

ENFORCEABLE UNDERTAKING
AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION
AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT
SECTION 93AA

The commitments in this Undertaking are offered to the Australian Securities and Investments Commission ("ASIC") by:

Greater Indochina Investments Limited (ACN 009 192 330)
403 Mount Alexander Road
ASCOT VALE VIC 3032

1. BACKGROUND

- 1.1 Greater Indochina Investments Limited (the "Company") is a public company whose shares since 17 March 1998 have been suspended from quotation on the Official List of Australian Stock Exchange Ltd.
- 1.2 On 16 February 2000 the Company lodged with ASIC a prospectus dated 16 February 2000 pursuant to section 1018 of the Corporations Law (the "Law") ("Prospectus"). The Prospectus seeks to raise \$723,703 by way of a pro-rata offer to existing shareholders of the Company for the issue of 24,123,456 fully paid ordinary shares.
- 1.3 On 22 February 2000 ASIC issued to the Company an interim order pursuant subsection 1033(1) of the Law (the "Interim Order"). The Interim Order was issued because ASIC formed the view that:
- (a) the Prospectus contravenes in a substantial respect the requirements of Division 2 of Part 7.12 of the Law; and
 - (b) the Prospectus contains material misrepresentations.

1.4 Specifically, ASIC has formed the view that the Company has not complied with the requirements of sub-section 1022(1) of the Law by reason of the fact the Prospectus:

- (a) does not contain sufficient information about future investments, plans for future investments or the skill and expertise of directors so as to enable investors to make an informed assessment of the prospects of the Company;
- (b) does not contain sufficient financial information concerning historical profit and losses of the Company;
- (c) does not disclose how the Company is proposing to use potential funds of an additional \$252,000, or the effect on the financial position of the Company, arising from a possible issue to the underwriter of up to 8,400,000 shares. This is information that investors would reasonably expect to find in the Prospectus to enable them to make an informed assessment of the prospects of the Company; and
- (d) does not disclose the auditor's review or a summary of the auditor's review of the balance sheet of the Company for the year ended 30 June 1999. This is information that investors and their professional advisers would reasonably expect to find for the purpose of making an informed assessment of the Company's assets and liabilities, financial position, and profit and losses.

1.5 The Interim Order directs the Company not to allot or issue any further securities to which the Prospectus relates pending the holding of a final hearing under s1033(3) of the Law.

1.6 ASIC has the power, following a hearing under s1033(3) of the Law, to make a final order in terms of the Interim Order. Section 1033(7) of the Law provides while a final order is in force that, inter alia, a person is not entitled to lodge a

further prospectus in relation to the securities, other than a supplementary prospectus or a replacement prospectus.

1.7 ASIC has agreed to accept the commitments in this undertaking as an alternative to the exercise of the powers referred to in clause 1.6 above.

1.8 The Company gives this Undertaking without admission to the matters referred to in this clause 1.4 above.

2. UNDERTAKING

2.1 Pursuant to section 93AA of the Australian Securities and Investments Commission Act, the Company undertakes that it will:

- (a) not issue the Prospectus to shareholders of the Company or any other person;
- (b) within 14 days after the date of this undertaking, in the case where the Prospectus has been issued to shareholders, issue to those shareholders a letter notifying them that:
 - (i) the Prospectus is subject to this Undertaking;
 - (ii) the Prospectus is not to be relied on by shareholders; and
 - (iii) no applications by shareholders for the subscription of securities will be accepted by the Company on the basis of the Prospectus;
- (c) not allot or issue any securities on the basis of the Prospectus;
- (d) not offer for subscription, or issue invitations to subscribe for securities of the Company on the basis of the Prospectus;

- (e) within 14 days after the date of this undertaking, refund to shareholders any subscription monies received by the Company for the subscription of shares under the Prospectus;
- (f) refund to shareholders any subscription monies received by the Company in the future for subscription of shares under the Prospectus within 14 days of receipt of those subscription monies;
- (g) within 14 days after the date of this undertaking, destroy all copies of the Prospectus, save for 1 file copy, in the custody or possession, or under the control, of the Company; and
- (h) within 21 days after the date of this undertaking, provide to ASIC marked to the attention of Director Operations New South Wales, a statutory declaration of one of the directors of the Company that the Company has complied with the undertakings referred to in (b), (c), (e) and (g) above.

3. ACKNOWLEDGMENTS

3.1 The Company acknowledges that ASIC:

- (a) may issue a media release on execution of this undertaking referring to its terms and the concerns of ASIC which led to its execution;
- (b) may from time to time publicly refer to this undertaking; and
- (c) will make this undertaking available for public inspection.

3.2 The Company further acknowledges:

- (a) that as soon as practicable after execution of this undertaking the Company must lodge a copy of this undertaking with Australian Stock Exchange Ltd;
- (b) that this undertaking in no way derogates from the rights and remedies available to any other person or entity arising from any conduct described in this undertaking;
- (c) that ASIC's acceptance of an enforceable undertaking does not affect ASIC's power to investigate a contravention arising from future conduct, or pursue a criminal prosecution, or its power to lay charges or seek a pecuniary civil order; and
- (d) that this undertaking has no operative force until accepted by ASIC.

The Common Seal of
 Greater Indochina Investments Limited)
 (ACN 009 192 330) was affixed to)
 this undertaking in presence of:)



[Signature]
 Director

[Signature]
 Director/ Secretary

HELENE HAGEMANS
 Name (Print)

NICHOLAS H DAWE
 Name (Print)

This 13TH day of March 2000.

ACCEPTED BY THE AUSTRALIAN SECURITIES AND INVESTMENTS
 COMMISSION PURSUANT TO SECTION 93AA OF THE ASIC LAW BY ITS
 DULY AUTHORISED DELEGATE:

[Signature]
 Jan Redfern
 General Counsel
 Greater Indochina Investments Limited
 13/3/00

