



**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:

**Shepherd Woolskins Australia Pty Limited ACN 087 052 140**  
**Cowcumbra Street**  
**Cootamundra**  
**NSW**

**1. BACKGROUND**

1.1 Shepherd Woolskins Australia Pty Limited (the 'Company') was registered on 9 April 1999 and is in the process of changing its type from a proprietary company to a public company. The change in status is expected to be effective on 26 October 2000.

1.2 On 22 September 2000, the Company lodged with ASIC an Offer Information Statement dated the 19 September 2000 ('OIS') pursuant to section 715 of the Corporations Law (the 'Law'). The OIS sought to raise \$2 million by way of issue to the public of 2 million ordinary shares in the Company at an issue price of \$1 per share with the right to accept oversubscriptions up to \$500,000.

1.3 At the time of the offer pursuant to the OIS, the Company was not a public company and thus the offer is in contravention of s113(3) of the Law which states:

"A proprietary company must not engage in any activity that would require disclosure to investors under Chapter 6D, except for an offer of its shares to:

- (a) existing shareholders of the company; or
- (b) employees of the company or a subsidiary of the company."

- 1.4 On 6 October 2000, the Company lodged a supplementary offer information statement which stated that the offer under the OIS would not be made as the Company's change of type from a private company to a public company would not occur until 26 October 2000.
- 1.5 The Company acknowledges ASIC's concerns in relation to the OIS as set out in this undertaking.

## 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 OIS to any person;
  - (b) within 14 days after the date of this undertaking, in the case where the OIS has been issued to persons, issue to those persons a letter notifying them that:
    - (i) the OIS is subject to this undertaking;
    - (ii) the Company has not allotted or issued any securities pursuant to the OIS;
    - (iii) no applications by persons for the subscription of securities will be accepted by the Company on the basis of the OIS;
  - (c) not allot or issue any securities on the basis of the OIS;
  - (d) not offer securities of the Company on the basis of the OIS;
  - (e) within 14 days after the date of this undertaking, refund to persons who have applied for shares in the Company, any subscription monies received by the Company for the subscription of shares under the OIS;

- (f) where future applications are received for the subscription of shares under the OIS, return all subscription monies within 14 days after the Company has received them;
- (g) within 14 days after the date of this undertaking, destroy all copies of the OIS (except 1 file copy) in the custody, possession, or under the control, of the Company;
- (h) within 21 days after the date of this undertaking, provide to ASIC marked to the attention of Director Regulation NSW, a statutory declaration of one of the directors of the Company that the Company has complied with the undertakings referred to (a) to (g) above; and
- (i) at the written request of ASIC, provide access to ASIC officers to books which will allow ASIC to ascertain that the Company has complied with the undertakings referred to in (a) to (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 this undertaking in no way derogates from the rights and remedies available to ASIC or any other person or entity arising from any conduct described in this undertaking;

- (b) 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
- (c) that this undertaking has no operative force until accepted by ASIC.



The Common Seal of Shepherd Woolskins  
Australia Pty Limited (ACN 087 052 140) was )

duly affixed to this undertaking in the presence of: )

*[Handwritten Signature]*

Director

*[Handwritten Signature]*

Director/Secretary

*FRANIS MICHAEL DANDSON*

Name (Print)

This            day of October 2000.

*TIMOTHY MEARES*

Name (Print)

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

*[Handwritten Signature]*

Jennifer O'Donnell  
Director - Regulation  
NSW Regional Office

This 27<sup>th</sup> day of October 2000.