recapitalisation Proposal and achieve ASX Reinstatement. If and when ASX Reinstatement is achieved, the Shares issued under the Entitlement Offer will be quoted on ASX and will therefore become tradeable on the ASX. If ASX Reinstatement does not occur, the Company may be placed into liquidation and it is likely that all Shareholders (including any who apply under the Entitlement Offer) may not receive any value for their Shares.

(b) Termination of the DOCA

The Company has entered into the DOCA with the Deed Administrator which sets out the structure of the Recapitalisation Proposal, governs the affairs of the Company whilst the DOCA is effective, and sets out the process for determining the entitlements of creditors. As the Company is subject to the DOCA, there is a risk that if the terms and conditions of the DOCA are not satisfied then the Company may proceed into liquidation. The terms and conditions of the DOCA are summarised in Section 6.1.

Please note that if the DOCA is not terminated fully effectuated and ASX Reinstatement does not occur then the Company will retain all Application Monies received under the Entitlement Offer pursuant to which Shares were issued. Please refer to Section 4.1(a) for further information.

(c) Compliance with ASX conditions for ASX Reinstatement

ASX requires the Company to satisfy certain conditions in order for its securities to be reinstated to trading on the ASX. One of these conditions is that the Company holds at least \$1,000,000 in cash, net of all liabilities, immediately prior to ASX

Reinstatement, and that the DOCA is terminated fully effectuated. At the date of this Prospectus, the Directors are not aware of any genuine reason why the Company will not be able to satisfy ASX's conditions to ASX Reinstatement.

Please note that if ASX Reinstatement does not occur then the Company will retain all Application Monies received under the Entitlement Offer pursuant to which Shares were issued. Please refer to Section 4.1(a) for further information.

4.2 OTHER SPECIFIC RISKS

(a) Poor investment performance

The Company's primary focus will be to seek new investment and acquisition opportunities to increase Share value in accordance with its business plan in Section 2.6. Negative investment performance directly reduces the value of the Company's assets and investments, as well as any funds under management. Similarly, poor investment performance could:

- decrease any dividends or management fees earned by the Company;
- cause investors to withdraw their money, thereby reducing the management fees that the Company earns; and
- affect the ability of the Company to attract new funds, thereby impacting its ability to invest and grow its business.

The Company will seek to mitigate this risk by investing consistently in accordance with its investment process and employing staff that are skilled and experienced in identifying and managing investments.

(b) Future acquisitions

Going forward, the Company may make acquisitions of, or significant investments in, other projects or businesses in line with its business model. Such transactions are inherently accompanied by risk and there is no guarantee that an investment or acquisition made by the Company will be successful and return value to Shareholders. In addition, an acquisition may be subject to Shareholder and regulatory approvals, which may include re-compliance with Chapters 1 and 2 of the Listing Rules.

(c) Dependence on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. The Company's investment and acquisition decisions will initially be determined by the Board. Going forward, the Company may engage additional personnel (whether or not as Directors) as required to assist with the investment decisions of the Company. Loss of key personnel may impact on the Company's ability to identify and develop profitable investment opportunities. It could also result in the loss of clients and an inability to attract new clients. The Company, as with any services company, is reliant on the continued service of its key personnel to generate future earnings. The Company may be detrimentally affected if one or more existing or future Directors or other key personnel cease their engagement with the Company.

(d) Future profitability

The Company has incurred significant losses in the past, ultimately resulting in the appointment of the Administrator. It is not possible to evaluate the Company's future prospects based on past performance. The Directors do not consider that past performance will impact on the future opportunities of the Company.

While the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(e) Future capital needs

Further funding may be required by the Company to support its ongoing activities and operations including for the purposes of making investments or acquisitions. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of the Company and, consequently, its performance.

(f) Changes in legislation and government regulation

Changes in legislation in Australia, Asia or any other relevant jurisdiction (including changes to the taxation systems) may negatively affect future earnings and the attractiveness of investing in the Company.

(g) Litigation risk

The Company could become subject to litigation in relation to professional negligence, investment losses, product liability claims, claims arising under customer contracts or other litigation. The Company intends to insure its operations in accordance with industry practice. Despite these protections it is possible that claims not covered by insurance may arise which could have an adverse effect on the Company's financial performance and reputation which would, in turn, lead to reduced earnings.

To the knowledge of the Directors, there is no litigation of a material nature pending or threatened that may significantly affect the Company.

(h) Exchange rate risk

As the Company will look to invest in foreign companies there is a risk of the Australian dollar depreciating relative to the currency of the investments. Any depreciation in the Australian dollar relative to the currency of a foreign investment could result in a transaction loss which is taken directly to Shareholder equity. The Company will seek to manage this risk as best as possible but there is a risk that exchange rate fluctuations could negatively affect Share value.

4.3 GENERAL RISKS

(a) Economic risks

The future viability of the Company is also dependent on a number of factors which may affect the performance of all industries and not just the exploration and mining industries including, but not limited to, the following:

- For personal use only
- general economic conditions;
 - changes in Government policies, taxation and other laws;
 - the strength of the equity and share markets in Australia and throughout the world and, in particular, investment sentiment towards the commodities sector;
 - movement in, or outlook on, exchange rates, interest rates and inflation rates; and
 - natural disasters, social upheaval or war.

(b) Investment risks

The Shares to be issued pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. There is no guarantee as to the payment of dividends, return of capital or the market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the price paid by the investor for the Shares.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

(c) Share market risks

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the Shares may be subject to fluctuation and may be affected by many factors including, but not limited to, the following:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- commodity price fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

There is also no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few buyers or sellers of Shares on the ASX at any particular time.

(d) Competition risk

The industries in which the Company may be involved are subject to domestic and global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or

control over the activities or actions of its competitors, and such activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

5. KEY PERSONS AND CORPORATE GOVERNANCE

5.1 COMPOSITION AND ROLE OF THE BOARD

As part of the Recapitalisation Proposal, the Company restructured its Board on 6 October 2014 with John Pereira and Jason Tao ceasing to be Directors, and Carlyle Clump, Paul Doropoulos, Xavier Kris and James Pearson joining William Ng and Thomas Sargent on the Board.

The Board will initially be responsible for making investment and acquisition decisions on behalf of the Company following ASX Reinstatement. Going forward, the Company may engage additional personnel (whether or not as Directors) as required to assist with the investment decisions of the Company.

5.2 DIRECTOR PROFILES

Carlyle Clump **Non-Executive Chairman**

Until July 2014, Carl Clump was the chairman of the cards and payment division of a European Private Bank. He is currently a special advisor to Jacanda Capital – a boutique advisory company headquartered in Sydney. In addition, Carl is currently advising an Asia-Pacific organisation on the launch of a specialist payment product, and working with other companies in Singapore, Malaysia, Indonesia and UK.

In 2000, Carl founded Retail Decisions, an international card issuing and fraud prevention company, with many of the world's leading brands as customers. Its customers include banks, payment service providers, retailers and airlines. Carl was the Chief Executive Officer from 2000 until 2011. The Company was listed on the London Stock Exchange until 2006, when Carl took the company private. He retired as the company's Group Chairman in March 2013.

Prior to Retail Decisions, Carl was the Chief Executive of Card Clear plc., an AIM listed company involved in payments, card issuing, loyalty, currency exchange and fraud prevention.

From 1993 to 1998, Carl served as the Group Managing Director of the Harpur Group, an issuer of specialist payment cards.

Based in France, he was the President-Directeur General of TEPAR – a consortium of European card issuing companies – from 1989 to 1993. He spent some 13 years with Texaco, where he served as European Marketing Coordinator, Manager of the UK's Marketing and Planning Division, as well as a series of roles in retail management, logistic, finance and economics.

Carl has a Master of Business Administration from the Cranfield School of Management, a post-graduate diploma in Management Studies and a University of London Degree in Physics.

Carl was appointed as a Director on 6 October 2014. Although Carl is engaged by the Company in a Non-Executive capacity, he also provides corporate services to the Company from time to time via the Services Agreement between the Company and Boardroom Capital. See Section 5.6 for further information.

Paul Doropoulos
Executive Director and Chief Financial Officer

Paul Doropoulos has approximately 20 years of combined experience in an Executive Consultant capacity to ASX listed companies in the oil, gas and mining services sectors. Further, Paul has acquired experience in the hospitality industry through various start-up companies.

Paul was closely involved in the successful ASX listings of junior gold explorer Metaliko Resources Ltd in 2010 and junior energy explorer Kinetiko Energy Limited in 2011. In addition, Paul simultaneously held the position of Chief Financial Officer in both companies.

Paul established, and is the Chief Financial Officer of Cirrena Pty Ltd – a software solutions business with offices in Perth and Manila. Paul also advises the board of Ageus Limited – an enterprise developer.

Paul is a founding participant of the philanthropic Jackman Furness Foundation for the Performing Arts in Western Australia.

In 2014, Paul was appointed as an Executive Advisor to Boardroom Capital Pty Ltd – a boutique corporate advisory firm based in Perth, Western Australia.

Paul holds a Bachelor of Business Degree with a Finance Maths minor.

Paul was appointed as a Director on 6 October 2014. Paul is also engaged as the Chief Financial Officer of the Company via the Services Agreement between the Company and Boardroom Capital. See Section 5.6 for further information.

Xavier Kris
Non-Executive Director

Xavier Kris has over 20 years of experience as a director of service based information technology businesses in the UK, France, USA, South East Asia and Australia. Xavier specialises in providing acquisition, integration and business development services for companies seeking to expand their operations internationally.

Xavier has led multiple international businesses within transactional processing companies including the Harpur Group, International Card Services and Motorcharge Australia.

In 2001, Xavier joined London Stock Exchange listed data and information technology firm, Retail Decisions Ltd, as part of the small executive management team, initially as Head of Global Business Development based in London and subsequently as Chief Executive Officer of the Americas based in Palo Alto, California.

Xavier is currently a director of PLUS 8 – a hospitality labour hire and management consulting group. In addition, Xavier is a founding director and owner of Boardroom Capital Pty Ltd – a boutique corporate advisory firm based in Perth, Western Australia.

Xavier holds an English Law and French Degree, as well as a Master of Business Administration.

Xavier was appointed as a Director on 6 October 2014. Although Xavier is engaged by the Company in a Non-Executive capacity, he also provides corporate services to the Company from time to time via the Services Agreement between the Company and Boardroom Capital (which he controls and owns). Please see Section 5.6 for further information.

James Pearson
Non-Executive Director

James Pearson has approximately 29 years of experience in the stockbroking and wealth management industries in London, Hong Kong and Australia.

Initially a Private Client Advisor in London and Hong Kong, James then took the position of Institutional Sales for Hartley Poynton in Perth and Melbourne before joining Patersons on their Institutional Sales Desk, providing corporate and execution services for a wide variety of boutique wholesale clients.

James utilises his extensive experience and wide range of contacts in the Australian stockbroking industry to specialise in providing high quality investor relations solutions and business development services to listed and unlisted Australian companies.

James was appointed as a Director on 6 October 2014. Although James is engaged by the Company in a Non-Executive capacity, he also provides corporate services to the Company from time to time via the Services Agreement between the Company and Boardroom Capital. Please see Section 5.6 for further information.

William Ng
Non-Executive Director

William has been advising international and Chinese companies over the past decade through his own consulting practice with offices in Hong Kong and China. Prior to that, William worked for Hong Kong publicly listed companies and Western multi-national companies in the Greater China region from 1988. William was educated in Australia, and obtained degrees from Monash University in Engineering and Business Information Systems. Williams speaks English, Cantonese, Mandarin, Malay and Indonesian.

William was appointed as a Director on 14 February 2013.

Thomas Sargent
Non-Executive Director

Thomas is currently a management consultant providing services to Government and private sector clients in major infrastructure transactions and business strategy. Prior to this, Thomas has had an extensive career in Government managing the States' rail assets and in the construction industry contributing to some of Victoria's largest infrastructure projects. Thomas holds degrees in Civil Engineering and Business Administration. He is a Fellow of the Institution of Engineers Australia and a Fellow of the Australian Institute of Company Directors.

Thomas was appointed as a Director on 3 September 2013.

5.3 COMPANY SECRETARY PROFILE

Stephen Hewitt-Dutton
Company Secretary

Stephen Hewitt-Dutton has over 20 years of experience in corporate finance, accounting and company secretarial matters and holds a Bachelor of Business from Curtin University. He is an Associate Director of Trident Capital and is an affiliate of the Institute of Chartered Accountants.

Before joining Trident Capital, Stephen was an Associate Director of Carmichael Corporate where he assisted clients by providing equity market, IPO and M&A advice and assistance. He has also held Financial Controller and Company Secretary positions for both public and private companies for in excess of 15 years.

Stephen was appointed as a Director on 8 October 2014.

5.4 DIRECTORS' INTERESTS

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

The table below sets out the Relevant Interests of the Directors in the Shares of the Company as at the date of this Prospectus, and the anticipated Relevant Interests of the Directors in the securities of the Company upon completion of the Offers.

Director	Existing	Conversion Offer A ¹		Conversion Offer B ²		Creditor Offer B ³	Total	
	Shares	Shares	Options ⁴	Shares	Options ⁵	Shares	Shares	Options ⁶
Carlyle Clump	106,372	240,000	480,000	Nil	Nil	65,174	411,546	480,000
Paul Doropoulos	Nil	Nil	Nil	40,000	80,000	274,982	314,982	80,000
William Ng	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Sargant	Nil	Nil	Nil	80,000	160,000	Nil	80,000	160,000
Xavier Kris	106,372	540,000	1,080,000	40,000	80,000	285,572	971,944	1,160,000
James Pearson	106,374	460,000	920,000	Nil	Nil	114,129	680,503	920,000
Total	319,118	1,240,000	2,480,000	160,000	320,000	739,857	2,458,975	2,800,000

Notes:

1. Carlyle Clump holds 6 Class A Notes, Xavier Kris holds 13.5 Class A Notes and James Pearson holds 11.5 Class A Notes. These Directors have agreed with the Company to fully convert their Class A Notes into securities under Conversion Offer A. A summary of the terms of the Class A Notes is set out in Section 6.2. The issue of these securities is subject to Shareholder approval at the General Meeting.
2. Paul Doropoulos holds 1 Class B Note, Xavier Kris holds 1 Class B Note and Tom Sargant holds 2 Class B Notes. These Directors have agreed with the Company to fully convert their Class B Notes into securities under Conversion Offer B. A summary of the terms of the Class B Notes is set out in Section 6.3. The issue of these securities is subject to Shareholder approval at the General Meeting.
3. Carlyle Clump (via Boardroom Capital Pty Ltd) is owed \$16,294 by the Company, Paul Doropoulos (via Boardroom Capital Pty Ltd) is owed \$68,745 by the Company, Xavier Kris (via Boardroom Capital Pty Ltd) is owed \$71,393 by the Company and James Pearson (via the Services Agreement with Boardroom Capital Pty Ltd) is owed \$28,532 by the Company. These Directors have agreed to fully convert these debts into Shares at a conversion price of \$0.25 each in full satisfaction of these debts. These Shares comprise part of the Shares being offered under Creditor Offer B. The issue of these Shares is subject to Shareholder approval at the General Meeting.
4. Each of these Options is a Noteholder Option. Each Noteholder Option has an exercise price of \$0.25 and an expiry date 3 years from issue. Full terms and conditions of the Noteholder Options are set out in Section 7.2.

5. Each of these Options is a Noteholder Option.
6. Each of these Options is a Noteholder Option.
7. The above table assumes that no Director applies for Shares under the Entitlement Offer.

5.5 DIRECTORS' REMUNERATION

The Constitution provides that the Company may pay to the Directors a maximum total amount of directors' fees (excluding salaries and other employee benefits) as determined by the Company from time to time in general meeting. The Company does not currently have a maximum amount that may be paid in directors' fees. Accordingly, at the General Meeting, the Company will seek to set the aggregate remuneration for all Directors at a maximum of \$300,000 per annum to be apportioned among the Directors in such a manner as they determine.

Subject to Shareholder approval at the General Meeting, the Board has approved directors' fees of \$4,000 per month for the Chairman and \$3,000 per month for each other Director for their services, commencing from the date of ASX Reinstatement.

Pursuant to the Services Agreement between the Company and Boardroom Capital, Paul Doropoulos acts as the Chief Financial Officer of the Company, pursuant to which he receives a variable monthly fee. In addition, Carlyle Clump, Xavier Kris and James Pearson have all provided, and may continue to provide from time to time, services to the Company outside their engagement as Non-Executive Directors for fees via the Services Agreement. A summary of the Services Agreement is set out in Section 5.6.

Other than as set out in this Section 5 or elsewhere in this Prospectus, the Directors have not received any financial benefit from the Company in the last 12 months.

5.6 AGREEMENTS WITH DIRECTORS

DOCA

The proponent to the Recapitalisation Proposal is NVNG Investments Pty Ltd which is a company controlled by Paul Doropoulos – a Director of the Company. The Proponent is a party to the DOCA. Under the DOCA, the Proponent is required to assist the Company with its capital raisings and facilitate the Recapitalisation Proposal generally. The Proponent is not paid any fees for these services.

A summary of the terms of the DOCA is set out in Section 6.1.

Class A Notes

In order to raise funds as part of the Recapitalisation Proposal, the Company has issued the following Class A Notes to the following Directors:

Related Investor	Class A Notes	Amount raised
Carlyle Clump	6	\$60,000
Xavier Kris	13.5	\$135,000
James Pearson	11.5	\$115,000
Total	31	\$310,000

Each Director has agreed to fully convert its Class A Notes into securities under Conversion Offer A.

In addition, the Proponent (which is controlled by Paul Doropoulos – a Director) is a party to the convertible note agreement under which the Class A Notes have been issued. The Proponent has entered into the convertible note agreement on behalf of the Class A Noteholders and has procured the advance of funds from the Class A Noteholders to the Company. Further, the Proponent has registered a general security interest on the Personal Property Securities Register over the Company's assets on behalf of the Class A Noteholders to secure the Class A Notes. This security interest will be deregistered upon completion of the Class A Conversion Offer.

A summary of the terms of the Class A Notes is set out in Section 6.2.

Services Agreement

In October 2014, the Company entered into a services agreement (**Services Agreement**) with Boardroom Capital Pty Ltd (**Boardroom Capital**) under which Boardroom Capital provides corporate consulting services to the Company for a term of 2 years. Boardroom Capital is a related party of the Company as it is controlled and owned by Xavier Kris – a Director of the Company.

Services provided to the Company under the Services Agreement include:

- general corporate and strategic advice;
- consulting services in relation to the Recapitalisation Proposal;
- executive management services; and
- investment identification and due diligence services.

The services will be provided by Boardroom Capital to the Company at its standard terms and rates, which are as follows (exclusive of GST):

- For services other than executive management services, at least 60 hours of services will be provided to the Company per month at a rate of \$208 per hour.

Additional hours will be charged at a rate of \$220 per hour (**Additional Hours**). Additional Hours are capped at \$7,500 per month (i.e. approximately 34 hours).

- Executive management services are provided at a rate of \$15,000 per month for 60 hours of services (or part thereof), and \$250 per hour for any additional hours.

Paul Doropoulos acts as Chief Financial Officer of the Company via the Services Agreement. Paul receives monthly fees from Boardroom Capital which in turn receives payment for these fees from the Company via the Services Agreement. This arrangement has been established to enable the Company to benefit from the services provided by Paul as CFO despite its inability to pay Paul during its period of administration. At the date of this Prospectus, \$68,745 is payable to Paul for his services since October 2014, which gives an average of approximately \$13,749 per month. Paul has agreed to accept Shares instead of cash for these services at a conversion price of \$0.25 per Share. These Shares comprise part of the Shares being offered under Creditor Offer B. It is anticipated that Paul will continue to receive an average of approximately \$13,749 per month for his services to the Company as Chief Financial Officer, as well as \$3,000 per month for his services as a Non-Executive Director.

In addition, other persons, including Directors Carlyle Clump, Xavier Kris and James Pearson, provide corporate services to the Company from time to time and receive fees via Boardroom Capital under the Services Agreement. As at 28 February 2015, \$16,294 is payable to Carl, \$71,393 is payable to Xavier and \$28,532 is payable to James for services provided to the Company. Each of these Directors has agreed to accept Shares instead of cash for these services at a conversion price of \$0.25 per Share. These Shares comprise part of the Shares being offered under Creditor Offer B. Following ASX Reinstatement. These Directors may continue to provide corporate services to the Company from time to time via the Services Agreement. They will also receive directors' fees in accordance with Section 5.5.

The Company notes that further fees may be paid to Directors for services provided to the Company via the Services Agreement following ASX Reinstatement.

Deeds of access, indemnity and insurance

The Company has entered into Deeds of Access, Indemnity and Insurance with each Director which confirm each person's right of access to certain books and records of the Company for a period of seven years after the Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven year period expires. The deeds also require the Company to provide an indemnity for liability incurred as an officer of the Company, to the maximum extent permitted by law.

Pursuant to the deeds, the Company will arrange and maintain Directors' and Officers' Insurance during each Director's period of office and for a period of seven years after a Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven years expires.

The deeds are otherwise on terms and conditions considered standard for agreements of this nature.

5.7 CORPORATE GOVERNANCE

The Board recognises the importance of good corporate governance and establishing the accountability of the Board and management. Subject to the exceptions outlined below,

the Company has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations to determine an appropriate system of control and accountability to best fit its business and operations commensurate with these guidelines. The Board has adopted a number of corporate governance policies, including a securities trading policy which sets out the Company's policy and procedures regarding dealing in the Company's securities by directors, officers, employees and contractors.

Copies of the Company's corporate governance policies are accessible on its website at www.stanfieldfunds.com.au.

As the Company's activities develop in size, nature and scope the implementation of additional corporate governance structures will be given further consideration. The Board sets out below its "if not, why not" report in relation to those matters of corporate governance where the Company's practices depart from the recommendations.

No.	Recommendation	Compliance	Comments
1.	Lay a solid foundation for management and oversight		
1.1	A listed entity should disclose the respective roles and responsibilities of its board and management; and those matters expressly reserved to the board and those delegated to management.	The Company has adopted a Board Charter, which discloses the specific responsibilities of the Board, including detailing those responsibilities which are reserved expressly to the Board and those which are delegated to management.	N/A
1.2	A listed entity should: <ul style="list-style-type: none"> • undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and • provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. 	Under the Board Charter, the Company is required to undertake appropriate checks in appointing a person as a director. When putting forward a person for election as a director to security holders, the Board will ensure that the security holders have all material information in their possession relevant to a decision on whether or not to elect or re-elect a director.	N/A
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	The Company has written agreements with all directors and senior management which sets out the terms of their appointment.	N/A
1.4	The Company Secretary of a listed entity should be	Under the Board Charter and a written agreement with the	N/A

No.	Recommendation	Compliance	Comments
	accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Company Secretary, the Company Secretary is accountable to the Board in relation to matters to do with the proper functioning of the Board.	
1.5	A listed entity should have a diversity policy and should disclose at the end of each reporting period the measurable objectives for achieving gender diversity and the progress towards achieving those objectives.	The Company has adopted a Diversity Policy and will report against any measurable objectives it has adopted under that policy at the end of each reporting period.	N/A
1.6	A listed entity should: <ul style="list-style-type: none"> • have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and • disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 	<p>The Company has adopted a Board Performance Evaluation Policy under which the Chairman will be responsible for evaluating the performance of the Board, Board committees and individual Directors.</p> <p>The Board Performance Evaluation Policy is reviewed annually.</p>	N/A
1.7	A listed entity should have and disclose a process for periodically evaluating the performance of its senior executives and disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	The Board does not currently have in place a formal process for periodically reviewing the performance of the Company's senior executives.	The Company intends to implement a formal performance review process in the near future. Once implemented it will disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period.
2. Structure the Board to add value			
2.1	Company should have a nomination committee which has at least 3 members, a majority of whom are independent and is chaired	The Board has adopted a Remuneration and Nomination Committee Charter. The role of the Remuneration and Nomination Committee is	Given the size and nature of the Company, the Board will consider establishing a

No.	Recommendation	Compliance	Comments
	by an independent director.	currently performed by the Board, rather than a separate committee.	Remuneration and Nomination Committee in the future, should the need arise.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>The Company does not currently have a skills matrix setting out the mix of skills and diversity that the Board is looking to achieve in its membership.</p> <p>The Chairman will review the composition of the Board and the performance of each Director to ensure that the Board continues to have a mix of skills and experience necessary. Reviews of the Board will be in accordance with the Board Performance Evaluation Policy.</p>	Given the size and nature of the Company, the Board considers that, at this stage, its existing policies and procedures are adequate in order to achieve an appropriate mix of skills and diversity in its Board.
2.3	<p>A listed entity should disclose:</p> <ul style="list-style-type: none"> the names of the directors considered by the board to be independent directors; if a director has an interest, position, association or relationship which may otherwise be seen as a conflict to the director's obligation to the company but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and the length of service of each director. 	These matters are set out in this Prospectus, and will be detailed in future annual reports.	N/A
2.4	A majority of the board of a listed entity should be	2 of the 6 Directors are independent.	Currently, the Board considers that

No.	Recommendation	Compliance	Comments
	independent directors.		membership weighted towards relevant expertise is appropriate at this stage of the Company's operations. Accordingly, the Board does not have a majority of independent directors.
2.5	The Chair of the Board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	The Chairman is an independent Non-Executive Director.	N/A
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Under the Company's Board Charter new directors will go through an induction process in which they are given a full briefing on the Company. The Board Charter also provides for professional development opportunities.	N/A
3. Promote ethical and responsible decision making			
3.1	A listed entity should have a code of conduct for its directors, senior executives and employees and disclose that code or a summary of it.	The Company has adopted a Code of Conduct which can be found on its website at www.stanfieldfunds.com.au .	N/A
4. Safeguard integrity in financial reporting			
4.1	The Board should establish an Audit Committee which consists of at least 3 members all of whom are non-executive directors and a majority of whom are independent directors and the committee should be chaired by an independent director who is not the chair of the board.	The Board has adopted an Audit Committee Charter. The role of the Audit Committee is currently performed by the Board, rather than a separate committee.	Given the size and nature of the Company, the Board will consider establishing an Audit Committee in the future, should the need arise.
4.2	The board of a listed entity should, before it approves	The Board intends to obtain the declarations recommended by	N/A

No.	Recommendation	Compliance	Comments
	the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	ASX from its CEO and CFO (or equivalent) prior to approving the Company's financial statements for a financial period.	
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from the security holders relevant to the audit.	The Company has a Shareholders Communications Policy which requires it to ask its external auditor to attend each AGM and be available to answer questions from Shareholders.	N/A
5. Make timely and balanced decisions			
5.1	A listed entity should have a written policy for complying with its continuous disclosure obligations under the Listing Rules and disclose that policy or a summary of it.	The Company has a Continuous Disclosure Policy in place designed to ensure compliance with its continuous disclosure obligations and to ensure accountability at a senior executive level for compliance and to give a factual presentation of the Company's financial position. A copy of this policy can be found on the Company's website at www.stanfieldfunds.com.au .	N/A
6. Respect the rights of shareholders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Company provides information about itself and its governance to investors via its website at www.stanfieldfunds.com.au .	N/A

No.	Recommendation	Compliance	Comments
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors	The Company does not currently have an investor relations program in place. The Shareholder Communications Policy aims to ensure effective communication with Shareholders, but investors generally can benefit from this policy.	Given the size and nature of the Company, the Board considers that, at this stage, its existing policies and procedures are adequate in order to effectively communicate with investors.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Under its Shareholder Communications Policy, the Company will encourage Shareholders to participate in general meetings of the Company and provide means by which feedback can be given to the Company.	N/A
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security register electronically.	Through the Company's registry services provider and the Company, Shareholders will be able to communicate with the Company electronically with respect to matters affecting their shareholding and via telephone.	N/A
7.	Recognise and manage risk		
7.1	Establish policies on risk oversight and management of material business risk.	The Company has a Risk Management Policy. Under this policy, the Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies for internal compliance and internal control.	N/A
7.2	The Board or a committee of the Board should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and disclose, in relation to each reporting period, whether such a review has taken place.	The Board is required to review its Risk Management Policy annually, and such review will be disclosed in its annual report.	N/A

No.	Recommendation	Compliance	Comments
7.3	<p>A listed entity should disclose:</p> <ul style="list-style-type: none"> if it has an internal audit function, how the function is structured and what role it performs; or if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes. 	<p>The risk management functions employed by the Board are summarised in items 7.1 and 7.2 above and a copy of the full policy can be found on the Company's website at www.stanfieldfunds.com.au.</p>	<p>Given the size and nature of the Company, the Board will consider establishing an internal audit function in the future, should the need arise.</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>To the extent the Company is exposed to economic, environmental and social sustainability risks, the Company has disclosed such risks in this Prospectus and the Company intends to disclose such information in future annual reports.</p>	N/A
8.	Remunerate fairly and responsibly		
8.1	<p>The Board should establish a remuneration committee. The remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> consists of a majority of independent directors; is chaired by an independent chair; and has at least three members. 	<p>The Board has adopted a Remuneration and Nomination Committee Charter. The role of the Remuneration and Nomination Committee is currently performed by the Board, rather than a separate committee.</p>	<p>Given the size and nature of the Company, the Board will consider establishing a Remuneration and Nomination Committee in the future, should the need arise.</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>Each Director has entered into separate agreements with the Company. A copy of the Remuneration and Nomination Committee Charter can be found on the Company's website at.</p>	N/A
8.3	<p>A listed entity which has an</p>	<p>The Company does not have</p>	N/A

No.	Recommendation	Compliance	Comments
	<p>equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> • have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and • disclose that policy or a summary of it. 	<p>an equity-based remuneration scheme at this stage.</p>	

6. MATERIAL CONTRACTS

Set out below is a summary of the material contracts to which the Company is a party that may be material in terms of the Offers, for the operation of the business of the Company, or otherwise may be relevant to a potential investor in the Company.

The whole of the provisions of the agreements are not repeated in this Prospectus and any intending applicant who wishes to gain a full knowledge of the content of the material contracts should inspect the same at the registered office of the Company.

6.1 DEED OF COMPANY ARRANGEMENT

The Company, the Administrator and the Proponent entered into the DOCA on 6 October 2014 (subsequently amended on or about 9 January 2015). The DOCA is comprised of 4 parts – ‘Preliminary matters’, ‘Reconstruction’, ‘Administration’ and ‘General’. The key terms of the DOCA (as amended) are as follows:

Preliminary matters

- (a) The DOCA was conditional upon the restructure of the Board such that:
 - (i) John Pereira and Jason Tao ceased to be Directors; and
 - (ii) Carlyle Clump, Paul Doropoulos, Xavier Kris and James Pearson were appointed as Directors to join existing Directors, William Ng and Thomas Sargant, on the Board.

These changes to the Board took effect on 6 October 2014.

- (b) The Proponent has paid a non-refundable deposit of \$100,000 to the Deed Administrator.

Reconstruction

- (c) Completion of the DOCA (**Completion**) is subject to the following conditions (**Conditions**) being satisfied or waived by 30 June 2015 unless otherwise extended:
 - (i) the Company entering into a convertible note agreement with the Proponent to raise \$580,000 (before costs) by the issue of 58 Class A Notes (n.b. this condition has been satisfied);
 - (ii) the Company and the Proponent entering into a general security deed to secure the amount owing in respect of the Class A Notes (n.b. this condition has been satisfied);
 - (iii) the Deed Administrator paying \$550,000 of the amount raised pursuant to the Class A Notes to the Secured Creditors (n.b. this condition has been satisfied);
 - (iv) the Company raising \$257,622 via a capital raising (n.b. this condition has been satisfied using the amount raised pursuant to the Class B Notes and Class C Note to the value of \$600,000);

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- (v) ASX confirming that it will not require the Company to re-comply with chapters 1 and 2 of the Listing Rules for the purposes of the Recapitalisation Proposal and that, subject to conditions that are reasonably satisfactory to the Company and the Proponent, there is no reason why the securities of the Company will not be reinstated to official quotation on the ASX (n.b. this condition has been satisfied);
 - (vi) the Company entering into an underwriting agreement pursuant to which the underwriter will underwrite the Entitlement Offer up to \$1,180,148 in total;
 - (vii) the Deed Administrator determining the entitlements payable to the Unsecured Creditors;
 - (viii) Shareholders approving the Specified Resolutions;
 - (ix) the Company closing the Offers; and
 - (x) the Company being reasonably satisfied that it has complied with, or will be able to comply with, any conditions to ASX Reinstatement that ASX has imposed on the Company.
- (d) The Proponent will coordinate the following capital raisings on behalf of the Company:
- (i) the raising of \$580,000 pursuant to the Class A Notes;
 - (ii) the raising of \$600,000 pursuant to the Class B Notes and Class C Note; and
 - (iii) the raising of \$1,180,148 pursuant to the Entitlement Offer.
- (e) Completion will occur 3 business days after the Conditions are satisfied or waived, at which the Company will issue all securities to be issued under the Entitlement Offer, Conversion Offers and Creditor Offer.

Administration

- (f) The Deed Administrator will use \$550,000 of the amount raised pursuant to the Class A Notes to pay out the Secured Creditors in full.
- (g) The Deed Administrator will establish a fund (**Deed Fund**) which will comprise of the following:
 - (i) the \$100,000 deposit;
 - (ii) \$257,622 of the amount raised pursuant to the Class B Notes and Class C Notes;
 - (iii) any leftover balance of the amount raised pursuant to the Class A Notes;
 - (iv) any cash on hand or at bank;
 - (v) any realisations of receivables of the Company;
 - (vi) any other monies or property transferred by the Company into the Deed Fund,

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- (h) The Deed Fund will be held on trust for the benefit of creditors.
 - (i) The Deed Administrator will determine the validity of claims. Unsecured Creditors will be paid a maximum dividend of 25% of the amount of their claim.
 - (j) As soon as reasonably practicable after Completion, the Deed Administrator must distribute the Deed Fund to the Deed Administrator, any employees of the Company, the Unsecured Creditors and, if there is any remaining balance, to the Company.
 - (k) Creditors must accept their entitlements under the Deed Fund in full satisfaction and discharge of their claims against the Company, and the Company will be fully released from such claims.
 - (l) Upon the distribution of the Deed Fund and the issue of securities at Completion, the DOCA will be wholly effectuated and the Deed Administrator must notify ASIC accordingly.

General

- (m) Subject to Completion occurring, the Company must reimburse the Proponent for its costs incurred in fulfilling its obligations under the DOCA.

The DOCA contains other provisions considered standard for agreements of this nature.

6.2 CLASS A NOTES

The Company has entered into a convertible note agreement under which it has issued 58 Class A Notes to the Class A Noteholders to raise \$580,000 (before costs).

The key terms of the Class A Notes are as follows:

- (a) Each Class A Note has a face value of \$10,000.
- (b) The Class A Notes have a maturity date of 6 months from issue.
- (c) Conversion of the Class A Notes into securities is subject to the Company obtaining all necessary Shareholder approvals.
- (d) The holder may elect to:
 - (i) convert any or all of the Class A Notes into securities, with each Class A Note being convertible into 40,000 Shares and 80,000 Noteholder Options; and/or
 - (ii) redeem any or all of the Class A Notes for cash, with each Class A Note accruing interest at a rate of 16% per annum.
- (e) Shares issued on conversion will rank equally in all respects with the Shares on issue at that time.
- (f) The funds advanced are secured by a first-ranking general security interest in favour of the Proponent (on behalf of the holders) over the Company's assets.
- (g) The Class A Notes do not entitle holders to any Shareholder information or rights to attend or vote at general meetings of Shareholders.

- (h) The holder can at any time assign its rights under a Class A Note to another person.

The Company has entered into, or will prior to issuing any Shares under the Entitlement Offer enter into, agreements with the Class A Noteholders under which the parties agree that the Class A Notes will be converted into securities by the Class A Noteholders returning their Conversion Offer A Application Forms on or before the Second Closing Date. See Section 1.2 for further information.

6.3 CLASS B NOTES

The Company has entered into additional convertible note agreements under which it has issued 52 Class B Notes to the Class B Noteholders to raise \$520,000 (before costs).

The key terms of the Class B Notes are as follows:

- (a) Each Class B Note has a face value of \$10,000.
- (b) The Class B Notes have a maturity date of 12 months from issue.
- (c) Conversion of the Class B Notes into securities is subject to the Company obtaining all necessary Shareholder approvals.
- (d) The Company may elect to:
 - (i) convert a Class B Note into securities, with each Class B Note being convertible into 40,000 Shares and 80,000 Noteholder Options; and/or
 - (ii) redeem a Class B Note for cash, with each Class B Note accruing interest at a rate of 16% per annum.
- (e) Shares issued on conversion will rank equally in all respects with the Shares on issue at that time.
- (f) The Class B Notes are unsecured.
- (g) The Class B Notes do not entitle holders to any Shareholder information or rights to attend or vote at general meetings of Shareholders.
- (h) The holder cannot assign its rights under a Class B Note to another person without the prior consent of the Company.

The Company has entered into, or will prior to issuing any Shares under the Entitlement Offer enter into, agreements with the Class B Noteholders under which the parties agree that the Class B Notes will be converted into securities by the Class B Noteholders returning their Conversion Offer B Application Forms on or before the Second Closing Date. See Section 1.2 for further information.

6.4 CLASS C NOTES

The Company has entered into a convertible note agreement under which it has issued 8 Class C Notes to the Class C Noteholder to raise \$80,000 (before costs).

The key terms of the Class C Notes are as follows:

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- (a) Each Class C Note has a face value of \$10,000.
 - (b) The Class C Notes have a maturity date of 6 months from issue.
 - (c) Conversion of the Class C Notes into securities is subject to the Company obtaining all necessary Shareholder approvals.
 - (d) The holder may elect to convert a Class C Note into securities, with each Class C Note being convertible into 40,000 Shares and 80,000 Noteholder Options. Accrued interest will be converted into Shares at a conversion price of \$0.25 each.
 - (e) Subject to any conversion into securities, the Company may redeem a Class C Note for cash, with each Class C Note accruing interest at a rate of 16% per annum.
 - (f) Shares issued on conversion will rank equally in all respects with the Shares on issue at that time.
 - (g) The Class C Notes can be secured by a general security interest over the Company's assets, however any such security will rank behind the security registered by the Proponent in connection with the Class A Notes.
 - (h) The Class C Notes do not entitle holders to any Shareholder information or rights to attend or vote at general meetings of Shareholders.
 - (i) The holder cannot assign its rights under a Class C Note to another person without the prior consent of the Company.

The Company has entered into, or will prior to issuing any Shares under the Entitlement Offer enter into, an agreement with the Class C Noteholder under which the parties agree that the Class C Notes will be converted into securities (including accrued interest which will be converted into Shares at a conversion price of \$0.25 each) by the Class C Noteholder returning its Conversion Offer C Application Form on or before the Second Closing Date. See Section 1.2 for further information.

6.5 UNDERWRITING AGREEMENT

The Company has entered into a lead manager and underwriting agreement (**Underwriting Agreement**) with CPS Capital Group Pty Ltd (**Underwriter**).

The key terms of the Underwriting Agreement are as follows:

- (a) The Underwriter is to be the lead manager, underwriter and broker to the Entitlement Offer on an exclusive basis.
- (b) Fees for these services are as follows:
 - (i) capital raising:
 - (A) the Underwriter will receive a management fee of 1% plus GST of the funds raised under the Entitlement Offer;
 - (B) the Underwriter will receive an underwriting fee of 6% plus GST of the funds raised under the Entitlement Offer;

- For personal use only
- (C) the Underwriter will receive 900,000 Shares at an issue price of \$0.01 each, of which 25% will be subject to escrow for 6 months from ASX Reinstatement, and 75% will be subject to escrow for a period of 12 months from ASX Reinstatement; and
 - (ii) corporate advisory services:
 - (A) the Underwriter will receive a monthly fee of \$5,000 plus GST for providing corporate advisory services for up to a year after ASX Reinstatement; and
 - (B) the Underwriter will receive a research fee of \$5,000 plus GST for providing a research paper after ASX Reinstatement and after any investment that SFN undertakes.
 - (c) The Underwriter will pay up to 5% plus GST where applicable, to any external brokers that sub-underwrite the issue.
 - (d) The Underwriter may terminate the agreement if:
 - (i) the Company commits a material breach of any of the terms and conditions of the agreement; or
 - (ii) if any warranty or representation given by the Company is not complied with or proves to be untrue.
 - (iii) after the DOCA is terminated fully effectuated, the Company becomes insolvent, has a receiver, administrative receiver or manager or administrator appointed over all or some of its assets, or passes any resolution for it to be wound up.
 - (iv) a court makes an administration order with respect to the Company.
 - (e) The Company may terminate the agreement in writing with 7 days' notice. All outstanding expenses are immediately payable.
 - (f) The Company agrees to indemnify the Underwriter against any and all material losses, claims, actions, suits, proceedings, damages, liabilities or expenses which arise in connection with the services provided by the Underwriter under the agreement, or as a result of any breach of the agreement by the Company.

6.6 SERVICES AGREEMENT

The Company has entered into a services agreement (**Services Agreement**) with Boardroom Capital Pty Ltd – a related party. See Section 5.6 for further information.

7. ADDITIONAL INFORMATION

7.1 RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a general description of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act and the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **Ranking of Shares**

At the date of this Prospectus, all shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares on issue.

(b) **Voting rights**

Subject to the provisions of the Corporations Act and to any rights given on the issue of new shares, at any meeting each member present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each Share held.

(c) **Dividend rights**

Any dividends that may be declared by the Company are payable to the members in proportion to the shares held by them.

(d) **Variation of rights**

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

(e) **Transfer of Shares**

The Directors of the Company may restrict the right to transfer shares by refusing to register any transfer. No Share shall be transferred to a non-member if a member is willing to purchase the Share at a fair value. The Directors may refuse to register a transfer of Shares where the Company has a lien on those Shares.

(f) **General meetings**

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company.

(g) **Non-marketable parcels**

The directors may refuse to register any transfer of shares if the transfer will create a new shareholding of less than a marketable parcel except where such transfer is lodged for registration in the nominee company of a stockbroker, who is recognised as an odd lot broker by the ASX.

(h) **Rights on winding up**

If the Company is wound up the available assets for distribution among the members shall be distributed in proportion to the capital paid up by each member. A liquidator may with the sanction of a special resolution:

- (i) divide among the Shareholders the whole or any part of the Company's property; and
- (ii) decide how the division is to be carried out between the Shareholders.

7.2 TERMS AND CONDITIONS OF NOTEHOLDER OPTIONS

The Noteholder Options entitle the holder to subscribe for Shares on the terms and conditions set out below.

(a) **Entitlement**

Each Noteholder Option entitles the holder to subscribe for one Share upon exercise of the Noteholder Option.

(b) **Expiry Date**

Each Noteholder Option will expire at 5.00pm (WST) on the date that is 3 years after the date that the Noteholder Option is issued (**Expiry Date**).

(c) **Exercise Price**

Each Noteholder Option will have an exercise price equal to \$0.25 (**Exercise Price**).

(d) **Exercise period and lapsing**

Subject to clause (i), Noteholder Options may be exercised at any time after the date of issue and prior to the Expiry Date. After this time, any unexercised Noteholder Options will automatically lapse.

(e) **Exercise Notice and payment**

Noteholder Options may be exercised by notice in writing to the Company (**Exercise Notice**) together with payment of the Exercise Price for each Noteholder Option being exercised. Any Exercise Notice for a Noteholder Option received by the Company will be deemed to be a notice of the exercise of that Noteholder Option as at the date of receipt. Cheques paid in connection with the exercise of Noteholder Options must be in Australian currency, made payable to the Company and crossed "Not Negotiable".

(f) **Shares issued on exercise**

Shares issued on exercise of Noteholder Options will rank equally in all respects with then existing fully paid ordinary shares in the Company.

(g) **Quotation of Shares**

Provided that the Company is quoted on ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Noteholder Options.

(h) **Timing of issue of Shares**

Subject to clause (i), within 5 business days after the later of the following:

- (i) receipt of an Exercise Notice given in accordance with these terms and conditions and payment of the Exercise Price for each Noteholder Option being exercised by the Company if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and
- (ii) the date the Company ceases to be in possession of excluded information with respect to the Company (if any) following the receipt of the Notice of Exercise and payment of the Exercise Price for each Noteholder Option being exercised by the Company,

the Company will:

- (iii) allot and issue the Shares pursuant to the exercise of the Noteholder Options;
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (to the extent that it is legally able to do so); and
- (v) apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Noteholder Options.

(i) **Shareholder and regulatory approvals**

Notwithstanding any other provision of these terms and conditions, exercise of Noteholder Options into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Noteholder Options would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Noteholder Option that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Noteholder Options may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Noteholder Options will not result in any person being in contravention of section 606(1) of the Corporations Act.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Noteholder Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Noteholder Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least four business days after the issue is

announced. This is intended to give the holders of Noteholder Options the opportunity to exercise their Noteholder Options prior to the announced record date for determining entitlements to participate in any such issue.

(k) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Noteholder Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Noteholder Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.

(m) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(n) **Quotation**

The Company will not apply for quotation of the Noteholder Options on ASX.

(o) **Transferability**

Noteholder Options can only be transferred with the prior written consent of the Company (which consent may be withheld in the Company's sole discretion).

7.3 **TERMS AND CONDITIONS OF CREDITOR OPTIONS**

The Creditor Options entitle the holder to subscribe for Shares on the terms and conditions set out below.

(a) **Entitlement**

Each Creditor Option entitles the holder to subscribe for one Share upon exercise of the Creditor Option.

(b) **Expiry Date**

Each Creditor Option will expire at 5.00pm (WST) on the date that is 1 year after the date that the Creditor Option is issued (**Expiry Date**).

(c) **Exercise Price**

Each Creditor Option will have an exercise price of \$0.20 (**Exercise Price**).

(d) **Vesting, exercise period and lapsing**

Creditor Options will vest 3 months after issue provided that the holder has retained legal and beneficial ownership of the Shares to which the Creditor Option attached to when issued. Subject to clause (i), Creditor Options may be exercised at any time after the date of vesting and prior to the Expiry Date. After this time, any unexercised Creditor Options will automatically lapse.

(e) **Exercise Notice and payment**

Creditor Options may be exercised by notice in writing to the Company (**Exercise Notice**) together with payment of the Exercise Price for each Creditor Option being exercised. Any Exercise Notice for a Creditor Option received by the Company will be deemed to be a notice of the exercise of that Creditor Option as at the date of receipt. Cheques paid in connection with the exercise of Creditor Options must be in Australian currency, made payable to the Company and crossed "Not Negotiable".

(f) **Shares issued on exercise**

Shares issued on exercise of Creditor Options will rank equally in all respects with then existing fully paid ordinary shares in the Company.

(g) **Quotation of Shares**

Provided that the Company is quoted on ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued pursuant to the exercise of the Creditor Options.

(h) **Timing of issue of Shares**

Subject to clause (i), within 5 business days after receipt of an Exercise Notice the Company will allot and issue the Shares pursuant to the exercise of the Creditor Options. The Company makes no representation that the Shares will be freely tradeable upon issue and the holder acknowledges that the Shares may be subject to the on-sale restrictions contained in sections 706 and 707 of the Corporations Act. In these circumstances, the holder agrees not to trade the Shares for so long as the Shares are subject to such restrictions.

(i) **Shareholder and regulatory approvals**

Notwithstanding any other provision of these terms and conditions, exercise of Creditor Options into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Creditor Options would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Creditor Option that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Creditor Options may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Creditor Options will not result in any person being in contravention of section 606(1) of the Corporations Act.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Creditor Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Creditor Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least four business days after the issue is announced. This is intended to give the holders of Creditor Options the opportunity to exercise their Creditor Options prior to the announced record date for determining entitlements to participate in any such issue.

(k) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Creditor Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Creditor Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.

(m) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(n) **Quotation**

The Company will not apply for quotation of the Creditor Options on ASX.

(o) **Transferability**

Creditor Options can only be transferred with the prior written consent of the Company (which consent may be withheld in the Company's sole discretion).

7.4 CONTINUOUS DISCLOSURE

As the Company is admitted to the official list of ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders

and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

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

- it is subject to regular reporting and disclosure obligations;
- copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Second Closing Date:
 - the annual financial report of the Company for the period ending 30 June 2014 (being the Company's most recent annual financial report lodged with ASIC before the date of this Prospectus);
 - the half-year financial report of the Company for the period ending 31 December 2013; and
 - all continuous disclosure notices given by the Company after lodgement of the annual financial report of the Company for the period ending 30 June 2014 and before the lodgement of this Prospectus with ASIC (please refer to the table below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- would reasonably require for the purpose of making an informed assessment of:
 - the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - the rights and liabilities attaching to the securities the subject of this Prospectus; and
- would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offers. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with the ASX in respect of the Company since the lodgement of the annual financial report for the period ending 30 June 2014.

Date	Title
25 February 2015	Change of Share Registry

7.5 INTERESTS OF EXPERTS AND ADVISERS

Other than as set out below or elsewhere in the Prospectus, no expert, promoter, or any other 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, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, within two years before lodgement of the Prospectus with ASIC, has:

- had any interest in the formation or promotion of the Company or in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offers, or in the Offers; and
- received any amounts or benefits or has agreed to be paid benefits for services rendered by such persons in connection with the formation or promotion of the Company or the Offers.

CPS Capital Group Pty Ltd has acted as lead manager and underwriter to the Entitlement Offer. Details of the Underwriting Agreement and the fees payable to the Underwriter in relation to the underwriting of the Entitlement Offer are set out in Section 6.5.

Boardroom Capital Pty Ltd has acted as corporate adviser to the Company in relation to the Offers. Total fees payable to Boardroom Capital for these services and other services in relation to the Recapitalisation Proposal are approximately \$130,000 plus GST.

Price Sierakowski Corporate has acted as legal adviser to the Company in relation to the Offers. Total fees payable to Price Sierakowski Corporate for these services and other services in relation to the Recapitalisation Proposal are approximately \$179,000 plus GST. Additional legal fees in relation to the Offers may be incurred by the Company subsequent to the lodgement of this Prospectus and will be charged at Price Sierakowski Corporate's normal hourly rates.

BDO Corporate Finance (WA) Pty Ltd has prepared the Investigating Accountant's Report which is included in Section 3 of this Prospectus. Total fees payable to BDO Corporate Finance (WA) Pty Ltd for these services are approximately \$10,000 plus GST.

7.6 CONSENTS

Each of the parties referred to below:

- does not make the Offers;
- does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and

- has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statement in this Prospectus that are specified below in the form and context in which the statements appear.

CPS Capital Group Pty Ltd has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as lead manager and underwriter to the Entitlement Offer in the form and context in which it is named. CPS Capital Group Pty Ltd has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

Boardroom Capital Pty Ltd has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as corporate adviser in the form and context in which it is named. Boardroom Capital has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

Price Sierakowski Corporate has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as legal adviser in the form and context in which it is named. Price Sierakowski Corporate has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

BDO Corporate Finance (WA) Pty Ltd has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the investigating accountant in the form and context in which it is named and to the inclusion of the Investigating Accountant's Report in the form and context in which it is included. BDO Corporate Finance (WA) Pty Ltd has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name and the Investigating Accountant's Report.

Automic Registry Services has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as Share Registry in the form and context in which it is named. Automic Registry Services has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry. Automic Registry Services has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

7.7 DEED ADMINISTRATOR

The Deed Administrator (including in his capacity as Administrator and Trustee) has not been involved in the preparation of this Prospectus and has taken no part in the preparation of any documents and expresses no opinion regarding the Recapitalisation Proposal. The Deed Administrator (including in its capacity as Administrator) has not independently verified any of the information contained in this Prospectus. Neither the Deed Administrator nor its servants, agents or employees make any representation or warranty (express or implied) as to the accuracy, reasonableness or completeness of the information contained in this Prospectus. To the extent permissible by law, all such parties and entities expressly disclaim any and all liability for, or based on or relating to, any such information contained in, or errors in or omissions from this Prospectus.

7.8 EXPENSES OF THE OFFERS

The estimated expenses of the Offers including all aspects of the Recapitalisation Proposal (excluding any GST) are set out below.

Expense	Amount
Corporate advisory fees	\$130,000
Investigating accountant's fees	\$10,000
Legal fees	\$179,000
Audit, accounting and tax fees	\$20,000
ASIC, ASX and other fees	\$50,000
Commissions associated with the Entitlement Offer	\$71,000
Total	\$460,000

7.9 LITIGATION

To the knowledge of the Directors, the Company is not involved in any litigation that is material for the purposes of this Prospectus. The Directors are not aware of any circumstances that might reasonably be expected to give rise to such litigation.

8. 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 ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company on 4 March 2015.



Paul Doropoulos
Executive Director
Stanfield Funds Management Limited

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9. DEFINITIONS

In this Prospectus:

Administrator means Mathew Gollant of Rodgers Reidy Chartered Accountants in his capacity as administrator of the Company.

Application Form means an Entitlement Offer Application Form, a Conversion Offer A Application Form, a Conversion Offer B Application Form, a Conversion Offer C Application Form, a Creditor Offer A Application Form and/or a Creditor Offer B Application Form, as the context requires.

Application Monies means the monies received from persons applying for Shares under the Entitlement Offer or the Broker Offer, as applicable.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

ASX Reinstatement means reinstatement of the Company's securities to quotation on the Official List of the ASX.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

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

Broker Offer means the conditional offer of 900,000 Shares to the Underwriter (and/or its nominees) at a nominal issue price of \$0.01 each pursuant to the Underwriting Agreement.

Board means the board of Directors.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Class A Note means a convertible note issued by the Company on the terms set out in Section 6.2.

Class B Note means a convertible note issued by the Company on the terms set out in Section 6.3.

Class C Note means a convertible note issued by the Company on the terms set out in Section 6.4.

Class A Noteholder means a beneficial holder of one of more Class A Notes.

Class B Noteholder means a holder of one of more Class A Notes.

Class C Noteholder means the holder of the Class C Notes.

Company means Stanfield Funds Management Limited (Subject to Deed of Company Arrangement) ACN 006 222 395.

Constitution means the constitution of the Company.

Conversion Offer A means the conditional offer of 2,320,000 Shares to the Class A Noteholders, together with 2 free attaching Noteholder Options for each Share issued, pursuant to the conversion of the Class A Notes.

Conversion Offer B means the conditional offer of 2,080,000 Shares to the Class B Noteholders, together with 2 free attaching Noteholder Options for each Share issued, pursuant to the conversion of the Class B Notes.

Conversion Offer C means the conditional offer of 344,548 Shares to the Class C Noteholder, together with 640,000 Noteholder Options, pursuant to the conversion of the Class C Notes.

Conversion Offers means Conversion Offer A, Conversion Offer B and/or Conversion Offer C, as the context requires.

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

Creditor Offer A means the conditional offer of 909,665 Shares to the Unsecured Creditors for nil cash consideration, together with 1 free attaching Creditor Option for each Share issued, pursuant to the DOCA.

Creditor Offer B means the conditional offer of 770,000 Shares to the New Creditors in consideration of services provided to the Company.

Creditor Offers means Creditor A Offer and/or Creditor Offer B, as the context requires.

Creditor Option means an Option on the terms and conditions set out in Section 7.3.

Deed Administrator means Mathew Gollant of Rodgers Reidy Chartered Accountants in his capacity as administrator of the DOCA.

Director means a director of the Company.

DOCA means the deed of company arrangement dated 6 October 2014 between the Deed Administrator and the Company as summarised in Section 6.1.

Eligible Shareholder has the meaning given in Section 1.4.

Entitlement Offer means the conditional, non-renounceable, pro rata entitlement offer of Shares to Shareholders at an issue price of \$0.25 each on the basis of 1 new Share for every 1 Share held at the Record Date to raise approximately \$1,180,148 (before costs).

Exempt Investors means an investor to whom securities may be offered by the Company without disclosure under section 708 of the Corporations Act (excluding section 708(1)).

First Closing Date means the date that the Entitlement Offer closes which is 5.00pm (WST) on 24 March 2015 or such other time and date as the Directors determine.

First Opening Date means the date that the Entitlement Offer opens which is 13 March 2015 or such other time and date as the Directors determine.

General Meeting means the annual general meeting of Shareholders to be held on or about 20 April 2015 as referred to in Section 2.5.

Investigating Accountant's Report means the investigating accountant's report prepared by BDO Corporate Finance (WA) Pty Ltd and included in Section 3.

Listing Rules means the ASX Listing Rules published and distributed by the ASX.

New Creditors means certain creditors who have provided services to the Company in relation to the Recapitalisation Proposal.

Note means a Class A Note, a Class B Note and/or a Class C Note, as the context requires.

Noteholder Option means an Option on the terms and conditions set out in Section 7.2.

Noteholder means a Class A Noteholder, a Class B Noteholder and/or a Class C Noteholder, as the context requires.

Offer means the Entitlement Offer, Conversion Offer A, Conversion Offer B, Conversion Offer C, Creditor Offer A, Creditor Offer B and/or the Broker Offer as the context requires.

Offer Price means \$0.25.

Official List means the official list of the ASX.

Option means an option to acquire a Share.

Proponent means NVNG Investments Pty Ltd ACN 600 403 398.

Prospectus means this prospectus dated 4 March 2015.

Record Date means 12 March 2015.

Recapitalisation Proposal means the proposal for the reconstruction and recapitalisation of the Company as described in Section 2.4.

Relevant Interest has the meaning given in the Corporations Act.

Second Closing Date means the date that the Conversion Offers, Creditor Offers and Broker Offers close which is 5.00pm (WST) on 1 May 2015 or such other time and date as the Directors determine.

Second Opening Date means the date that the Conversion Offers, Creditor Offers and broker Offer open which is 24 April 2015 or such other time and date as the Directors determine.

Services Agreement means the services agreement between the Company and Boardroom Capital summarised in Section 5.6.

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

Shareholder means a holder of one or more Shares.

Share Registry means Automic Pty Ltd ACN 152 260 814 trading as Automic Registry Services.

Specified Resolutions has the meaning given in Section 2.5.

Subscription Account means the Company's bank account titled "Stanfield Funds Management Limited – Subscription Account" which has been established for the purpose of holding the Application Monies.

Underwriter means CPS Capital Group Pty Ltd ACN 088 055 636.

Underwriting Agreement means the underwriting agreement between the Company and the Underwriter summarised in Section 6.5.

Unsecured Creditor means a creditor who has a claim against the Company (as determined by the Deed Administrator in accordance with the DOCA) which is not secured by any registered security.

WST means Western Standard Time, being the time in Perth, Western Australia.

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Stanfield Funds Management Limited
(Subject to Deed of Company Arrangement)
ACN 006 222 395

Supplementary Prospectus

IMPORTANT NOTICE

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 4 March 2015 (**Prospectus**) issued by Stanfield Funds Management Limited (Subject to Deed of Company Arrangement) ACN 006 222 395 (**Company**).

This Supplementary Prospectus is dated 13 March 2015 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility as to the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. Other than the changes set out below, all other details in relation to the Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, the provisions of this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

The Company has issued both a printed and electronic version of this Supplementary Prospectus and the Prospectus. Electronic versions of both may be accessed at www.stanfieldfunds.com.au.

This Supplementary Prospectus and the Prospectus are important documents that should be read in their entirety. If you have any questions about the securities being offered under the Prospectus and Supplementary Prospectus, or any other matter, you should consult your professional advisers without delay.

1. SUPPLEMENTARY PROSPECTUS

1.1 Reason for this Supplementary Prospectus

This Supplementary Prospectus has been prepared to include a summary of the formal underwriting agreement (**Formal Agreement**) entered into by the Company and CPS Capital Group Pty Ltd ACN 088 055 636 (**Underwriter**) on 12 March 2015, and to clarify with respect to the payment of fees to sub-underwriters.

1.2 Effect of this Supplementary Prospectus

The Company must give applicants under the Prospectus who have lodged applications for securities prior to the date of this Supplementary Prospectus certain options as required by sub-section 724(1) of the Corporations Act. However, as at the date of this Supplementary Prospectus, the Company has not received any applications or money in relation to any Offer.

1.3 Application Forms

Applications for securities under an Offer must be made using the applicable application form attached to or accompanying this Supplementary Prospectus (**Supplementary Application Form**). Applications must NOT be made on an Application Form attached to or accompanying the Prospectus.

The Supplementary Application Forms for each Offer contain detailed instructions on how they are to be completed and returned. In all other respects, the procedure for applying for securities under an Offer is as set out in Section 1.9 of the Prospectus.

2. AMENDMENTS TO THE PROSPECTUS

2.1 Capital raising fees

Section 1.12 of the Prospectus is deleted and replaced with the following:

“1.12 CAPITAL RAISING FEES

Under the Underwriting Agreement, the Underwriter will receive a total fee of 7% (plus GST) of funds raised under the Entitlement Offer. The Underwriter is responsible for the payment of fees to sub-underwriters, which may be paid by the Underwriter at a rate of up to 5% (plus GST) of funds raised by the sub-underwriters under the Entitlement Offer.”

2.2 Underwriting Agreement

Section 6.5 of the Prospectus is deleted and replaced with the following:

“6.5 UNDERWRITING AGREEMENT

The Company has entered into a letter agreement and a formal under writing agreement with CPS Capital Group Pty Ltd (**Underwriter**). Both documents together constitute the **Underwriting Agreement**.

The key terms of the Underwriting Agreement are as follows:

Appointment and fees

The Underwriter is appointed as the lead manager, underwriter and broker to the Entitlement Offer on an exclusive basis. Fees for these services are as follows:

- (a) **(capital raising and underwriting):**
 - (i) the Underwriter will receive a management fee of 1% plus GST of the funds raised under the Entitlement Offer;
 - (ii) the Underwriter will receive an underwriting fee of 6% plus GST of the funds raised under the Entitlement Offer;
 - (iii) the Underwriter (and/or its nominees) will receive 900,000 Shares at a nominal issue price of \$0.01 each, of which 25% will be subject to escrow for 6 months from ASX Reinstatement, and 75% will be subject to escrow for a period of 12 months from ASX Reinstatement; and
- (b) **(corporate advisory services):**
 - (i) the Underwriter will receive a monthly fee of \$5,000 plus GST for providing corporate advisory services for up to 12 months after ASX Reinstatement; and
 - (ii) the Underwriter will receive a research fee of \$5,000 plus GST for each research paper it provides after ASX Reinstatement and after any investment that the Company undertakes.

The Underwriter may pay up to 5% plus GST (where applicable) to any external brokers that sub-underwrite the Entitlement Offer.

Representations and warranties

Customary and usual representations and warrants are given by the parties in relation to matters such as power to enter into the Underwriting Agreement and corporate authority. The Company gives a number of further representations and warranties to the Underwriter, including in relation to due diligence, litigation, solvency, disclosure, misleading or deceptive statements in the

Prospectus, encumbrances and other matters concerning the Entitlement Offer and the affairs of the Company.

Indemnity

The Company indemnifies the Underwriter and persons associated with the Underwriter (**Indemnified Parties**) in connection with certain loss that may be suffered in connection with the Entitlement Offer. The indemnity does not apply:

- (a) to any penalties or fines which the Underwriter must pay in respect of any contravention of the Corporations Act by the Underwriter or any Indemnified Party; or
- (b) in respect of liability which results from the willful default or the gross negligence of the Indemnified Party.

However, if any amount to which the indemnity applies results from the willful default or the gross negligence of the Underwriter or an Indemnified Party, the Company agrees to reimburse the amount until such willful default or gross negligence is established by a Court of final jurisdiction.

Termination events

The Underwriter may terminate the Underwriting Agreement if any of the following termination events occurs before the issue of Shares under the Entitlement Offer:

- (a) **(Indices fall)** The S&P or ASX 200 Index closes on any 2 consecutive trading days before the date that is 5 Business Days after the First Closing Date (**Shortfall Notice Date**) by 7.5% or more below its respective level as at the close of business on 11 March 2015.
- (b) **(Offer withdrawn)**: The Entitlement Offer is withdrawn by the Company.
- (c) **(No official quotation)**: ASX has advised the Company that it will or may not grant official quotation to the Shares offered under the Entitlement Offer (**Underwritten Shares**) on or prior to the Shortfall Notice Date.
- (d) **(Restriction on issue)**: The Company is prevented from issuing the Underwritten Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, or any court or regulatory authority.
- (e) **(Takeovers Panel)**: The Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt. 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel.
- (f) **(Authorisation)**: Any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter.
- (g) **(Event of insolvency)**: An event of insolvency occurs in respect of the Company other than as is described in the Prospectus or as otherwise advised to the Underwriter. The Underwriter acknowledges that the Company is currently subject to a Deed of Company Arrangement.
- (h) ***(Default)**: Default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking which is incapable of remedy or is not remedied by the First Closing Date.
- (i) ***(Incorrect or untrue representation)**: Any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect.

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- (j) ***(Constitution or Corporations Act):** A contravention by the Company of any provision of its Constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX.
 - (k) ***(Adverse change):** An event occurs which gives rise to a material adverse effect in relation to the Company's assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company.
 - (l) ***(Error in due diligence results):** It transpires that any of the due diligence results or any part of the verification material was false, misleading or deceptive or that there was an omission from them that is materially adverse from the point of view of an investor.
 - (m) ***(Significant change):** A "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor other than with respect to a supplementary prospectus lodged to disclose a summary of the Underwriting Agreement.
 - (n) ***(Public statements):** Without the prior approval of the Underwriter a public statement is made by the Company in relation to the Entitlement Offer or the Prospectus.
 - (o) ***(Misleading information):** Any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Entitlement Offer or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive.
 - (p) ***(Change in Act or policy):** There is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy.
 - (q) ***(Corporate actions):** The Company undertakes one or more certain prescribed corporate action other than as disclosed in the Prospectus.
 - (r) ***(Suspension of debt payments):** The Company suspends payment of its debts generally.
 - (s) ***(Judgment against the Company):** A judgment in an amount exceeding \$50,000 is obtained against the Company and is not set aside or satisfied within 7 days.
 - (t) ***(Litigation):** Litigation, arbitration, administrative or industrial proceedings are commenced against the Company.
 - (u) ***(Indictable offence):** A Director is charged with an indictable offence.
 - (v) ***(Board and senior management composition):** There is a change in the composition of the Board or a change in the senior management of the Company before the issue of the Underwritten Shares without the prior written consent of the Underwriter.
 - (w) ***(Change in shareholdings):** There is a material change in the major or controlling shareholdings of the Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company.
 - (x) ***(Timetable):** There is a delay in any specified date in the timetable which is greater than 10 business days.
 - (y) ***(Force majeure):** A force majeure event affecting the Company's business or any obligation under the Underwriting Agreement lasts in excess of 7 days occurs.
 - (z) ***(Hostilities):** There is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement;

involving one or more of Australia, New Zealand, Indonesia, Japan, the United Kingdom or the United States of America, or a terrorist act is perpetrated in any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world.

- (aa) ***(Certain resolutions passed):** The Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its Constitution without the prior written consent of the Underwriter.
- (bb) ***(Capital Structure):** The Company alters its capital structure in any manner not contemplated by the Prospectus or the Underwriting Agreement.
- (cc) ***(Material contracts):** Any of the Company's material contracts is terminated or substantially modified.
- (dd) ***(Investigation):** Any person is appointed under any legislation in respect of companies to investigate the affairs of the Company.
- (ee) ***(Market Conditions):** A suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriter may only terminate the Underwriting Agreement where an event marked with an asterisk (*) above has occurred if, in the reasonable opinion of the Underwriter reached in good faith, that event has, or is likely to have, or could reasonably be expected to have, a material adverse effect on the Entitlement Offer or the Company or could give rise to liability of the Underwriter under the Corporations Act."

3. CONSENTS

CPS Capital Group Pty Ltd has given, and has not before lodgement of this Supplementary Prospectus withdrawn, its written consent to be named in this Supplementary Prospectus as lead manager and underwriter to the Entitlement Offer in the form and context in which it is named. CPS Capital Group Pty Ltd has not authorised or caused the issue of this Supplementary Prospectus and takes no responsibility for any part of this Supplementary Prospectus other than references to its name.

4. DIRECTORS' AUTHORISATION

This Supplementary 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 Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.

Signed for and on behalf of the Company on 13 March 2015.



Paul Doropoulos
Executive Director
Stanfield Funds Management Limited

INSTRUCTIONS TO COMPLETION OF THIS SUPPLEMENTARY ENTITLEMENT OFFER APPLICATION FORM

The Entitlement Offer to which this Supplementary Entitlement Offer Application Form relates is not being made to investors located or resident outside of Australia or New Zealand. In particular, this Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Prospectus, the Supplementary Prospectus and Supplementary Entitlement Offer Application Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF ENTITLEMENT OFFER

By returning the Supplementary Entitlement Offer Application Form with payment to the Company:

- you represent and warrant that you have read and understood both the Prospectus and the Supplementary Prospectus and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of new Shares acquired by you and agree to be bound by the Constitution of the Company.

HOW TO APPLY FOR NEW SHARES

1 Acceptance of Entitlement Shares

Enter into section 1 the number of new Shares you wish to apply for. The number of new Shares must be equal to or less than your Entitlement, which is set out overleaf.

2 Payment Amount

Enter into section 2 the total amount payable for the number of Entitled new Shares for which you are applying. If the dollar amount divided by the issue price is a fraction of a new Share, the new Shares allotted will be rounded down.

3 Application for Additional New Shares

You can only apply for Additional New Shares pursuant to Section 1.5 of the Prospectus if you have applied for your full entitlement in section 1. The Company reserves the right to accept or reject applications for Additional New Shares and no interest will be paid on funds returned to the applicant.

Enter into section 3 the number of Additional New Shares you wish to apply for.

4 Payment Amount

Enter into section 4 the total amount payable for the number of Additional New Shares for which you are applying. If the dollar amount divided by the issue price is a fraction of a new Share, the new Shares allotted will be rounded down.

5 Cheque Details

Enter your cheque details in section 5. Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to **Stanfield Funds Management Limited – Subscription Account** and crossed "Not Negotiable". Please ensure sufficient funds are held in your account. If you provide a cheque for an incorrect amount the Company may treat you as applying for as many new Shares as your cheque will pay for.

6 Contact Details

Please enter a contact number we may reach you on between the hours of 9:00am and 5:00pm. We may use this number to contact you regarding your acceptance of the new Shares, if necessary.

HOW TO LODGE YOUR SUPPLEMENTARY ENTITLEMENT OFFER APPLICATION FORM

Your completed Supplementary Entitlement Offer Application Form can be mailed or delivered with your payment for new Shares to either of the below addresses. Please ensure your application and payment is received by the close of the Entitlement Offer.

Mailing Address

Stanfield Funds Management Limited
283 Rokeby Road
SUBIACO WA 6008

Hand Delivery

Stanfield Funds Management Limited
283 Rokeby Road
SUBIACO WA 6008

If you require further information about the offer, please contact the Company on +61 8 6315 3505 during normal business hours. Questions relating to the completion of an Application Form can be directed to the Share Registry on 1300 288 664 (if calling from within Australia) or +61 8 9324 2099 (if calling from outside Australia).

SUPPLEMENTARY CONVERSION OFFER A APPLICATION FORM

Stanfield Funds Management Limited ACN 131 446 335
 (Subject to Deed of Company Arrangement)

Please read all instructions on the reverse of this form

Share Registrars Use Only	
Broker reference – Stamp only	
Broker Code	Adviser Code

A Number of securities applied for

B Full name details, title, given name(s) (no initials) and surname or Company name

Name of applicant 1

Name of applicant 2 or <Account Designation>

Name of applicant 3 or <Account Designation>

D Write Your Full Postal Address Here

Number/Street

Suburb/Town

F Chess HIN (if applicable)

G You should read the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015 carefully before completing this Supplementary Application Form. The Corporations Act prohibits any person from passing on this Supplementary Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and the Supplementary Prospectus (whether in paper or electronic form).

I/We declare that:

- (a) I/we agree to the terms and conditions of the Prospectus and the Supplementary Prospectus and I/we are eligible to apply for securities under the Prospectus and the Supplementary Prospectus having regard to all applicable securities laws;
- (b) this Supplementary Application Form is completed according to the declaration/appropriate statements on the reverse of this form and I/we agree to be bound by the constitution of Stanfield Funds Management Limited; and
- (c) I/we have received personally a copy of the Prospectus and the Supplementary Prospectus accompanied by or attached to this Supplementary Application Form or a copy of this Supplementary Application Form or a direct derivative of this Supplementary Application Form, before applying for securities.

Return of this Supplementary Application Form will constitute your offer to subscribe for securities in the Company under Conversion Offer A. Please note that the Company will not accept electronic lodgement of Supplementary Application Forms or electronic funds transfer.

C Tax File Number(s)
Or exemption category

E Contact Details

Contact Name

Contact telephone number

State/postcode

For personal use only

Guide to the Supplementary Conversion Offer A Application Form

This Supplementary Application Form relates to the offer of securities in Stanfield Funds Management Limited pursuant to the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the securities of Stanfield Funds Management Limited and it is advisable to read this document before applying for securities. A person who gives another person access to this Supplementary Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Supplementary Application Form on request and without charge.

Please complete all relevant sections of the Supplementary Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Supplementary Application Form. Further particulars in the correct forms of registrable titles to use on the Supplementary Application Form are contained in the table below.

- A Insert the number of securities you wish to apply for.
- B Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- C Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint applicant. Collection of TFNs is authorised by taxation laws. Quotation for your TFN is not compulsory and will not affect your application.
- D Please enter your postal address for all correspondence. All communications to you from the Share Registry will be mailed to the person(s) and address as shown. For Joint applicants, only one address can be entered.
- E Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Supplementary Application Form.
- F Stanfield Funds Management Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities issued.

If you are CHES participant (or are sponsored by a CHES participant) and you wish to hold securities issued to you under this Supplementary Application Form in uncertified form on the CHES subregister, complete section F or forward your Supplementary Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave section F blank and on issue, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- G Before completing the Supplementary Application Form the applicant(s) should read the Prospectus and Supplementary Prospectus to which the Supplementary Application Form relates. By lodging the Supplementary Application Form, the applicant(s) agrees that this Supplementary Application Form is for securities in Stanfield Funds Management Limited upon and subject to the terms of this Prospectus and the Supplementary Prospectus, and agrees to take any number of securities equal to or less than the number of securities indicated in section A that may be issued to the applicant(s) pursuant to the Prospectus and the Supplementary Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Supplementary Application Form.

Lodgement of Supplementary Application Forms: Return your completed Supplementary Application Form to:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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Supplementary Application Forms must be received no later than 5.00pm (WST) on 1 May 2015 which may be changed immediately after the First Opening Date at any time at the discretion of the Company

Correct form of Registrable Title

Note that only legal entities are allowed to hold securities. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Stanfield Funds Management Limited. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual - Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company - Use Company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates - Use executor(s) person name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships - Use partners personal names, do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

SUPPLEMENTARY CONVERSION OFFER B APPLICATION FORM

Stanfield Funds Management Limited ACN 131 446 335
 (Subject to Deed of Company Arrangement)

Please read all instructions on the reverse of this form

Share Registrars Use Only	
Broker reference – Stamp only	
Broker Code	Adviser Code

A Number of securities applied for

B Full name details, title, given name(s) (no initials) and surname or Company name

Name of applicant 1

Name of applicant 2 or <Account Designation>

Name of applicant 3 or <Account Designation>

D Write Your Full Postal Address Here

Number/Street

Suburb/Town

F Chess HIN (if applicable)

G You should read the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015 carefully before completing this Supplementary Application Form. The Corporations Act prohibits any person from passing on this Supplementary Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and the Supplementary Prospectus (whether in paper or electronic form).

I/We declare that:

- (a) I/we agree to the terms and conditions of the Prospectus and the Supplementary Prospectus and I/we are eligible to apply for securities under the Prospectus and the Supplementary Prospectus having regard to all applicable securities laws;
- (b) this Supplementary Application Form is completed according to the declaration/appropriate statements on the reverse of this form and I/we agree to be bound by the constitution of Stanfield Funds Management Limited; and
- (c) I/we have received personally a copy of the Prospectus and the Supplementary Prospectus accompanied by or attached to this Supplementary Application Form or a copy of this Supplementary Application Form or a direct derivative of this Supplementary Application Form, before applying for securities.

Return of this Supplementary Application Form will constitute your offer to subscribe for securities in the Company under Conversion Offer B. Please note that the Company will not accept electronic lodgement of Supplementary Application Forms or electronic funds transfer.

C Tax File Number(s)
Or exemption category

E Contact Details

Contact Name

Contact telephone number

State/postcode

For personal use only

Guide to the Supplementary Conversion Offer B Application Form

This Supplementary Application Form relates to the offer of securities in Stanfield Funds Management Limited pursuant to the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the securities of Stanfield Funds Management Limited and it is advisable to read this document before applying for securities. A person who gives another person access to this Supplementary Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Supplementary Application Form on request and without charge.

Please complete all relevant sections of the Supplementary Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Supplementary Application Form. Further particulars in the correct forms of registrable titles to use on the Supplementary Application Form are contained in the table below.

- A Insert the number of securities you wish to apply for.
- B Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- C Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint applicant. Collection of TFNs is authorised by taxation laws. Quotation for your TFN is not compulsory and will not affect your application.
- D Please enter your postal address for all correspondence. All communications to you from the Share Registry will be mailed to the person(s) and address as shown. For Joint applicants, only one address can be entered.
- E Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Supplementary Application Form.
- F Stanfield Funds Management Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities issued.

If you are CHES participant (or are sponsored by a CHES participant) and you wish to hold securities issued to you under this Supplementary Application Form in uncertified form on the CHES subregister, complete section F or forward your Supplementary Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave section F blank and on issue, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- G Before completing the Supplementary Application Form the applicant(s) should read the Prospectus and Supplementary Prospectus to which the Supplementary Application Form relates. By lodging the Supplementary Application Form, the applicant(s) agrees that this Supplementary Application Form is for securities in Stanfield Funds Management Limited upon and subject to the terms of this Prospectus and the Supplementary Prospectus, and agrees to take any number of securities equal to or less than the number of securities indicated in section A that may be issued to the applicant(s) pursuant to the Prospectus and the Supplementary Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Supplementary Application Form.

Lodgement of Supplementary Application Forms: Return your completed Supplementary Application Form to:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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Supplementary Application Forms must be received no later than 5.00pm (WST) on 1 May 2015 which may be changed immediately after the First Opening Date at any time at the discretion of the Company

Correct form of Registrable Title

Note that only legal entities are allowed to hold securities. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Stanfield Funds Management Limited. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual - Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company - Use Company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates - Use executor(s) person name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships - Use partners personal names, do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

Guide to the Supplementary Conversion Offer C Application Form

This Supplementary Application Form relates to the offer of securities in Stanfield Funds Management Limited pursuant to the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the securities of Stanfield Funds Management Limited and it is advisable to read this document before applying for securities. A person who gives another person access to this Supplementary Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Supplementary Application Form on request and without charge.

Please complete all relevant sections of the Supplementary Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Supplementary Application Form. Further particulars in the correct forms of registrable titles to use on the Supplementary Application Form are contained in the table below.

- A Insert the number of securities you wish to apply for.
- B Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- C Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint applicant. Collection of TFNs is authorised by taxation laws. Quotation for your TFN is not compulsory and will not affect your application.
- D Please enter your postal address for all correspondence. All communications to you from the Share Registry will be mailed to the person(s) and address as shown. For Joint applicants, only one address can be entered.
- E Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Supplementary Application Form.
- F Stanfield Funds Management Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities issued.

If you are CHES participant (or are sponsored by a CHES participant) and you wish to hold securities issued to you under this Supplementary Application Form in uncertified form on the CHES subregister, complete section F or forward your Supplementary Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave section F blank and on issue, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- G Before completing the Supplementary Application Form the applicant(s) should read the Prospectus and Supplementary Prospectus to which the Supplementary Application Form relates. By lodging the Supplementary Application Form, the applicant(s) agrees that this Supplementary Application Form is for securities in Stanfield Funds Management Limited upon and subject to the terms of this Prospectus and the Supplementary Prospectus, and agrees to take any number of securities equal to or less than the number of securities indicated in section A that may be issued to the applicant(s) pursuant to the Prospectus and the Supplementary Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Supplementary Application Form.

Lodgement of Supplementary Application Forms: Return your completed Supplementary Application Form to:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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Supplementary Application Forms must be received no later than 5.00pm (WST) on 1 May 2015 which may be changed immediately after the First Opening Date at any time at the discretion of the Company

Correct form of Registrable Title

Note that only legal entities are allowed to hold securities. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Stanfield Funds Management Limited. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual - Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company - Use Company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates - Use executor(s) person name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships - Use partners personal names, do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

SUPPLEMENTARY CREDITOR OFFER A APPLICATION FORM

Stanfield Funds Management Limited ACN 131 446 335
 (Subject to Deed of Company Arrangement)

Please read all instructions on the reverse of this form

Share Registrars Use Only	
Broker reference – Stamp only	
Broker Code	Adviser Code

A Number of securities applied for

B Full name details, title, given name(s) (no initials) and surname or Company name

Name of applicant 1

Name of applicant 2 or <Account Designation>

Name of applicant 3 or <Account Designation>

D Write Your Full Postal Address Here

Number/Street

Suburb/Town

F Chess HIN (if applicable)

G You should read the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015 carefully before completing this Supplementary Application Form. The Corporations Act prohibits any person from passing on this Supplementary Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and the Supplementary Prospectus (whether in paper or electronic form).

I/We declare that:

- (a) I/we agree to the terms and conditions of the Prospectus and the Supplementary Prospectus and I/we are eligible to apply for securities under the Prospectus and the Supplementary Prospectus having regard to all applicable securities laws;
- (b) this Supplementary Application Form is completed according to the declaration/appropriate statements on the reverse of this form and I/we agree to be bound by the constitution of Stanfield Funds Management Limited; and
- (c) I/we have received personally a copy of the Prospectus and the Supplementary Prospectus accompanied by or attached to this Supplementary Application Form or a copy of this Supplementary Application Form or a direct derivative of this Supplementary Application Form, before applying for securities.

Return of this Supplementary Application Form will constitute your offer to subscribe for securities in the Company under Creditor Offer A. Please note that the Company will not accept electronic lodgement of Supplementary Application Forms or electronic funds transfer.

C Tax File Number(s)
Or exemption category

E Contact Details

Contact Name

Contact telephone number

State/postcode

For personal use only

Guide to the Supplementary Creditor Offer A Application Form

This Supplementary Application Form relates to the offer of securities in Stanfield Funds Management Limited pursuant to the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the securities of Stanfield Funds Management Limited and it is advisable to read this document before applying for securities. A person who gives another person access to this Supplementary Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Supplementary Application Form on request and without charge.

Please complete all relevant sections of the Supplementary Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Supplementary Application Form. Further particulars in the correct forms of registrable titles to use on the Supplementary Application Form are contained in the table below.

- A Insert the number of securities you wish to apply for.
- B Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- C Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint applicant. Collection of TFNs is authorised by taxation laws. Quotation for your TFN is not compulsory and will not affect your application.
- D Please enter your postal address for all correspondence. All communications to you from the Share Registry will be mailed to the person(s) and address as shown. For Joint applicants, only one address can be entered.
- E Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Supplementary Application Form.
- F Stanfield Funds Management Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities issued.

If you are CHES participant (or are sponsored by a CHES participant) and you wish to hold securities issued to you under this Supplementary Application Form in uncertified form on the CHES subregister, complete section F or forward your Supplementary Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave section F blank and on issue, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- G Before completing the Supplementary Application Form the applicant(s) should read the Prospectus and Supplementary Prospectus to which the Supplementary Application Form relates. By lodging the Supplementary Application Form, the applicant(s) agrees that this Supplementary Application Form is for securities in Stanfield Funds Management Limited upon and subject to the terms of this Prospectus and the Supplementary Prospectus, and agrees to take any number of securities equal to or less than the number of securities indicated in section A that may be issued to the applicant(s) pursuant to the Prospectus and the Supplementary Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Supplementary Application Form.

Lodgement of Supplementary Application Forms: Return your completed Supplementary Application Form to:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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Supplementary Application Forms must be received no later than 5.00pm (WST) on 1 May 2015 which may be changed immediately after the First Opening Date at any time at the discretion of the Company

Correct form of Registrable Title

Note that only legal entities are allowed to hold securities. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Stanfield Funds Management Limited. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual - Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company - Use Company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates - Use executor(s) person name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships - Use partners personal names, do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

SUPPLEMENTARY CREDITOR OFFER B APPLICATION FORM

Stanfield Funds Management Limited ACN 131 446 335
 (Subject to Deed of Company Arrangement)

Please read all instructions on the reverse of this form

Share Registrars Use Only	
Broker reference – Stamp only	
Broker Code	Adviser Code

A Number of Shares applied for

B Full name details, title, given name(s) (no initials) and surname or Company name

Name of applicant 1

Name of applicant 2 or <Account Designation>

Name of applicant 3 or <Account Designation>

D Write Your Full Postal Address Here

Number/Street

Suburb/Town

F Chess HIN (if applicable)

G You should read the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015 carefully before completing this Supplementary Application Form. The Corporations Act prohibits any person from passing on this Supplementary Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and the Supplementary Prospectus (whether in paper or electronic form).

I/We declare that:

- (a) I/we agree to the terms and conditions of the Prospectus and the Supplementary Prospectus and I/we are eligible to apply for securities under the Prospectus and the Supplementary Prospectus having regard to all applicable securities laws;
- (b) this Supplementary Application Form is completed according to the declaration/appropriate statements on the reverse of this form and I/we agree to be bound by the constitution of Stanfield Funds Management Limited; and
- (c) I/we have received personally a copy of the Prospectus and the Supplementary Prospectus accompanied by or attached to this Supplementary Application Form or a copy of this Supplementary Application Form or a direct derivative of this Supplementary Application Form, before applying for securities.

Return of this Supplementary Application Form will constitute your offer to subscribe for securities in the Company under Creditor Offer B. Please note that the Company will not accept electronic lodgement of Supplementary Application Forms or electronic funds transfer.

C Tax File Number(s)
Or exemption category

E Contact Details

Contact Name

Contact telephone number

State/postcode

For personal use only

Guide to the Supplementary Creditor Offer B Application Form

This Supplementary Application Form relates to the offer of securities in Stanfield Funds Management Limited pursuant to the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the securities of Stanfield Funds Management Limited and it is advisable to read this document before applying for securities. A person who gives another person access to this Supplementary Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Supplementary Application Form on request and without charge.

Please complete all relevant sections of the Supplementary Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Supplementary Application Form. Further particulars in the correct forms of registrable titles to use on the Supplementary Application Form are contained in the table below.

- A Insert the number of securities you wish to apply for.
- B Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- C Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint applicant. Collection of TFNs is authorised by taxation laws. Quotation for your TFN is not compulsory and will not affect your application.
- D Please enter your postal address for all correspondence. All communications to you from the Share Registry will be mailed to the person(s) and address as shown. For Joint applicants, only one address can be entered.
- E Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Supplementary Application Form.
- F Stanfield Funds Management Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities issued.

If you are CHES participant (or are sponsored by a CHES participant) and you wish to hold securities issued to you under this Supplementary Application Form in uncertified form on the CHES subregister, complete section F or forward your Supplementary Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave section F blank and on issue, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- G Before completing the Supplementary Application Form the applicant(s) should read the Prospectus and Supplementary Prospectus to which the Supplementary Application Form relates. By lodging the Supplementary Application Form, the applicant(s) agrees that this Supplementary Application Form is for securities in Stanfield Funds Management Limited upon and subject to the terms of this Prospectus and the Supplementary Prospectus, and agrees to take any number of securities equal to or less than the number of securities indicated in section A that may be issued to the applicant(s) pursuant to the Prospectus and the Supplementary Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Supplementary Application Form.

Lodgement of Supplementary Application Forms: Return your completed Supplementary Application Form to:

Delivered to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008	Posted to: Stanfield Funds Management Limited 283 Rokeby Road Subiaco WA 6008
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Supplementary Application Forms must be received no later than 5.00pm (WST) on 1 May 2015 which may be changed immediately after the First Opening Date at any time at the discretion of the Company

Correct form of Registrable Title

Note that only legal entities are allowed to hold securities. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Stanfield Funds Management Limited. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual - Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company - Use Company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates - Use executor(s) person name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships - Use partners personal names, do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

SUPPLEMENTARY BROKER OFFER APPLICATION FORM

Stanfield Funds Management Limited ACN 131 446 335
 (Subject to Deed of Company Arrangement)

Please read all instructions on the reverse of this form

A Number of Shares applied for
 at \$0.01 per Share

You may be allocated all of the Shares above or a lesser number

B Total amount payable by cheque(s) for Shares

C Full name details, title, given name(s) (no initials) and surname or Company name

Name of applicant 1

Name of applicant 2 or <Account Designation>

Name of applicant 3 or <Account Designation>

E Write Your Full Postal Address Here

Number/Street

Suburb/Town

G Chess HIN (if applicable)

H Cheque payment details please fill out your cheque details and make your cheque is payable to "Stanfield Funds Management Limited – Subscription Account"

Drawer	Cheque Number	BSB Number	Account Number	Total amount of cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="\$"/>

I You should read the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015 carefully before completing this Supplementary Application Form. The Corporations Act prohibits any person from passing on this Supplementary Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and the Supplementary Prospectus (whether in paper or electronic form).

i/We declare that:

- (a) I/we agree to the terms and conditions of the Prospectus and the Supplementary Prospectus and I/we are eligible to apply for securities under the Prospectus and the Supplementary Prospectus having regard to all applicable securities laws;
- (b) this Supplementary Application Form is completed according to the declaration/appropriate statements on the reverse of this form and I/we agree to be bound by the constitution of Stanfield Funds Management Limited; and
- (c) I/we have received personally a copy of the Prospectus and the Supplementary Prospectus accompanied by or attached to this Supplementary Application Form or a copy of this Supplementary Application Form or a direct derivative of this Supplementary Application Form, before applying for securities.

Return of this Supplementary Application Form will constitute your offer to subscribe for securities in the Company under Broker Offer. Please note that the Company will not accept electronic lodgement of Supplementary Application Forms or electronic funds transfer.

Share Registrars Use Only	
Broker reference – Stamp only	
Broker Code	Adviser Code

D Tax File Number(s)
 Or exemption category

F Contact Details

Contact Name

Contact telephone number
 ()

State/postcode

For personal use only

Guide to the Supplementary Broker Offer Application Form

This Supplementary Application Form relates to the offer of Shares in Stanfield Funds Management Limited pursuant to the Prospectus dated 4 March 2015 and the Supplementary Prospectus dated 13 March 2015. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the securities of Stanfield Funds Management Limited and it is advisable to read this document before applying for Shares. A person who gives another person access to this Supplementary Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Supplementary Application Form on request and without charge.

Please complete all relevant sections of the Supplementary Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Supplementary Application Form. Further particulars in the correct forms of resistible titles to use on the Supplementary Application Form are contained in the table below.

- A Insert the number of Shares you wish to apply for.
- B Insert the relevant account Application Monies. To calculate your Application Monies, add the number of Shares applied for multiplied by \$0.01.
- C Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- D Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint applicant. Collection of TFNs is authorised by taxation laws. Quotation for your TFN is not compulsory and will not affect your application.
- E Please enter your postal address for all correspondence. All communications to you from the Shares Registry will be mailed to the person(s) and address as shown. For Joint applicants, only one address can be entered.
- F Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your application.
- G Stanfield Funds Management Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities issued.

If you are CHES participant (or are sponsored by a CHES participant) and you wish to hold securities issued to you under this Supplementary Application Form in uncertified form on the CHES subregister, complete section G or forward your Supplementary Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave section G blank and on issue, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- H Please complete cheque details as requested.

Make your cheque payable to "Stanfield Funds Management Limited – Subscription Account" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank, and the amount should agree with the amount shown in section B.

Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Supplementary Application Form being rejected.

- I Before completing the Supplementary Application Form the applicant(s) should read the Prospectus and the Supplementary Prospectus to which the Supplementary Application Form relates. By lodging the Supplementary Application Form, the applicant(s) agrees that this Supplementary Application Form is for Shares in Stanfield Funds Management Limited upon and subject to the terms of this Prospectus and the Supplementary Prospectus, and agrees to take any number of Shares equal to or less than the number of Shares indicated in section A that may be issued to the applicant(s) pursuant to the Prospectus and the Supplementary Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Supplementary Application Form.

Lodgement of Supplementary Application Forms: Return your completed Supplementary Application Form with cheque(s) attached to:

Delivered to:

Stanfield Funds Management Limited
283 Rokeby Road
Subiaco WA 6008

Posted to:

Stanfield Funds Management Limited
283 Rokeby Road
Subiaco WA 6008

Supplementary Application Forms must be received no later than 5.00pm (WST) on 1 May 2015 which may be changed immediately after the First Opening Date at any time at the discretion of the Company.

Correct form of Registrable Title

Note that only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Stanfield Funds Management Limited. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual - Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company - Use Company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates - Use executor(s) person name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships - Use partners personal names, do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

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