

18 February 2010

Company Announcements Platform  
Australian Securities Exchange  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

Energy Metals Limited  
ABN 63 111 306 533  
Level 2  
18 Kings Park Road  
West Perth WA 6005  
PO Box 1033  
West Perth WA 6872  
Western Australia  
Telephone: (08) 9322 6904  
Facsimile: (08) 9321 7950  
Email: enquiry@energymetals.net  
Web: www.energymetals.net



Dear Sir/Madam

**Non Renounceable Entitlement Issue – Despatch of Offer Document and Entitlement and Acceptance Form and Shortfall Application**

Energy Metals Limited (ASX: EME) (**Company**) confirms it will today despatch the attached Letter to Shareholders and Offer Document, together with a personalised Entitlement & Acceptance and Shortfall Application Form to eligible shareholders, being those Shareholders who were registered at 5.00pm WST on 16 February.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Trish Farr', is positioned above the typed name.

Trish Farr  
Company Secretary  
ENERGY METALS LIMITED

18 February 2010

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ABN 63 111 306 533  
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Dear Shareholder

**Non Renounceable Entitlement Issue**

Energy Metals Limited (ASX: EME) (**Company**) invites shareholders who are registered at 5.00pm WST on 16<sup>th</sup> February 2010 (**Record Date**) to participate in a non-renounceable rights issue (**Entitlement Issue**) of one (1) fully paid ordinary share (**Shares**) for every nine (9) Shares held at an issue price of \$0.90 per share.

The purpose of the Entitlements Issue is to raise approximately \$12 million which will be applied to further the exploration and development of the Company's Bigryli Uranium Project in the Northern Territory and the Company's 100% owned projects in the Northern Territory and Western Australia and to provide working capital.

The Entitlement Issue is fully underwritten by China Uranium Company Limited (**CUD**). CUD is a major shareholder of the Company having a relevant interest of 66% of the Company's voting Shares.

An offer document relating to the Entitlement Issue (**Offer Document**) was lodged with ASX on Friday, 5 February 2010 and is enclosed for your information.

Also enclosed with this letter is a personalised Entitlement and Acceptance Form. This form also has a section whereby Shareholders have the opportunity to apply for Shortfall Shares (**Shortfall Offer**). The Shortfall Offer, enables shareholders (other than CUD) to apply for any new Shares not subscribed for under existing shareholder entitlements. Shareholders other than CUD will have priority to subscribe for new Shares under the Shortfall Offer, and CUD will only be obliged and authorised to subscribe, as underwriter, for any remaining new Shares not subscribed for under the Shortfall Offer. Further information regarding CUD, the underwriting, and the Shortfall Offer, is contained in the Offer Document.

If you are eligible and wish to participate in the Entitlement Issue, it will be necessary for you to complete this personalised Entitlement and Acceptance Form (along with any application for shortfall shares) and return it with the appropriate application monies to the Company's share registry before the anticipated closing date of 12 March 2010.

If you have any questions in relation to the Entitlements Issue, please do not hesitate to contact the Company on 08 9322 6904.

Yours sincerely

A handwritten signature in black ink that reads 'Lindsay Dudfield'.

**Lindsay Dudfield**  
**Executive Director**  
**ENERGY METALS LIMITED**

**ENERGY METALS LIMITED**  
**ABN 63 111 306 533**  
**(Company)**

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**OFFER DOCUMENT**

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For a non-renounceable Entitlement Issue of one (1) Share for every nine (9) Shares held by Shareholders registered at 5:00pm (WST) on 16 February 2010 at an issue price of \$0.90 per Share to raise up to approximately \$12 million (**Offer**).

The Offer is fully underwritten by China Uranium Development Company Limited.

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**IMPORTANT NOTICE**

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**This document is not a prospectus.** It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this document.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser without delay.

**This Offer opens on 19 February 2010 and closes at 5:00pm WST on 12 March 2010.**

Valid acceptances must be received before that time.

Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

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## 1. DETAILS OF THE OFFER

### 1.1 The Offer

The Company is making a non-renounceable pro rata offer of New Shares at an issue price of \$0.90 each on the basis of one (1) New Share for every nine (9) Shares held on the Record Date (**Offer**).

The Company intends to apply the funds raised from the Offer towards:

- (a) further exploration and development of the Company's 53.3% interest in the Biglyi Uranium Project (Northern Territory);
- (b) advancing the Company's 100% owned projects in both the Northern Territory and Western Australia; and
- (c) working capital.

As at the date of this Offer Document, the Company has on issue 120,865,490 Shares and 450,000 unlisted options. The Company expects that up to approximately 13,429,499 New Shares will be issued under the Offer.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded up to the nearest whole New Share.

### 1.2 Rationale for the Offer

As was announced to ASX on 8 September 2009, the Company entered into an implementation deed with CGNPC Uranium Resources Co Ltd (**URC**) under which China Uranium Development Company Limited (**CUD**) would offer to acquire up to 70% of the Shares in the Company by means of a proportional takeover bid (**Implementation Deed**). It was further agreed at that time (as announced on 8 September 2009 and as part of the Implementation Deed), that CUD would underwrite an entitlement issue. The terms of the Entitlement Issue were specifically agreed in the Implementation Deed, including the issue price of \$0.90. The terms of the Underwriting were also agreed at that time. CUD and the Company have subsequently entered into an underwriting agreement to fully document the terms of the underwriting of the Entitlement Issue.

CUD's proportional takeover concluded on 18 December 2009, the result of which is that CUD currently has a relevant interest of 66% of the Company's issued voting shares. Energy Metals is now accordingly proceeding with the Entitlement Issue as was contemplated under the Implementation Deed.

The Company acknowledges that since the week that the CUD takeover concluded, the Company's share price has fallen below the Entitlement Issue price, which the Company considers to be understandable given the large shareholding that CUD has acquired pursuant to the proportional takeover and the recent general downturn in equity markets. The last closing price of Shares on ASX prior to the announcement of the Offer on 5 February 2010 was \$0.70. The Company reiterates however that it is proceeding with the Entitlement Issue on the basis of the terms set out in the Implementation Deed in September, and in light of CUD's takeover offer price of \$1.02 per Share.

### 1.3 Timetable

Event	Date
<b>Announcement of Entitlement Issue and Appendix 3B Cleansing Notice and Offer Document lodged with ASX/Notice sent to Optionholders</b>	<b>5 February 2010</b>
<b>Notice sent to Security Holders</b>	<b>9 February 2010</b>
<b>Ex Date</b> (date from which securities commence trading without the entitlement to participate in the Entitlement Issue)	<b>10 February 2010</b>
<b>Record Date</b> (date for determining entitlements of eligible shareholders to participate in the Entitlement Issue)	<b>16 February 2010</b>
<b>Offer Document Dispatched to Shareholders</b> (expected date of dispatch of offer document, entitlement and acceptance forms)	<b>18 February 2010</b>
<b>Opening Date of Entitlement Issue</b>	<b>19 February 2010</b>
<b>Closing Date* 5pm (WST)</b>	<b>12 March 2010</b>
<b>Allotment date/ securities quoted on a deferred settlement basis **</b>	<b>15 March 2010</b>
<b>Company to notify ASX of undersubscriptions (if any) **</b>	<b>17 March 2010</b>
<b>Dispatch holding statements **</b>	<b>22 March 2010</b>

\* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

\*\* These dates are indicative only.

### 1.4 Entitlements and acceptance

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Document.

Acceptances must not exceed your maximum Entitlement (as shown on the Entitlement and Acceptance Form), although you may accept for a lesser number of New Shares should you wish to take up only part of your Entitlement. If your acceptance exceeds your Entitlement, acceptance will be deemed to be for your maximum Entitlement and any surplus application monies will be

returned to you.

## 1.5 Underwriting

The Offer is fully underwritten by China Uranium Development Company Limited (**CUD**). The Company and CUD have entered into an underwriting agreement dated on or about 4 February 2010 (**Underwriting Agreement**) a summary of which forms Annexure A of this document.

The background to the rationale for the Offer and its underwriting by CUD is set out in Section 1.2.

In December 2009, CUD completed the proportional takeover, the result of which is that CUD currently has a relevant interest of 66% of the Company's issued voting shares.

The table below demonstrates the approximate extent of the increase in the voting power of CUD as a result of underwriting the Offer:

<b>Event/Date</b>	<b>Number of Shares held by CUD</b>	<b>Voting Power of CUD</b>
Date of Offer Document	79,811,291	66%
After issue of Underwritten Shares assuming CUD takes up its full Entitlement and there is otherwise a 100% Shortfall.	93,240,790	69.4%
After issue of Underwritten Shares assuming CUD takes up its full Entitlement and there is otherwise a 75% Shortfall.	92,100,396	68.6%
After issue of Underwritten Shares assuming CUD takes up its full Entitlement and there is otherwise a 50% Shortfall.	90,960,001	67.7%
After issue of Underwritten Shares assuming CUD takes up its full Entitlement and there is otherwise a 25% Shortfall.	89,819,607	66.9%
After issue of Underwritten Shares assuming CUD takes up its full Entitlement and there is no Shortfall.	88,679,212	66.0%

CUD has advised the Company that it intends to take up its full entitlement under the Offer. The figures depicted above demonstrate the potential effect of the underwriting by CUD. In the event that Shareholders take up their Entitlements and Shares are allotted under the Offer, the underwriting obligation of CUD and therefore voting power of CUD will reduce by a corresponding

amount.

In October 2009 CUD lodged a bidder's statement with the ASX in connection with the takeover (**Bidders Statement**). Section 5 of the Bidder's Statement contains details regarding CUD's intentions in relation to the business of EME following the takeover. This information is available from the ASX website [www.asx.com.au](http://www.asx.com.au) – the Company's code is EME – and the Company's website [www.energymetals.net](http://www.energymetals.net).

In general, CUD has advised the Company that it intends:

- (a) to continue the business of the Company;
- (b) not to make any major changes to the business of the Company nor to redeploy any of the fixed assets of the Company; and
- (c) to continue the employment of the Company's present employees.

CUD has advised that its intentions in relation to the Company as set out above remain the same following the Entitlement Issue.

CUD has consented in writing to the inclusion of the statement set out above in this Offer Document.

## 1.6 Shortfall

In addition to being able to apply for New Shares, Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for New Shares that are not subscribed for in the Offer (**Shortfall Shares**), subject to the requirements set out in Section 2.2.

The offer of the Shortfall is a separate offer pursuant to this Offer Document. The issue price of any Shares offered pursuant to the Shortfall Offer shall be \$0.90, being the price at which the Entitlements have been offered to Shareholders pursuant to this Offer Document.

For the avoidance of doubt, the terms of the Offer and the Underwriting Agreement are such that following the Offer, all Shareholders who submit valid applications for Shortfall Shares under the Shortfall Offer will be issued those Shares in priority to CUD, and CUD will only be compelled and authorised to subscribe for those remaining Shortfall Shares following completion of the Offer and the Shortfall Offer.

## 1.7 Overseas Eligible Shareholders and Prohibited Foreign Holders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of the Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, New Zealand or Hong Kong.

Shareholders resident in New Zealand and Hong Kong should consult their

professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to take up their Entitlements under the Offer.

If a Shareholder has a registered address outside Australia, New Zealand or Hong Kong, that Shareholder (**Prohibited Foreign Holder**) will not be able to participate in the Entitlement Issue. The Company will instead allot the New Shares that Prohibited Foreign Holder would otherwise be entitled to a nominee appointed by the Company who will sell those securities and pay the net proceeds received (if any), after deducting any applicable brokerage, stamp duty and other taxes and charges, to the Prohibited Foreign Holder. The Company notes that given that the issue price of \$0.90 under the Entitlement Issue is more than the market price of the Company's Shares (the last closing price of Shares on ASX prior to the announcement of the Offer on 5 February 2010 was \$0.70), it is unlikely that any proceeds will be remitted to the Prohibited Foreign Shareholders.

Given that the issue price of \$0.90 under the Entitlement Issue is more than the market price of the Company's Shares, it is possible that the foreign nominee referred to above would be unable to sell the securities of Prohibited Foreign Holders for that issue price. On that basis the Company has sought and obtained relief from ASIC under Section 615 of the Corporations Act to enable the nominee to acquire the securities of the Prohibited Foreign Holders from the Company for the lesser of:

- (a) the issue price under the Entitlement Issue; or
- (b) the proceeds of the sale of the securities of the Prohibited Foreign Holders by the nominee, net of expenses.

#### **WARNING – HONG KONG SHAREHOLDERS**

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

This document does not constitute an offer or invitation to the public in Hong Kong to subscribe for or dispose of the shares. Accordingly, unless permitted by the securities laws of Hong Kong, no persons may issue or have in its possession for the purposes of issue, this document or any invitation or document relating to the shares, whether in Hong Kong or elsewhere, which is directed at or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in circumstances which do not constitute an offer or invitation to the public for the purposes of the Securities and Futures Ordinance, Hong Kong.

### **1.8 Risk factors**

Investors should note that an investment in the Company involves risk. Prospective investors should refer to announcements made by the Company to ASX. This information is available from the ASX website [www.asx.com.au](http://www.asx.com.au) – the Company's code is EME – and the Company's website [www.energymetals.net](http://www.energymetals.net). Prospective investors should review the announcements made by the Company to fully appreciate the position of the Company and the manner in which the Company operates before making a decision regarding the Offer.

An investment in New Shares should be regarded as speculative. In addition to



the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company. Investors should note that the New Shares to be issued pursuant to this document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares.

## **1.9 Privacy Act**

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

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

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

## **1.10 Enquiries concerning Offer Document**

Enquiries concerning the Entitlement and Acceptance Form can be obtained by contacting the Company's share registry by telephone on (08) 9315 2333. Enquiries relating to this Offer Document should be directed to the Company Secretary by telephone on (08) 9322 6904.

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## **2. ACTION REQUIRED BY SHAREHOLDERS**

### **2.1 How to Accept the Offer**

You may accept all, part, or none of your Entitlement under this Offer. To subscribe for New Shares offered to you, please complete the accompanying Entitlement and Acceptance Form according to the instructions on the form for all, or that part, of your Entitlement you wish to subscribe for.

You must make payment for the appropriate application monies (at \$0.90 per New Share subscribed) as provided in Section 2.3 below.

The Company reserves the right to reject any Entitlement and Acceptance Form which is not correctly completed or any payment which is submitted by a person whom they believe may be an ineligible Applicant, or to waive or correct any errors made by an Applicant in completing and Entitlement and Acceptance Form.

### **2.2 How to apply for Shortfall Shares**

If you wish to accept your Entitlement in full and apply for Shortfall Shares, complete the Entitlement and Acceptance Form and also fill in the number of Shortfall Shares you wish to apply for in the space provided on the Entitlement and Acceptance Form.

You must make payment for the appropriate application monies (at \$0.90 per New Share subscribed) as provided in section 2.3 below.

Shortfall Shares will only be issued if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. The Directors reserve the right to reject any application for Shortfall Shares or to allot a lesser number of Shortfall Shares than applied for. Application monies received but not applied toward subscription for Shortfall Shares will be refunded as soon as practicable. No interest shall be paid on application monies held and returned. The Company reserves the right not to issue Shortfall Shares where to do so would result in a breach of the Corporations Act or the Listing Rules.

### **2.3 Payment**

Entitlement and Acceptance Forms must be accompanied by payment in full of \$0.90 per New Share and Shortfall Share subscribed for.

Payments must be made by 5.00pm WST time on 12 March 2010 and must be in Australian currency and by a cheque or bank draft drawn on and payable at any Australian bank.

Cheques should be made payable to *Energy Metals Limited – Entitlement Offer Account* and crossed "Not Negotiable". All amounts must be in cleared funds. Cash payments will not be accepted and receipts for payments will not be provided.

Completed Entitlement and Acceptance Forms can be mailed to the Company's share registry or delivered in person. The following addresses should be used for mailing and hand delivery of Applications:

**By Post:**

Security Transfer Registrars  
PO Box 535  
APPLECROSS WA 6953

**By delivery:**

Security Transfer Registrars  
770 Canning Highway  
APPLECROSS WA 6153

Applicants are not required to sign the Entitlement and Acceptance Form. Entitlement and Acceptance Forms and Application Monies must be received by the Registry no later than 5:00pm WST on the Closing Date.

**2.4 If you do not wish to accept the Offer**

If you do not wish to accept your Entitlement or any part of your Entitlement (or you are precluded from doing so and reside outside Australia, New Zealand or Hong Kong), you do not need to take any action. The number for Shares you hold and the rights attaching to those Shares will remain unchanged.

**2.5 Entitlements not transferable**

Rights under the Offer are not transferable to another person. Offers can only be accepted by the offeree and on the official Entitlement and Acceptance Form which accompanies this Offer document. If you decide not to accept all or part of your Entitlement to New Shares or fail to do so by the Closing Date, your rights will lapse.

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### 3. DEFINED TERMS

**Applicant** refers to a person who submits an Entitlement and Acceptance Form.

**Application** refers to the submission of an Entitlement and Acceptance Form.

**ASX** means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Closing Date** means 5.00pm WST on the Closing Date set out in the Timetable in Section 1.3.

**Company** means Energy Metals Limited (ACN 111 306 533).

**Directors** means the directors of the Company.

**Eligible Shareholder** means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date.

**Entitlement** means the entitlement to subscribe for one (1) New Share for every nine (9) Shares held by an Eligible Shareholder on the Record Date and **Entitlements** has a corresponding meaning.

**Entitlement and Acceptance Form** means the Entitlement and Acceptance Form accompanying this Offer Document.

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

**New Share** means a new Share proposed to be issued pursuant to this Offer.

**Offer** means the non-renounceable pro rata offer of New Shares at an issue price of \$0.90 each on the basis of one (1) New Share for every nine (9) Shares held on the Record Date pursuant to this Offer Document.

**Offer Document** means this Offer Document dated 5 February 2010.

**Opening Date** means the Opening Date set out in the Timetable in Section 1.3.

**Record Date** means the Record Date set out in the Timetable in Section 1.3.

**Section** means a section of this Offer Document.

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

**Shortfall Offer** means the separate offer for the Shortfall Shares pursuant to this Offer Document.

**Shortfall Shares** means those Shares under the Offer not applied for by Shareholders under their Entitlement.

**Shareholder** means a holder of Shares.

**Underwriting Agreement** means the underwriting agreement dated on or about 4 February 2010 between the Company and China Uranium Development Company Limited.

**WST** means Australian Western Standard Time.

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## ANNEXURE A – SUMMARY OF UNDERWRITING AGREEMENT

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On or about 5 February 2010, the Company and China Uranium Development Company Limited (**CUD** or **Underwriter**) entered into an agreement for CUD to act as Underwriter to the Offer (**Underwriting Agreement**).

In its role as Underwriter to the Offer, CUD shall underwrite the subscription of 13,429,499 Shares (**Underwritten Shares**).

The Underwriting Agreement is conditional on:

- (a) (**Due Diligence**): the Underwriter being satisfied (in its sole and absolute discretion) with the due diligence program in respect of the Offer by the date of dispatch of the Offer Document to Shareholders set out in the Offer Document (**Dispatch Date**);
- (b) (**Legal sign-off**): a legal sign-off letter prepared by the Company's legal advisers being provided to the Underwriter by the Dispatch Date confirming that the Offer may be made without disclosure under Chapter 6D of the Corporations Act and that the Offer will comply with the Corporations Act and the Listing Rules;
- (c) (**Underwriter's consent to be named**): the Underwriter being satisfied (in its sole and absolute discretion) with the form of the Offer Document and having given its consent to be named in the Offer Document prior to the Dispatch Date as evidence thereof, such consent not to be unreasonably withheld;
- (d) (**Appointment of Nominee**): on or prior to the Dispatch Date, the Company appointing a nominee, as contemplated by Section 615 of the Corporations Act, to deal with the entitlements of Prohibited Foreign Holders under the Offer;
- (e) (**Cleansing Notice and Appendix 3B**): the Company lodging with ASX the Cleansing Notice (as required under 708AA of the Corporations Act and the timetable set out in paragraph 3 of Appendix 7A of the Listing Rules) and an Appendix 3B prior to 5.00pm (Perth time) 5 February 2010; and
- (f) (**Offer Document**): the Company dispatching to its shareholders the Offer Document prior to 5.00pm (Perth time) on the Dispatch Date.

### Fees

CUD will not receive any underwriting fees for underwriting the Offer.

### Termination Events

The Underwriter may, by giving written notice to the Company at any time prior to the issue of the Underwritten Shares, including the Shortfall, terminate its obligations under the Underwriting Agreement if any one or more of the following events occurs:

- (a) (**Indices fall**): the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;

- (b) **(Offer Document)**: the Company does not dispatch this Offer Document to Shareholders on the Dispatch Date or the Offer is withdrawn by the Company;
- (c) **(No Quotation Approval)**: the Company fails to lodge an Appendix 3B in relation to the Underwritten Shares with ASX by the time required by the Corporations Act, the Listing Rules or any other regulation;
- (d) **(Non-compliance with requirements)**: it transpires that this Offer Document does not contain all the information required by the Corporations Act;
- (e) **(Restriction on allotment)**: the Company is prevented from allotting the Underwritten Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (f) **(ASIC application)**: an order is made under Section 1324B or any other provision of the Corporations Act in relation to this Offer Document;
- (g) **(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, which in the Underwriter's reasonable opinion has a material adverse effect;
- (h) **(Authorisation)**: any authorisation which is material to anything referred to in this Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably;
- (i) **(Indictable offence)**: a Director of the Company is charged with an indictable offence; or
- (j) **(Termination Events)**: any of the following events occurs, which in the reasonable opinion of the Underwriter reached in good faith, has or is likely to have, or those events together have, or could reasonably be expected to have a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act:
  - (i) **(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, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union (**Specified Countries**) other than hostilities involving Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by the percentage contemplated by clause (a) above;
  - (ii) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
  - (iii) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
  - (iv) **(Contravention of constitution or Act)**: a contravention by a Relevant Company (as defined in the Underwriting Agreement) 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;

- (v) **(Adverse change)**: an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company;
- (vi) **(Error in Due Diligence Results)**: it transpires that any of the due diligence results or any part of the verification material was materially false, misleading or deceptive or that there was a material omission from them;
- (vii) **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or this Offer Document;
- (viii) **(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 Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (ix) **(Official Quotation qualified)**: the official quotation is qualified or conditional other than as set out in above;
- (x) **(Prescribed Occurrence)**: a prescribed occurrence (as defined in the Underwriting Agreement) occurs;
- (xi) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (xii) **(Event of Insolvency)**: an event of insolvency (as defined in the Underwriting Agreement) occurs in respect of a Relevant Company;
- (xiii) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xiv) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any Relevant Company;
- (xv) **(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 date of issue of the Underwritten Shares without the prior written consent of the Underwriter;
- (xvi) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer, a matter disclosed in this Offer Document) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xvii) **(Timetable)**: there is a delay in any specified date in the Offer timetable which is greater than 5 Business Days;

- (xviii) **(Force Majeure)**: a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (xix) **(Certain resolutions passed)**: a Relevant 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;
- (xx) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by this Offer Document;
- (xxi) **(Breach of Material Contracts)**: any of the contracts (as defined in the Underwriting Agreement) are terminated or substantially modified; or
- (xxii) **(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.

#### **Other standard terms**

The Underwriting Agreement also contains a number of indemnities, representations and warranties that are considered standard for an agreement of this nature.