

15 November 2010

## ENTITLEMENT OFFER PROSPECTUS

Further to the announcement on 8 November 2010 that Nomad Building Solutions Limited (**Nomad or Company**) (ASX Code: NOD) intends to raise \$11.9 million by way of a fully underwritten 3 for 4 non-renounceable entitlement offer at \$0.10 per share (**Entitlement Offer**), Nomad advises that the prospectus for the Entitlement Offer was lodged with ASIC today.

A copy of the prospectus dated 15 November 2010 is attached (**Prospectus**).

Nomad is also pleased to confirm that the 15% Institutional Placement part of its equity raising announced on 8 November 2010 has been successfully completed. 20,420,486 fully paid ordinary shares have been issued at \$0.12 per share raising \$2.45 million before the costs of the issue.

The Institutional Placement was made to sophisticated and institutional investor clients of Entrust Private Wealth Management Pty Ltd (**Entrust**), together with some existing sophisticated shareholders of the Company. The Entitlement Offer is fully underwritten by Entrust.

The net proceeds of \$13.6 million from the Institutional Placement and the Entitlement Offer will be used to:

- (a) Strengthen the Company's balance sheet.
- (b) Provide general working capital.
- (c) Facilitate the Company's participation in a range of identified core business opportunities which will allow the Company to leverage off its exposure to expected growth in demand for building and infrastructure projects.
- (d) Enable the Company to reduce its gearing levels should the Directors' assess this to be appropriate.

Nomad's core business is the manufacture of transportable and modular buildings as well as construction activities in remote and regional areas. The Company is well placed in terms of its existing market position and product suite to pursue the opportunities associated with the growing demand for accommodation and infrastructure in regional Australia and, in particular, Western Australia and Queensland.

The growth in demand for building and infrastructure projects is a result of the level of committed and planned investment in both new mining and liquefied natural gas projects and the expansion of existing mining and oil and gas projects. In addition, government (at both a State and Commonwealth level) have committed to significant housing and school construction programs and infrastructure projects to support the resources sector and to address the needs of regional Australia.

The Entitlement Offer presents an opportunity for shareholders registered at 24 November 2010 to subscribe for new shares at \$0.10 each. This is a 33% discount to the last traded price before today and a 32% discount to the recent 20-day Volume Weighted Average Price.

The Prospectus provides more details on the Entitlement Offer and the impact of the Entitlement Offer on the Company. The Prospectus and an application form will be dispatched on or around 24 November 2010 to shareholders who are registered shareholders of the Company on the Record Date (as defined in the Prospectus) (**Eligible Shareholders**). You are encouraged to read the Prospectus in full. If you wish to participate in the Entitlement Offer you must complete the application form that will accompany the Prospectus sent to Eligible Shareholders or otherwise comply with the application requirements detailed in the Prospectus.

<< END >>

**Contacts:**

Mr Michael Bourke  
Managing Director  
Tel: 0400 979 021

Mr Paul Depiazzi  
Chief Financial Officer  
Tel: (08) 9217 2317

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# PROSPECTUS

**Nomad Building Solutions Limited**

**ACN 117 371 418**

## **Non-renounceable Entitlement Offer**

A pro-rata non-renounceable entitlement offer of 118,919,867 New Shares on the basis of 3 New Shares for every 4 Shares held at an issue price of \$0.10 per New Share, to raise \$11,891,987.

The Offer is scheduled to close at 5.00pm (WST) on Thursday, 9 December 2010.

## **Important Information**

If you are an Eligible Shareholder, this is an important document which requires your immediate attention. It should be read in its entirety. If after reading this Prospectus you have any questions about the New Shares being offered pursuant to this Prospectus or any other matter, then you should consult your professional adviser.

**An investment in the New Shares offered by this Prospectus should be considered speculative.**

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## Corporate Directory

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### Board of Directors

Mr Richard Lennox Blair (Non-Executive Chairman, resigning following the conclusion of the AGM)  
Mr Peter John Slaughter (Non-Executive Director, resigning subject to successful completion of the Entitlement Offer)  
Mr Peter Graham Abery (Non-Executive Director)  
Mr Michael James Bourke (Managing Director)  
Mr David Anthony Craig (to be appointed as a Non-Executive Director following the conclusion of the AGM)

### Joint Company Secretaries

Mr Paul Owen Depiazzi  
Mr Paul Alexander Robinson

### Registered Office

65 Burswood Road  
Burswood WA 6100

Tel: +61(8) 9217 2333  
Fax: +61(8) 9217 2345  
Website: [www.nomadbuildingsolutions.com.au](http://www.nomadbuildingsolutions.com.au)  
ASX Code: NOD

### Underwriter

Entrust Private Wealth Management Pty Ltd  
Level 17  
140 St Georges Terrace  
Perth WA 6000

### Auditors

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

### Lawyers

Norton Rose Australia  
Level 39, BankWest Tower  
108 St Georges Terrace  
Perth WA 6000

### Share Registry

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross WA 6153

Tel: +61(8) 9315 2333  
Fax: +61(8) 9315 2233  
Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

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## A Letter from the Chairman

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Dear fellow Shareholder

On behalf of Nomad Building Solutions Limited (**Nomad** or **Company**), I am pleased to invite you to participate in a 3-for-4 pro-rata fully underwritten non-renounceable entitlement issue (**Offer**) of Nomad ordinary shares (**New Shares**), at an issue price of \$0.10 per New Share to raise up to \$11,891,987.

The net proceeds of the Offer, together with the net proceeds of \$2,250,000 from the successful institutional placement (being a placement of approximately 20.4 million new shares at an issue price of \$0.12 per new share) (**Institutional Placement**), will be used to:

- (a) Strengthen the Company's balance sheet.
- (b) Provide general working capital.
- (c) Facilitate the Company's participation in a range of identified core business opportunities which will allow the Company to leverage off the exposure to expected growth in demand for building and infrastructure projects as a result of the level of committed and planned investment in both:
  - new mining and liquefied natural gas projects and the expansion of existing mining and oil and gas projects in regional Australia; and
  - government investment in regional Australia.
- (d) Enable the Company to reduce its gearing levels should the Directors' assess this to be appropriate.

Nomad's core business is the manufacture of transportable modular buildings and construction activities in remote and regional areas. The Company is well placed in terms of its existing market position and product suite to pursue the opportunities associated with the growing demand for accommodation and infrastructure in regional Australia and, in particular, Western Australia and Queensland.

The growth in demand for building and infrastructure projects is a result of the level of committed and planned investment in both new mining and liquefied natural gas projects and the expansion of existing mining and oil and gas projects. In addition, government (at both a State and Commonwealth level) have committed to significant housing and school construction programs and infrastructure projects to support the resources sector and to address the needs of regional Australia.

Whilst not directly related, the Offer and Institutional Placement follow the recently announced formal renewal of Nomad's bank facilities with Westpac. Together these initiatives will significantly enhance Nomad's financial standing and provide the financial flexibility to enable the Company to continue to develop and supply high-quality and innovative products to meet a wide-range of customer requirements in regional and remote areas.

Your Company has been through a very difficult period, however it has been strengthened with the appointment of Mr. Michael Bourke as Managing Director in July this year. At the board level we are pleased to have announced that Mr. David Craig will be joining the Board as a non-executive director after this year's AGM.

Mr. Peter Slaughter has indicated that, subject to the Offer proceeding as planned, he will be retiring from the Board following the conclusion of the Entitlement Offer.

In addition to the above changes to the Board, I have decided to bring forward my planned retirement from the Board in November 2011 and I will now retire as Chairman and as a non-executive Director at the conclusion of the forthcoming Annual General Meeting. I will therefore not be seeking re-election at that meeting.

Mr. Peter Abery has been elected by the Directors to become the new non-executive Chairman and the Company will be seeking to appoint two new non-executive Directors as soon as practicable.

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The offer price of \$0.10 per New Share represents a 33.3% discount to the last traded price on 12 November 2010 of \$0.15 per Share and a 31.7% discount to Nomad's 20-day VWAP. This is a lower price per Share than that paid by sophisticated and institutional investors under the Institutional Placement.

This Prospectus details key information about the Entitlement Offer and the impact of the Entitlement Offer on the Company. I encourage you to carefully read the information contained in this Prospectus in its entirety along with the accompanying Entitlement and Acceptance Form. In particular, you should also consider the key risk factors detailed in section 3 that could affect the operating and financial performance of Nomad or the value of an investment in Nomad, together with all publicly available information about Nomad before deciding whether to subscribe for New Shares. Some of these key risk factors include: maintaining relationships with key clients; downturns in the level of demand for the Company's services and products; contractual disputes or threatened litigation; increased competition from new and existing businesses; and contractual, planning and development, timing, construction and commercial risks applicable to Nomad's projects.

You should consult your stockbroker, accountant or other independent professional adviser in respect of the Entitlement Offer.

On behalf of the Board, I invite you to participate in this investment opportunity and thank you for your ongoing support of Nomad.

Yours sincerely



Mr. Richard Blair  
Chairman  
Nomad Building Solutions Ltd

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## Important Notice

### Prospectus

This Prospectus is dated 15 November 2010 and a copy of this Prospectus was lodged with ASIC on that date. The expiry date of this Prospectus is 13 months after the date of this Prospectus. No securities will be issued on the basis of this Prospectus after the expiry date. Neither ASIC nor ASX takes any responsibility for the content of this Prospectus or the merits of the investment to which this Prospectus relates.

Nomad applied to ASX for quotation of the New Shares on the Australian Securities Exchange on 8 November 2010. The fact that ASX may grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of Nomad or the New Shares.

The information provided in this Prospectus is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. If you have any questions you should seek professional advice before deciding to invest.

An investment in New Shares that are offered under this Prospectus should be considered speculative. Please refer to section 3 for details relating to risks involved with an investment in the Company.

### Disclaimer

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer that is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by Nomad in connection with the Entitlement Offer. Neither Nomad nor any other person warrants the future performance of Nomad or any return on any investment made under this Prospectus, except as required by law and then only to the extent so required.

### Forward Looking Statements

Some of the information contained in this Prospectus constitutes forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'should', 'will', 'expects', 'plans' or similar expressions. These statements discuss future objectives or expectations concerning results of operations or financial conditions or provide other forward-looking information. Nomad's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements. This Prospectus details some important factors that could cause Nomad's actual results to differ from the forward-looking statements made in this Prospectus.

### Foreign Jurisdictions

This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation and warranty made by the applicant to the Company that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

Without limiting the statements above, neither this Prospectus nor the accompanying Entitlement and Acceptance Form may be sent or passed to persons outside Australia or New Zealand or otherwise distributed outside Australia or New Zealand.

In particular, the Entitlement Offer has not been, and will not be, registered under the *Securities Act of 1933* (United States) or the securities laws of any State of the United States and is not being made in the United States or to persons resident in the United States. Without limitation, neither this Prospectus nor the accompanying Entitlement and Acceptance Form may be sent to investors in the United States or otherwise distributed in the United States.

### Transaction Specific Prospectus

This Prospectus is issued pursuant to section 713 of the *Corporations Act*. A company may only issue a prospectus pursuant to this section if the company has been a listed disclosing entity for a period of at least 12 months and its securities have been quoted by ASX at all times in the 3 months before the date of issue of the prospectus. A prospectus issued pursuant to section 713 needs to contain less information than a prospectus prepared in accordance with section 710 of the *Corporations Act*, but still all the information that investors and their professional advisers would reasonably require to make an informed assessment of the effect of the offer on the company and the rights and obligations attaching to the securities offered. A prospectus issued under section 713 of the *Corporations Act* must contain that information only to the extent which it is reasonable for investors and their professional advisers to expect to find the information in the prospectus.

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This Prospectus does not repeat all of the information that the Company has previously disclosed to ASX. Shareholders should have regard to such information before making a decision whether or not to invest in the New Shares.

### **Electronic Prospectus**

This Prospectus may be viewed online at <http://www.nomadbuildingsolutions.com.au>. The Offer is available to persons receiving an electronic version of this Prospectus in Australia and New Zealand. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company Secretary on +61 8 9217 2333. New Shares will only be issued on receipt of an Entitlement and Acceptance Form issued together with this Prospectus.

### **Definitions and Abbreviations**

Defined terms and abbreviations used in this Prospectus are explained in the Glossary in section 8.

### **Financial Amounts**

The financial amounts in this Prospectus are expressed in Australian dollars unless otherwise stated.

### **Application for New Shares**

If you wish to apply for New Shares, you must complete and return the personalised Entitlement and Acceptance Form which accompanies this Prospectus by the Closing Date. If you have not received a personalised Entitlement and Acceptance Form, please contact the Share Registry on +61 8 9315 2333.

Alternatively, you may apply for New Shares simply by making payment using BPAY. If you elect to make payment using BPAY, you do not need to return your Entitlement and Acceptance Form. Section 1.13 includes more detail on applying for New Shares via BPAY.

### **Enquiries**

If you are an Eligible Shareholder and have any questions in relation to the Entitlement Offer, please contact your stockbroker, accountant, solicitor or other professional adviser. If you have questions in relation to the Shares upon which your Entitlement has been calculated, or how to complete the Entitlement and Acceptance Form or take up your Entitlement, please call the Share Registry on +61 8 9315 2333.

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## 1. The Offer

### 1.1 Introduction

This Prospectus contains a non-renounceable pro-rata entitlement offer to holders of Shares in the Company who reside in Australia and New Zealand to take up New Shares in the Company at a subscription price of \$0.10 per New Share, payable in full upon application. The Offer is available to Eligible Shareholders, being shareholders of the Company at 5.00pm (WST) on Wednesday, 24 November 2010 with registered addresses in Australia and New Zealand.

If you are a Shareholder, this document is important and requires your immediate attention. It should be read in its entirety. Please read carefully the instructions on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement. If you are in doubt as to the course you should follow, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.

### 1.2 Details of the Offer

The Company currently has 158,559,462 fully paid ordinary shares on issue. The Company is offering for subscription 118,919,867 New Shares under a fully underwritten non-renounceable pro-rata entitlement offer on the basis of 3 New Shares for every 4 Shares held on the Record Date with fractional entitlements rounded up to the nearest whole New Share. The subscription price for each New Share is \$0.10.

Further details of the terms of the New Shares are set out in section 6.1.

### 1.3 Timetable for the Offer

|   |  |
|---|--|
| Announcement of Entitlement Offer                 | Monday, 8 November 2010                  |
| Lodgement of Prospectus for the Entitlement Offer | Monday, 15 November 2010                 |
| "Ex date"   | Thursday, 18 November 2010               |
| Record Date                                       | 5.00pm (WST) Wednesday, 24 November 2010 |
| Entitlement Offer opens                           | Thursday, 25 November 2010               |
| Entitlement Offer closes                          | Thursday, 9 December 2010                |
| Entitlement Offer shortfall notification to ASX   | Tuesday, 14 December 2010                |
| Issue of New Shares                               | Monday, 20 December 2010                 |

All dates are indicative and subject to change. Nomad reserves the right to amend the timetable without prior written notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the New Shares.

### 1.4 Subscription Price

Each New Share is offered at a subscription price of \$0.10 each, payable in full upon acceptance.

The highest and lowest market sale prices of the Shares during the 3 months immediately preceding 15 November 2010 (being the date of lodgement of the Prospectus) and the last market sale price on that date are set out below.

|  |   |   |
|--|---|---|
| <b>3 month high</b><br>\$0.185<br>17 August 2010 | <b>3 month low</b><br>\$0.12<br>8 November 2010 | <b>Last market sale price</b><br>\$0.15<br>12 November 2010 |
|--|---|---|

### 1.5 Investment highlights

The highlights of an investment in the Company include:

- 
- (a) An opportunity to gain exposure to expected growth in demand for building and infrastructure projects as a result of the level of committed and planned investment in:
- (i) new mining and liquefied natural gas projects and the planned expansion of existing mining and oil and gas projects in regional Australia; and
  - (ii) government investment in regional Australia.
- (b) An investment at a discount to the post-Offer pro forma net tangible assets of the Company (adjusted to take into account the effects of the Offer). At \$0.10 per New Share, the Entitlement Offer price represents a discount of 27.7% to the pro forma net tangible assets per Share amount.
- (c) Significantly reduced pro forma gearing (net debt / equity) from 32.0% before the Entitlement Offer to approximately 6.4% following the Entitlement Offer as a result of improvements in the capital structure of the Company.
- (d) Successful extension of current banking facilities to 29 July 2011, allowing the Company the financial flexibility to address its capital structure and to execute its business objectives.
- (e) A restructuring of the Board, including:
- a new Managing Director (Mr Michael Bourke);
  - an additional independent non-executive Director, Mr David Craig (who will be appointed to the Board following the conclusion of the AGM);
  - a new non-executive Chairman, Mr Peter Abery (who will be appointed to the position following the conclusion of the AGM); and
  - the pending retirement of two current Directors, Mr Richard Blair and Mr Peter Slaughter.

## **1.6 Summary of key risks**

There are a number of risks associated with an investment in the Company, both specific to the Company and its business activities and general investment risks. Please refer to section 3 for further information with respect to the key risks which have been set out in this summary and other risks that are associated with investing in the Company. Key areas of risk include (but are not limited to):

- (a) Maintenance of relationships with key clients and the Company's ability to competitively pitch for and win new work which are essential for the Company to maintain and grow its business and market share.
- (b) The possibility of a downturn in the demand for Nomad's services and products specifically or a general downturn in the level of activity within the construction industry.
- (c) Contractual disputes or threatened litigation which may not be settled or may settle for amounts exceeding the amounts anticipated by the Company and provided for in the Company's accounts.
- (d) Increased competition from new and existing businesses resulting in price reductions, under utilisation of equipment, reduced operating margins and loss of market share.
- (e) Contractual, planning and development, timing, construction, environmental and commercial risks applicable to Nomad's projects.

## **1.7 Your Entitlement**

The Company is making a non-renounceable pro-rata entitlement offer of New Shares in the Company on the basis of 3 New Shares for every 4 Shares held.

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The number of New Shares to which you are entitled is calculated as at the Record Date and is shown on the Entitlement and Acceptance Form accompanying this Prospectus. Fractional entitlements to New Shares will be rounded up to the nearest whole New Share.

It is the responsibility of Shareholders to confirm the number of New Shares allotted to them prior to trading in the New Shares. Shareholders who sell New Shares before they receive notification of the number of New Shares allotted to them do so at their own risk.

## **1.8 Issue Amount**

The total number of New Shares to be issued pursuant to the Offer will be 118,919,867 New Shares, to raise \$11,891,987, before issue costs.

## **1.9 Non-renounceable**

Please note that Entitlements are non-renounceable and will not be tradable on ASX or otherwise transferable. You may take up all, or part, of your Entitlement and apply for Additional Shares. Eligible Shareholders who do not take up their Entitlement in full will not receive any value in respect of those Entitlements they do not take up. If you do not take up all of your Entitlement, your shareholding in the Company may be further diluted. The New Shares will rank equally from allotment in all respects with existing Shares.

## **1.10 Entitlements and Acceptances**

This Offer may be accepted in whole or in part prior to the Closing Date. There is no minimum subscription level. The Directors reserve the right to vary the timetable for the Offer, subject to the ASX Listing Rules, including extending the Offer Period. You can only accept this Offer by completing the Entitlement and Acceptance Form, which accompanies this Prospectus.

Those investors who participated in the Institutional Placement and continue to be the registered holder of the Shares issued to them under the Institutional Placement on the Record Date, will be entitled to participate in the Entitlement Offer in respect of those Shares. Option holders who exercise their Options and are registered as the holder of Shares as at the Record Date are entitled to participate in the Entitlement Offer in respect of those Shares. Further details regarding the Options on issue as at the date of this Prospectus are set out in section 4.2.

## **1.11 Action required by Eligible Shareholders**

Your acceptance of the Entitlement Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus (or by BPAY – as explained in this section 1.11 and section 1.13. Each Eligible Shareholder may also apply for more New Shares in addition to their Entitlement under the Entitlement Offer (**Additional Shares**). Additional Shares will be allocated in the manner described in sections 1.11(d) and 1.12, below.

Eligible Shareholders may participate in the Entitlement Offer as follows:

### **(a) Take up your Entitlement in full and apply for Additional Shares**

If you are an Eligible Shareholder and wish to take up all of your Entitlement plus apply for Additional Shares, please refer to sections 1.11(d) and 1.12 below which contain instructions on how to do so.

### **(b) Take up your Entitlement in full**

If you are an Eligible Shareholder and wish to take up all of your Entitlement, please:

- complete the Entitlement and Acceptance Form, which accompanies this Prospectus, in accordance with the instructions set out on the form; and
- forward your completed Entitlement and Acceptance Form, together with your cheque or bank draft for the amount shown on your Entitlement and Acceptance Form, in the reply paid envelope to reach the Company's share registry:

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Security Transfer Registrars Pty Ltd  
777 Canning Highway  
Applecross, Western Australia 6153

so that it is received by no later than 5.00pm (WST) on the Closing Date or such later date as the Directors' determine in consultation with the Underwriter.

Cheques and bank drafts, in Australian currency should be made payable to "Nomad Building Solutions Ltd – Share Issue Account" and crossed "not negotiable".

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies is insufficient to pay in full for the number of whole New Shares you have applied for in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of New Shares as your cleared Application Monies will pay for (and to have that number of New Shares on your Entitlement and Acceptance Form). Alternatively, your Application will be rejected. If your cheque does not clear due to insufficient funds in your account, your Application will be rejected.

If you intend to pay for the New Shares by BPAY, there is no need to return the Entitlement and Acceptance Form (but you must ensure that your payment is received by no later than the Closing Date (being 9 December 2010) (keeping in mind that payments made by BPAY may take 1 or more Business Days to clear). Please refer to section 1.13 for further information regarding payment by BPAY.

**(c) Take up some of your Entitlement**

If you are an Eligible Shareholder and wish to take up only some of your Entitlement, please:

- complete the Entitlement and Acceptance Form, which accompanies this Prospectus, by inserting the number of New Shares for which you wish to accept the Entitlement Offer under this Prospectus (being less than your Entitlement as specified on the Entitlement and Acceptance Form); and
- forward the completed Entitlement and Acceptance Form together with your cheque or bank draft for the total amount payable to reach the Company's share registry:

Security Transfer Registrars Pty Ltd  
777 Canning Highway  
Applecross, Western Australia 6153

so that it is received by no later than 5.00pm (WST) on the Closing Date or such later date as the Directors' determine in consultation with the Underwriter.

Cheques and bank drafts, in Australian currency should be made payable to "Nomad Building Solutions Ltd – Share Issue Account" and crossed "not negotiable".

If you intend to pay for the New Shares by BPAY, there is no need to return the Entitlement and Acceptance Form (but you must ensure that your payment is received by no later than the Closing Date (being 9 December 2010) (keeping in mind that payments made by BPAY may take 1 or more Business Days to clear). Please refer to section 1.13 for further information regarding payment by BPAY.

**(d) Take up MORE than your Entitlement**

If you are an Eligible Shareholder and you wish to take up all of your Entitlement and apply for Additional Shares in excess of your Entitlement, please:

- complete the Entitlement and Acceptance Form, which accompanies this Prospectus, by inserting the number of New Shares for which you wish to accept the Entitlement Offer under this Prospectus plus the number of Additional Shares (being more than your Entitlement as specified on the Entitlement and Acceptance Form); and

- 
- forward the completed Entitlement and Acceptance Form together with your cheque or bank draft for the total amount payable (including the amount payable for the Additional Shares) to reach the Company's share registry:

Security Transfer Registrars Pty Ltd  
777 Canning Highway  
Applecross, Western Australia 6153

so that it is received by no later than 5.00pm (WST) on the Closing Date or such later date as the Directors' determine in consultation with the Underwriter.

Cheques and bank drafts, in Australian currency should be made payable to "Nomad Building Solutions Ltd – Share Issue Account" and crossed "not negotiable".

If you intend to pay for the New Shares by BPAY, there is no need to return the Entitlement and Acceptance Form (but you must ensure that your payment is received by no later than the Closing Date (being 9 December 2010) (keeping in mind that payments made by BPAY may take 1 or more Business Days to clear). Please refer to section 1.13 for further information regarding payment by BPAY.

**(e) Do nothing**

You may do nothing. However, if you are an Eligible Shareholder and you do nothing, then New Shares representing your Entitlement may be sold to an Eligible Shareholder who applies for Additional Shares or the Underwriter (or its clients).

You should also note that, if you do not take up your Entitlement, then although you will continue to own the same number of Shares, your percentage shareholding in the Company will fall.

**(f) General**

If you have any queries concerning your Entitlement, please contact the Share Registry on +61 8 9315 2333 or contact your stockbroker or professional adviser.

Entitlement and Acceptance Forms and accompanying cheques or bank drafts may be lodged at any time before the Closing Date. Applications received after the Closing Date may not be accepted. The Company will not be responsible for postal or delivery delays.

**1.12 Additional Shares**

The total number of Additional Shares available to be issued pursuant to this Prospectus will be limited to the total number of New Shares offered under the Entitlement Offer which are not taken up by Eligible Shareholders in accordance with their Entitlement. Applications for Additional Shares will be satisfied out of the Shortfall. While the Directors reserve the right to issue the Shortfall at their discretion, the Company has agreed that the Shortfall will be allocated at the discretion of the Underwriter in accordance with the provisions of the Underwriting Agreement.

In the event that Entitlements are not taken up at all or in full, Eligible Shareholders who have taken up all of their Entitlement and have made an application for Additional Shares may be allocated Additional Shares as follows:

- 
- (a) the number of Additional Shares allocated to an Eligible Shareholder who has applied for Additional Shares will be at the discretion of the Underwriter;
  - (b) the Underwriter reserves the right to allocate Additional Shares to Eligible Shareholders in part or not at all;
  - (c) an Eligible Shareholder will not receive more Additional Shares than they have applied for; and
  - (d) allocations will be made in a way such that the provisions of the *Corporations Act*, in particular the takeovers prohibitions in Chapter 6, are complied with.

There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional Shares that they may apply for. If an application for Additional Shares is scaled back or the Underwriter decides not to issue Additional Shares to an Eligible Shareholder, the Application Monies for those Additional Shares which are not issued to the applicant will be returned to the applicant without any payment of interest.

### **1.13 BPAY**

Eligible Shareholders who wish to pay for New Shares using BPAY will not need to return their Entitlement and Acceptance Forms. You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions.

If you are an Eligible Shareholder and want to pay for New Shares using BPAY:

- (a) if you wish to take up your full Entitlement, simply make payment for the amount specified on your personalised Entitlement and Acceptance Form;
- (b) if you wish to take up less than your full Entitlement, payment should be made in the amount determined by multiplying the price per New Share (of \$0.10) by the number of New Shares you wish to take up; or
- (c) if you wish to apply for Additional Shares over and above your Entitlement, payment should be made in the amount determined by multiplying the price per New Share (of \$0.10) by the total number of New Shares and Additional Shares you wish to take up. If you wish to apply for Additional Shares and do not pay for the full number of Additional Shares you wish to apply for, you will be regarded as having applied for such whole number of Additional Shares which is covered in full by your Application Money.

Please ensure that your payment reaches the Company no later than the Closing Date (keeping in mind that payments made by BPAY may take 1 or more Business Days to clear).

### **1.14 Underwriting**

The Entitlement Offer is fully underwritten by the Underwriter on terms and conditions, including various termination rights, which are summarised in section 5.1.

### **1.15 Shareholders resident outside Australia or New Zealand**

The Entitlement Offer has not been, and will not be, registered under the securities laws of any foreign country or jurisdiction (other than New Zealand). The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Company considers it would be unreasonable to extend the Entitlement Offer to Shareholders who are not Eligible Shareholders (**Ineligible Shareholders**), having regard to: the small number of such Shareholders; the small number and value of securities that would be offered in such jurisdictions; and the costs of complying with legal and regulatory requirements in those jurisdictions.

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Without limiting any other statement in this section 1.15, the New Shares and the Entitlement and Acceptance Form have not been and will not be registered under the US Securities Act of 1933 or under any securities laws of any State or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act of 1933 and in compliance with any applicable securities laws of any State or other jurisdiction of the United States. There will be no public offer of the Entitlements or New Shares in the United States.

#### **1.16 ASX Listing**

Application was made to ASX on 8 November 2010 for the New Shares offered under this Prospectus to be quoted on the Australian Securities Exchange. If such New Shares are not admitted to official quotation within 3 months after the date of this Prospectus, all application monies received will be returned in accordance with the *Corporations Act*.

ASX takes no responsibility for the contents of this Prospectus.

#### **1.17 Terms of the New Shares**

A summary of the terms of the New Shares are set out in section 6.1. The New Shares will rank equally with existing Shares of the Company.

#### **1.18 Brokerage and Stamp Duty**

No brokerage or stamp duty is payable on the allotment of New Shares. You may pay brokerage if you sell your New Shares.

#### **1.19 Privacy**

If you apply for New Shares, you will provide personal information to the Company and the Share Registry. The Company and the Share Registry will collect, hold and use your personal information in order to assess your application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. All personal information will be collected in accordance with the national Privacy Principles as set out in the *Privacy Act*. Company and tax law requires some of the information to be collected. If you do not provide the information requested, your application may not be able to be processed.

The *Corporations Act* requires Nomad to include information about the security holder (including name, address and details of the securities held) in its public register. The information contained in Nomad's public register must remain there even if that person ceases to be a security holder of Nomad. Information contained in Nomad's register is also used to facilitate distribution payments and corporate communications (including Nomad's financial results, annual reports and other information that Nomad may wish to communicate to its security holders) and compliance by Nomad with legal and regulatory requirements.

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers, including those listed below, or as otherwise authorised under the *Privacy Act*:

- (a) the Underwriters in order to assess your application;
- (b) its Share Registry, for ongoing administration of the register; and
- (c) printers and mailing house, for the purposes of preparation and distribution of statements and for handling of mail.

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Under the *Privacy Act*, you may request access to your personal information held by (or on behalf of) the Company and the Share Registry. You can request access to your personal information by telephoning or writing to the Company through the Share Registry as follows:

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross WA 6153  
Tel: +61 8 9315 2333  
Fax: +61 8 9315 2233  
Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

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## **2. Purpose of the Offer & Company Overview**

### **2.1 Company overview**

Nomad Building Solutions Limited is a publicly listed company with a diversified group of construction, manufacturing and property development management businesses operating principally in Western Australia and Queensland.

Nomad group companies are regional and remote area specialists. Their combined capabilities provide a specialised resource for construction and property development.

Rapley Wilkinson, McGrath Homes, Nomad Modular Building and Halley Homes specialise in remote and regional area:

- tourist and residential construction;
- infrastructure works;
- refurbishments;
- project and development management; and
- manufacture of modular housing, camps and villages.

Nomad's core business is the manufacture of transportable modular buildings and construction activities in remote and regional areas. The Company is well placed in terms of its existing market position and product suite, to pursue the opportunities associated with the growing demand for accommodation and infrastructure in Western Australia and Queensland.

### **2.2 Purpose of the Offer**

The purpose of this Offer is to raise funds which, together with the funds raised under the Institutional Placement, will principally be used to:

- (a) Strengthen the Company's balance sheet.
- (b) Provide general working capital.
- (c) Facilitate the Company's participation in a range of identified core business opportunities which will allow the Company to leverage off the exposure to expected growth in demand for building and infrastructure projects as a result of the level of committed and planned investment in both:
  - new mining and liquefied natural gas projects and the expansion of existing mining and oil and gas projects in regional Australia; and
  - government investment in regional Australia.
- (d) Enable the Company to reduce its gearing levels should the Directors' assess this to be appropriate.

The Entitlement Offer, and the successfully completed Institutional Placement, are important to Nomad's long term capital management.

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### **3. Risks**

There are a number of risk factors, both specific to Nomad and of a general nature, which could adversely impact Nomad's performance and the value of its Shares. Some of these risks can be mitigated by the use of safeguards and appropriate controls, however many are outside the control of the Company. Eligible Shareholders should consider these risk factors before deciding whether to subscribe for New Shares under the Entitlement Offer. Eligible Shareholders should also note that this list of risks is not exhaustive, as it is not possible to identify all risks.

Prior to making an investment decision, Eligible Shareholders should read this Prospectus carefully and in full and consider the risks identified in this Section. Investors should have regard to their own investment objectives and financial circumstances and should consider seeking professional guidance from their accountant, stockbroker, or other professional adviser before deciding whether to apply for Shares in the Offer.

#### **3.1 Specific risk factors**

In addition to the general risk factors noted below, there are a number of specific risks concerning Nomad (and the Entitlement Offer) which potential investors should be aware of. The following is not an exhaustive list, but points to some of the risks that are specific to the Company. Any one or a combination of such risks could affect Nomad adversely and thus the value of any investment in Nomad. The extent of such adversity is difficult to estimate.

##### **Termination of the Underwriting Agreement**

The Entitlement Offer is underwritten on the terms of the Underwriting Agreement set out in section 5.1. Should the Underwriting Agreement be terminated there is a risk that the full amount of the Entitlement Offer will not be raised. In such circumstances, the Company may have to investigate further capital raising options to satisfy its working capital requirements and meet its balance sheet restructuring and growth development objectives. In addition, in certain specific circumstances the Underwriting Agreement may be terminated but the Underwriter will still be entitled to 50% of the fee that would otherwise be payable for the underwriting. Payment of such a termination fee, coupled with the full amount of the Entitlement Offer not being raised, will have a further impact on the Company's ability to meet the objectives of the capital raising and fund future growth opportunities.

##### **Litigation risk**

Given the industry in which the Company operates, members of the Group are frequently involved in contractual disputes or threatened litigation. While these disputes are generally settled and provision for payment of contractual claims is provided for in the Company's accounts, there is a risk that some threatened claims may not be settled or may settle for amounts exceeding the initial estimate or may escalate to full litigation. In such circumstances, the provision made in the Company's accounts may not be enough to satisfy the full amount of such claims which may have an adverse impact on the Company's financial performance.

##### **Risk of breaching debt covenants**

Nomad's debt facilities are subject to financial undertaking and ratio covenants. If one of these covenants is breached, Nomad may be required to immediately repay all of its bank debt, which is approximately \$25 million as at the date of this Prospectus. If Nomad was unable to pay the full amount of this debt in such circumstances, its lenders may wish to enforce their security over the Company's assets, and sell those assets, or Nomad may be placed into external administration or have receivers and managers appointed.

##### **Refinancing risk**

Nomad's debt facilities currently expire on 29 July 2011. In order to be able to repay these facilities Nomad will need to obtain replacement finance for the outstanding amounts, or a further extension of its debt facilities, which may not be available on reasonable terms, or at all.

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### **Exchange rate risk**

The cheaper price of imported competitive products as a result of the high Australian dollar has placed additional strain on the competitive industry in which Nomad operates. The increase in overseas competition may have an adverse impact on the profitability of the Company.

### **Maintenance of key client relationships**

The Company relies upon relationships with a number of clients within the sectors in which it operates, particularly in the mining and resources sector, in order to maintain and grow its business and market share. The deterioration of key relationships and a reduction in the level of success achieved by the Company in winning work could have a significant adverse impact on the Company's financial position and profitability.

### **Contract management risks**

The Company's ability to retain its existing work and competitively bid for and win new work is crucial to the ongoing success of the Company and its business. In addition, it is important that the Company completes its contracts on time and within budget. If Nomad's contract management processes were to deteriorate, or Nomad did not have the personnel required to appropriately supervise and manage contracts, Nomad may be unable to complete work on time and within budget. In such circumstances, this may have an adverse impact on the Company's profitability and a further effect on Nomad's ability to attract work and may reduce the Company's reputation in the marketplace.

### **Competition**

Increased competition could result in price reductions, an inability to win profitable contracts, under utilisation of facilities, equipment and personnel, reduced operating margins and loss of market share. In addition, increased competition may put pressure on the costs and availability of third party contractors on which the Company is heavily reliant.

### **Contractual risk**

The Company has entered into various material agreements (which have been previously announced to the market). If there is a default with any of the third party contractors or other parties which have contracted with the Company in the performance of their obligations then it may be necessary for the Company to seek a legal remedy and enforce its rights. Legal action may be costly and there is no guarantee that a legal remedy will ultimately be granted on appropriate terms.

### **Interest rate risk**

Nomad has in place debt facilities, some of which are subject to variable interest rates. Should interest rates move upward this may increase the overall interest cost to Nomad. Similarly where interest rates move down, interest costs may reduce.

### **Construction industry downturn**

Nomad's financial performance is sensitive to the level of activity within the segments of the construction industry in which it operates. The level of activity in the construction industry from time to time can be cyclical and sensitive to a number of factors beyond the control of the Company. A downturn in the construction industry may have an adverse effect on the Company's performance and profitability.

### **Key personnel risks**

The future success of Nomad depends, in part, on its continued access to experienced and qualified management and operational personnel, including those with specific building licences. Any loss of key members of the senior management or operational team could have a material adverse effect on Nomad. While Nomad seeks to ensure that the services of these key personnel are retained, no assurances can be given that Nomad will continue to retain and attract key staff as required by the Nomad businesses.

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## **Safety**

The construction operations of the Company involve the use of heavy plant and equipment, in a potentially hazardous environment where there is an increased risk of accident and injury. While the Company has appropriate systems to guard against accidents, a serious accident involving members of the Company's staff or contractors could have long term reputational implications for the Company and, if the accident was of a serious nature, possibly financial effects.

## **Liability for defective work**

A provision of services by Nomad carries with it a risk of liability for losses arising from defective work, including in some instances indirect or consequential losses suffered by third parties. The Company attempts to decrease its exposure to liability contractually and maintains adequate levels of professional indemnity insurance however, this will not protect the Company from all claims that could be made against the Company.

## **3.2 General risk factors**

Investors should be aware that the market price of Nomad's Shares may be subject to many unpredictable factors which affect share investments in general, the construction and manufacturing sectors and the Company. General trends in the local and international share markets, local and world economic conditions including level of economic growth, inflation, interest rates and investor sentiment could all impact on the price of Nomad's Shares.

### **Economic conditions**

The performance of Nomad may be significantly affected by changes in local, national and international financial and economic conditions, and particularly conditions which affect the property development, infrastructure and resources sectors. Profitability of the business may be affected by factors such as market conditions, interest rates, inflation and consumer demand.

### **Availability of funding and refinancing risk**

The Company's capital requirements depend on numerous factors. Subject to the Company's ability to generate income from its existing projects and any alternative matters that may require capital expenditure, the Company may require additional capital (by way of debt or equity) in the future in addition to amounts raised pursuant to the Entitlement Offer. Any additional equity financing may dilute the holdings of Shareholders, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company's debt facilities are not refinanced and need to be repaid, it is possible that the Company may need to raise additional capital or realise assets for less than their fair value. While the Board believes that additional capital is likely to be available to Nomad if required, no assurance can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to Nomad. If adequate funds are not available on acceptable terms, Nomad may not be able to take advantage of opportunities, develop new products and services or otherwise respond to competitive pressures.

### **Changes in government policy**

Changes in government policy (including fiscal, monetary and regulatory policies at federal, state and local levels), including policies affecting the construction, manufacturing and property development sectors may adversely affect Nomad or the industry in which it operates.

### **Geo-political factors**

Nomad may be affected by the impact that geo-political factors have on the various world economies or the Australian economy or on financial markets and investments generally or specifically.

### **Equity market conditions**

Nomad, being a company listed on ASX, is subject to the market forces that influence the broad share market trends and the price of securities of individual companies. Accordingly, assuming that the New Shares are granted official quotation on ASX, they may trade on ASX at higher or lower prices than the issue price.

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**Liquidity and realisation risk**

There can be no guarantee that there will be an active market in Shares or that the price of Shares will increase. There may be relatively few buyers or relatively high numbers of sellers of the Shares on the ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares.

**Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of Nomad.

Each Eligible Shareholder should consider whether shares are a suitable investment before deciding to invest in the New Shares. Any Eligible Shareholder in doubt about investing in shares should consult their stockbroker, accountant, lawyer or other professional adviser immediately.

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## 4. Effect of the Offer on the Company

### 4.1 Effect of Offer on the Company

Assuming all New Shares are issued, the principal effects of the issue will be:

- (a) cash reserves will initially increase by \$11,891,987 (before expenses) or \$14,342,445 (before expenses) including the funds raised pursuant to the Institutional Placement to enable the Company to pursue its objectives; and
- (b) the number of Shares on issue will increase to 277,479,329.

Further details of the possible effect of the issue are set out below.

### 4.2 Capital Structure

The effect of the Institutional Placement and the Entitlement Offer on the capital structure of the Company is outlined in the table below. This assumes that all Shares offered under this Prospectus are issued and that none of the existing Options on issue are exercised prior to the Record Date.

|   | Shares  | Options*  |
|---|---|-----------|
| Current securities on issue                               | 158,559,462 (including the Shares issued pursuant to the Institutional Placement) | 4,960,000 |
| New Shares to be issued pursuant to the Entitlement Offer | 118,919,867   |           |
| Total Shares on issue following the Entitlement Offer     | 277,479,329   |           |

\* The existing Options on issue are unlisted and comprise:

- 160,000 Long-term Executive Incentive Plan 2008 options (exercisable at \$0.81 per option<sup>^</sup> before 26 February 2013);
- 500,000 Long-term Executive Incentive Plan 2009 options (exercisable at \$0.55 per option<sup>^</sup> before 28 April 2014);
- 300,000 Long-term Executive Incentive Plan 2009 options (exercisable at \$0.75 per option<sup>^</sup> before 28 April 2014); and
- 4,000,000 Managing Director's Long-term Incentive Plan 2010 options (exercisable at \$0.14 per option<sup>^</sup> before 27 October 2015).

<sup>^</sup> The terms of all Options on issue provide for the exercise price of the Options to be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2 following the Entitlement Offer. Accordingly, the exercise price of the Options will be adjusted in this manner.

The number of options to subscribe for ordinary shares on issue will not increase as a result of the Offer.

### 4.3 Statement of Financial Position

Set out below is the audited Consolidated Statement of Financial Position of the Company as at 30 June 2010 and the Pro Forma Consolidated Statement of Financial Position assuming completion of the Offer. This information should be read in conjunction with the information provided elsewhere in this Prospectus.

**Nomad Building Solutions Limited**  
**Consolidated Statement of Financial Position at 30 June 2010**

Amounts in \$'000

|                                      | Audited<br>30 June 2010 | Effect of<br>Institutional<br>Placement | Effect of<br>Entitlement<br>Offer | Pro Forma<br>30 June 10 |
|--------------------------------------|-------------------------|---|-----------------------------------|-------------------------|
| <b>CURRENT ASSETS</b>                |                         |   |                                   |                         |
| Cash and Cash Equivalents            | 8,845                   | 2,250                                   | 11,300                            | 22,395                  |
| Trade and Other Receivables          | 24,588                  |   |                                   | 24,588                  |
| Current tax assets                   | 1,611                   |   |                                   | 1,611                   |
| Inventories                          | 22,213                  |   |                                   | 22,213                  |
| <b>Total Current Assets</b>          | 57,257                  | 2,250                                   | 11,300                            | 70,807                  |
| <b>NON-CURRENT ASSETS</b>            |                         |   |                                   |                         |
| Receivables                          | 109                     |   |                                   | 109                     |
| Property, Plant & Equipment          | 24,216                  |   |                                   | 24,216                  |
| Investment Property                  | 5,966                   |   |                                   | 5,966                   |
| Deferred Tax Asset                   | 7,265                   |   |                                   | 7,265                   |
| Intangible Assets                    | 31,416                  |   |                                   | 31,416                  |
| <b>Total Non-Current Assets</b>      | 68,972                  | -                                       | -                                 | 68,972                  |
| <b>TOTAL ASSETS</b>                  | 126,229                 | 2,250                                   | 11,300                            | 139,779                 |
| <b>CURRENT LIABILITIES</b>           |                         |   |                                   |                         |
| Trade and Other payables             | 34,021                  |   |                                   | 34,021                  |
| Deferred Income                      | 3,555                   |   |                                   | 3,555                   |
| Borrowings                           | 26,842                  |   |                                   | 26,842                  |
| Provisions                           | 5,184                   |   |                                   | 5,184                   |
| <b>Total Current Liabilities</b>     | 69,602                  | -                                       | -                                 | 69,602                  |
| <b>NON-CURRENT LIABILITIES</b>       |                         |   |                                   |                         |
| Borrowings                           | -                       |   |                                   | -                       |
| Deferred tax liabilities             | 296                     |   |                                   | 296                     |
| Provisions                           | 102                     |   |                                   | 102                     |
| <b>Total Non-Current Liabilities</b> | 398                     | -                                       | -                                 | 398                     |
| <b>TOTAL LIABILITIES</b>             | 70,000                  | -                                       | -                                 | 70,000                  |
| <b>NET ASSETS</b>                    | 56,229                  | 2,250                                   | 11,300                            | 69,779                  |
| <b>EQUITY</b>                        |                         |   |                                   |                         |
| Contributed Equity                   | 94,296                  | 2,250                                   | 11,300                            | 107,846                 |
| Reserves                             | 30                      |   |                                   | 30                      |
| Accumulated losses                   | (38,097)                |   |                                   | (38,097)                |
| <b>TOTAL EQUITY</b>                  | 56,229                  | 2,250                                   | 11,300                            | 69,779                  |
| <b>Gearing Analysis</b>              |                         |   |                                   |                         |
| Net Debt                             | 17,997                  | (2,250)                                 | (11,300)                          | 4,447                   |
| Net Debt / Equity                    | 32.0%                   | n/a                                     | n/a                               | 6.4%                    |
| <b>Per Share Analysis</b>            |                         |   |                                   |                         |
| Shares on issue                      | 138,138,976             | 20,420,486                              | 118,919,867                       | 277,479,329             |
| Net Tangible Assets (\$'000)         | 24,813                  | 2,250                                   | 11,300                            | 38,363                  |
| NTA per share (\$)                   | 0.18                    | 0.11                                    | 0.10                              | 0.14                    |

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Whilst this pro forma unaudited Consolidated Statement of Financial Position is included for illustrative purposes, the actual assets and liabilities of the consolidated entity after the issue of the New Shares are likely to vary according to the ongoing operating activities of the Group over the period.

The pro forma unaudited Consolidated Statement of Financial Position does not reflect the trading of the Group since 30 June 2010, but it **does** include the following pro forma adjustments:

- (1) the issue of 20,420,486 shares at \$0.12 cents each pursuant to completion of the Institutional Placement, less payment of \$200,000 in transaction costs; and
- (2) the issue of 118,919,867 shares at \$0.10 cents each pursuant to completion of the Entitlement Offer, less payment of \$592,000 in transaction costs.

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## 5. Material Contracts

### 5.1 Underwriting Agreement

Nomad has entered into the Underwriting Agreement with the Underwriter pursuant to which the Underwriter has agreed to underwrite the Offer. Each valid application for New Shares will be applied towards relieving the Underwriter of its obligations.

The total amount underwritten pursuant to the Entitlement Offer is \$11,891,987.

Unless otherwise defined in this Prospectus, capitalised terms in this section 5.1 have the meaning as defined in the Underwriting Agreement.

#### (a) Underwriting fees, expenses and indemnities

Nomad has agreed to pay to the Underwriter the following amounts:

- an underwriting fee of 3.5% of the Underwritten Amount; and
- all reasonable costs and expenses of and incidental to the Entitlement Offer (to not exceed \$10,000 without the prior consent of the Company).

In addition, the Company has agreed to pay the Underwriter 50% of the underwriting fee if the Entitlement Offer does not proceed, including where the Entitlement Offer does not proceed by reason of termination of the Underwriting Agreement by the Underwriter (**Termination Fee**). The Termination Fee is not payable where (in general) the Underwriting Agreement is terminated for reasons outside the Company's control (such as a market indices fall or because of an outbreak of hostilities).

The Underwriting Agreement contains certain warranties by the Company relating to matters such as the conduct of the Company and the information provided by the Company in relation to this Prospectus.

The Underwriting Agreement also imposes various obligations on the Company, including that the Company will lodge the Prospectus with ASIC, comply with all applicable laws in respect of the Prospectus and apply for quotation of the New Shares on ASX.

Subject to certain exclusions, including liabilities arising from wilful default, fraud or gross negligence, the Company has agreed to indemnify the Underwriters and their directors, officers, employees and agents against all prosecutions, losses, liabilities, damages, costs and expenses arising from the Company's non-compliance with any legal or regulatory requirements, and statement, misstatement or omission from the Prospectus or from the Company's breach of the Underwriting Agreement.

#### (b) Six month moratorium

The Underwriting Agreement contains a six month moratorium which restricts the Company from undertaking any of the following activities until the date being 6 months after the Closing Date without obtaining the prior written consent of the Underwriter:

- alter its capital structure other than as disclosed in the Prospectus (or other than to issue Shares upon the exercise of Options or under employee equity incentive plans);
- amend its Constitution or any other constituent document (except as required to comply with the Listing Rules or the Corporations Act);
- pass or take any steps to pass a resolution for the Company to give financial assistance under section 260B of the Corporations Act;
- dispose or agree to dispose of, or charge or agree to charge, the whole or a substantial part of the business or property;

- 
- propose or activate any share buy-back scheme or scheme of arrangement; or
  - issue or agree to issue any Shares, or Options, or other securities convertible into Shares.

(c) **Events of Termination**

The Underwriter may elect to terminate its obligations under the Underwriting Agreement at any time prior to completion of the Entitlement Offer, in the following circumstances:

- **(Indices fall)**: the S&P ASX 200 Index is on any 2 Business Days in any 5 Business Day period 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 (being 3 November 2010);
- **(Prospectus)**: the Company does not lodge the Prospectus by 5.00pm (Perth time) on the Lodgement Date or the Prospectus or the Offer is withdrawn by the Company;
- **(No Listing Approval)**: the Company fails to lodge an Appendix 3B in relation to the Underwritten Shares with ASX within 7 days of the Actual Lodgement Date;
- **(Supplementary prospectus)**:
  - i. the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of certain specific occurrences, forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in Section 719 of the *Corporations Act* and the Company fails to lodge a Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require; or
  - ii. the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter;
- **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
  - i. the effect of the Offer on the Company; and
  - ii. the rights and liabilities attaching to the Underwritten Shares;
- **(Misleading Prospectus)**: it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the *Corporations Act*) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive, in all cases, that is materially adverse from the point of view of an investor;
- **(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, ASIC or ASX;
- **(Withdrawal of consent to Prospectus)**: any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- **(ASIC application)**: an application is made by ASIC for an order under Section 1324B or any other provision of the *Corporations Act* in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn;

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- **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under Section 739 of the *Corporations Act* in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under Section 739 of the *Corporations Act*;
  - **(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;
  - **(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;
  - **(Indictable offence):** a director or senior manager of a Relevant Company is charged with an indictable offence; or
  - **(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.

In addition, the Underwriter may elect to terminate their obligations and the Underwriting Agreement at any time prior to completion of the Entitlement Offer, in the following circumstances, where the event has or is likely to have a material adverse effect on the success or settlement of the Entitlement Offer:

- **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, the United Kingdom, the United States of America or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- **(Default):** default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;
- **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect;
- **(Contravention of constitution or Act):** a contravention by a Relevant 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;
- **(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 this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Relevant Companies (taken as a whole) including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- **(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;
- **(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;
- **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the Issue or the Prospectus;
- **(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 Issue

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or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;

- **(Official Quotation qualified)**: the official quotation is qualified or conditional other than as set out in the Underwriting Agreement;
- **(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;
- **(Prescribed Occurrence)**: a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;
- **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- **(Event of Insolvency)**: an Event of Insolvency occurs in respect of a Relevant Company;
- **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$500,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 14 days;
- **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company, other than any claims disclosed in writing to the Underwriter;
- **(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;
- **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant 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 a Relevant Company;
- **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- **(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;
- **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus;
- **(Breach of Material Contracts)**: any of the Contracts is terminated or substantially modified;
- **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company; or
- **(Market Conditions)**: a suspension or material limitation in trading generally on ASX or any of the major stock exchanges of the United Kingdom or the United States of America occurs.

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**(d) Potential voting power in the Company of the Underwriter**

As at the date of this Prospectus, the Underwriter holds a relevant interest in 20,000,000 Shares giving it a voting power of approximately 12.6% in the Company.

The Underwriter has agreed to fully underwrite the Offer by acquiring all of the Shortfall Shares pursuant to the terms of the Underwriting Agreement.

In the event that the Offer is not fully subscribed by Eligible Shareholders (including through applications for Additional Shares), a Shortfall will result and the Underwriter will be entitled to procure subscription for some or all of that Shortfall from third parties (such as sub-underwriters) or will subscribe for some or all of that Shortfall on its own account. At the date of this Prospectus it is not possible to confirm whether there will be any Shortfall Shares.

The following table sets out the shareholding of the Underwriter after completion of the Entitlement Offer assuming different levels of acceptances by Shareholders and subject to the Underwriting Agreement. The numbers in the table include the Shares issued under the Institutional Placement which immediately preceded the Entitlement Offer.

| Percentage acceptance of Offer by Eligible Shareholders (including subscriptions for Additional Shares by Eligible Shareholders) | Shares held by Underwriter after the Entitlement Offer* | Percentage of Shares / voting power held by Underwriter after the Entitlement Offer* |
|--|---|--|
| 100% (all Eligible Shareholders accept)  | 20,000,000  | 12.6%  |
| 50% (half of the Entitlement taken up and balance taken up by Underwriter)   | Up to 79,459,934  | Up to 28.6%  |
| 0% (no Entitlement taken up and 100% of the Offer constitutes a Shortfall which is fully underwritten)                           | Up to 138,919,867                                       | Up to 50.1%  |

\* The actual number of New Shares acquired by the Underwriter may be less than is shown if Shareholders subscribe for and are allocated Additional Shares and if sub-underwriters take up any Shortfall instead of the Underwriter. It is not practical to estimate the various permutations that may result in such a case.

**(e) Intentions of the Underwriter**

The Underwriter has advised the Company that if the Underwriter obtains control of the Company or voting power of more than 20% in the Company:

- the present intention of the Underwriter is to exercise its voting power to cause the Company to continue its current business in the ordinary course and to pursue the strategies outlined in this Prospectus; and
- the Underwriter has no present intention of changing the direction or business of the Company (other than supporting any changes set out in this Prospectus) or to enter into any related party transactions with the Company, or to materially restructure the employment arrangements of the Company or to redeploy any of its investments.

The Directors cannot speculate as to the extent that Entitlements will be taken up by Eligible Shareholders or the level of voting power the Underwriter will have after the completion of the Offer.

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## **6. Additional Information**

### **6.1 Key terms of the New Shares**

The key terms and conditions of issue of the New Shares are as follows:

- (a) the subscription price is \$0.10 per New Share; and
- (b) New Shares issued pursuant to this Offer will rank *pari passu* with existing Shares of the Company in all respects.

Further details of the rights and liabilities of the New Shares are set out in section 6.2.

### **6.2 Rights and liabilities attaching to New Shares**

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to all Shares including New Shares, which will be issued pursuant to this Offer. Full details are contained in the Constitution, the *Corporations Act* and ASX Listing Rules:

#### **(a) Share Capital**

All issued Shares rank equally in all respects.

#### **(b) Voting Rights**

At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for every Share held.

#### **(c) Dividend Rights**

Subject to the rights of holders of shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the shareholders according to the amounts paid on the Shares held by them.

#### **(d) Rights on Winding-Up**

Subject to the rights of holders with shares with special rights in a winding-up (at present there are none), on a winding-up of the Company all assets which may be legally distributed amongst the members will be distributed in proportion to the Shares held by them respectively.

#### **(e) Transfer of Shares**

Shares may be transferred by instrument in any form which complies with the Constitution, the *Corporations Act*, ASX Listing Rules and ASX Settlement Operating Rules.

Where the Company participates in a computerised and electronic system for trading in shares permitted by the ASX Listing Rules, Shares may be transferred by such means in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. The Directors may refuse to register a transfer of Shares only in those limited circumstances permitted by the *Corporations Act*, ASX Listing Rules and ASX Settlement Operating Rules.

#### **(f) Further Increases in Capital**

The allotment and issue of any Shares is under the control of the Directors and subject to any restrictions on the allotment of Shares imposed by the Constitution, ASX Listing Rules or the *Corporations Act*, the Directors may allot, issue or grant options over or otherwise dispose of Shares to such persons, with such rights or restrictions as they may from time to time determine.

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**(g) Variations of Rights Attaching to Shares**

Where shares of different classes are issued, the rights attaching to the shares of a class can thereafter only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or with the written consent of the holders of at least three quarters of the issued shares of that class.

**(h) General Meeting**

Each holder of Shares is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the *Corporations Act* and ASX Listing Rules.

A copy of the Constitution is available for inspection, free of charge, at the registered office of the Company.

**(i) Alteration to the Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of the votes of the Shareholders present and voting at a general meeting. At least 28 days written notice must be given of the intention to propose the resolution as a special resolution.

**(j) ASX listing rules**

Because Nomad is listed on the ASX Official List, notwithstanding anything in the Constitution, if the ASX Listing Rules prohibit an act being done, the act must not be done. If the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done, and if a provision is required in the Constitution by the ASX Listing Rules, the Constitution will be treated as containing that provision. If any provision of the Constitution becomes inconsistent with the ASX Listing Rules, the Constitution will be treated as not containing that provision to the extent of the inconsistency.

**6.3 Dividend Policy**

Nomad does not anticipate paying dividends in respect of the financial year ending 30 June 2011. Directors intend to recommence paying dividends as soon as circumstances allow.

**6.4 CHESS**

The New Shares will participate from the date of commencement of quotation in CHESS. They may be held in uncertificated form (that is, no certificate is issued) on the CHESS subregister under sponsorship of a broker or on the issuer-sponsored subregister.

If a Shareholder wishes to hold their Shares on the CHESS subregister under sponsorship of a broker, the shareholder should provide their HIN (Holder Identification Number) in the space provided in the Entitlement and Acceptance Form accompanying this Prospectus. If a Shareholder does not provide a HIN, their New Shares will be held on the issuer-sponsored subregister.

Arrangements can be made at any subsequent time to convert a Shareholder's holding from the issuer-sponsored subregister to the CHESS subregister under sponsorship of a broker, or the reverse, by contacting the Share Registry and/or the Shareholder's broker.

**6.5 ASX listing, continuous disclosure and documents available for inspection**

This Prospectus is used by the Company in accordance with section 713 of the *Corporations Act*.

The New Shares to be issued pursuant to this Prospectus are in a class of securities that are continuously quoted securities. This means that the Company's fully paid ordinary shares in the

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same class as offered by this Prospectus are listed on a registered securities exchange, being ASX, and were quoted continuously for the past 12 months. It also means that the Company has been subject to the continuous disclosure requirements for listed companies provided for under the *Corporations Act* and the ASX Listing Rules which require continuous disclosure to ASX of any information held by the Company which a reasonable person would expect to have a material effect on the price or value of the Company's shares.

As a disclosing entity, the Company has issued this Prospectus in accordance with the provisions of the *Corporations Act* applicable to prospectuses for continuously quoted securities.

The Company states that:

- as a disclosing entity under the continuous disclosure regime, 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 ASIC office; and
- any person may request, and the Company will provide free of charge, a copy of each of the following documents during the application period of this Prospectus:
  - (a) the annual report and annual financial statements for the year ended 30 June 2010 (**2010 Annual Report**), being the most recent annual report lodged with ASIC by the Company; and
  - (b) any continuous disclosure notices given by the Company since the lodgment of the 2010 Annual Report and before the lodgement of this Prospectus.

All documents referred to above are separate documents and are not incorporated by reference in this Prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific disclosure requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus. No information has been excluded from continuous disclosure notices given by the Company in accordance with ASX Listing Rules which is information that investors and 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 New Shares and Shares.

As this Prospectus is issued pursuant to section 713 of the *Corporations Act*, it is required to contain information investors and their professional advisers would reasonably require to make an informed assessment of:

- the effect of the Offer on the Company; and
- the rights and liabilities attaching to the New Shares and Shares.

As such, this Prospectus is not required to provide information regarding the assets and liabilities, financial position and performance, profits and losses and prospects of the Company on the basis that such information is available through continuous disclosure notices given by the Company in accordance with its obligations under ASX Listing Rules and the *Corporations Act*.

Since the date of the lodgement of the 2010 Annual Report on 26 October 2010, the following announcements have been made, in reference to the Company to ASX as described below:

| Date             | Description of Document                               |
|------------------|---|
| 15 November 2010 | Section 708A(5)(e) Cleansing Notice                   |
| 15 November 2010 | Proposed Changes to Nomad Board                       |
| 8 November 2010  | David Craig to be appointed NED for Nomad             |
| 8 November 2010  | Appendix 3B for Placement and Entitlement Offer       |
| 5 November 2010  | Appendix 3Y – M Bourke                                |
| 3 November 2010  | Request for Trading Halt – Equity Raising             |
| 3 November 2010  | Trading Halt  |
| 29 October 2010  | Notification of issue of options to Managing Director |
| 29 October 2010  | Bank Facilities Formally Renewed                      |

## 6.6 Interests and intentions of Directors

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

- has or had at any time in the last 2 years an 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 the Offer or promotion of the Company, or the Offer; or
- has been paid or agreed to be paid an amount, or has been given or agreed to be given any other benefit, either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by him in connection with the formation or promotion of the Company or the Offer.

The Directors (and their associates) have the following interests in securities of the Company as at the date of this Prospectus:

| Director           | Shares  | Options*  |
|--------------------|---------|-----------|
| Mr Richard Blair   | 227,584 | Nil       |
| Mr Peter Slaughter | 160,877 | Nil       |
| Mr Peter Abery     | Nil     | Nil       |
| Mr Michael Bourke  | Nil     | 4,000,000 |

\* Full details with respect to the Options on issue are set out in section 4.2.

Neither Mr David Craig, who is to be appointed as a non-executive Director following the conclusion of the AGM (and his associates), Mr Michael Bourke, Managing Director (and his associates), nor Mr Peter Abery, Director (and his associates) have any interest in the Company's shares as at the date of this Prospectus.

Mr David Craig, Mr Peter Slaughter and Mr Peter Abery intend to sub-underwrite part of the Entitlement Offer in accordance with the arrangements set out in detail in section 6.7.

The following Directors intend to take up their Entitlements in full under the Offer:

| Director           | New Shares |
|--------------------|------------|
| Mr Richard Blair   | 170,688    |
| Mr Peter Slaughter | 120,658    |

## 6.7 Related party sub-underwriting

Mr Peter Abery, a Director of the Company, has agreed with the Underwriter to sub-underwrite up to \$75,000 of the funds to be raised under the Entitlement Offer (750,000 New Shares). Mr Abery will not receive any sub-underwriting fees.

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Mr David Craig, a proposed Director and related party of the Company, has agreed with the Underwriter to sub-underwrite up to \$20,000 of the funds to be raised under the Entitlement Offer (200,000 New Shares). Mr Craig will not receive any sub-underwriting fees.

Mr Peter Slaughter, a Director of the Company, has agreed with the Underwriter to sub-underwrite up to \$25,000 of the funds to be raised under the Entitlement Offer (250,000 New Shares). Mr Slaughter will not receive any sub-underwriting fees.

## **6.8 Remuneration**

Each of the Directors receives directors' fees from the Company. In the past 12 months, Mr Richard Blair and Mr Peter Abery have received amounts of \$275,177 and \$59,814 respectively in addition to their non-executive directors fees for additional duties undertaken with respect to the Company.

Mr Michael Bourke receives a salary and other benefits as the Managing Director of the Company.

Mr David Craig has acted as a consultant to the Company since 1 August 2010. He has assisted with Company with respect to various matters, including in relation to the Entitlement Offer (and the Company's capital raising initiatives generally) and has received approximately \$22,667 for services rendered to the Company.

Complete details of the Directors' fees paid to each of the Directors are set out in the Company's 2010 Annual Report for the financial year ended 30 June 2010 which was lodged with ASX on 26 October 2010.

## **6.9 Interests of advisers**

Other than as set out in this Prospectus, no 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 has or had at any time in the last 2 years an 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 the Offer or the formation or promotion of the Company, or in the Offer; or has been paid or agreed to be paid any amount or agreed to be given any other benefit, either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by him in connection with the formation or promotion of the Company or the Offer.

Entrust Private Wealth Management Pty Ltd have acted as Underwriter to the Offer, in respect of which they will receive up to \$122,523 as agent for the Institutional Placement and up to \$416,220 in underwriting fees, in respect of which they have been paid nil as at 15 November 2010.

Norton Rose Australia has acted as lawyers to the Company in relation to the Offer and will receive approximately \$105,000 (plus GST and disbursements) for legal services rendered to the Company in connection with the Offer and the Institutional Placement.

## **6.10 Expenses of the Offer**

The total expenses of the Offer payable by the Company are estimated as approximately \$175,000 (excluding underwriting fees of \$416,220). These expenses include listing fees, legal fees, printing and other miscellaneous expenses. They will be borne by the Company.

## **6.11 Application Monies and interest**

Moneys received from an applicant on account of New Shares offered under this Prospectus will, until those New Shares are issued, be held by the Company in a bank account established and kept by the Company for the purpose of depositing Application Monies.

To the fullest extent permitted by law, each applicant agrees that such moneys do not bear interest as against the Company and that any interest earned in respect of the Application Monies paid into

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that account or kept in the separate account belongs to the Company, irrespective of whether or not all or any of the New Shares applied for by that applicant are issued to that applicant.

#### **6.12 Consents**

The auditors of the Company, BDO Audit (WA) Pty Ltd, consent to being named as the auditors of the Company, in the form and context in which the reference appears, and have not withdrawn their consent as at the date of lodgement of this Prospectus.

The Underwriter has consented to being named in this Prospectus in the form and context in which it is named and has not withdrawn its consent as at the date of lodgement of this Prospectus.

Norton Rose Australia has consented to being named in this Prospectus in the form and context in which they are named and have not withdrawn their consent as at the date of lodgement of this Prospectus.

The Share Registry has consented to being named in this Prospectus in the form and context in which it is named and has not withdrawn its consent as at the date of lodgement of this Prospectus.

Mr Richard Blair, Chairman of the Company, has consented to the inclusion of the Chairman's letter included in this Prospectus on page ii.

#### **6.13 Disclaimer of responsibility**

Each of the parties referred to in section 6.12:

- does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement of those parties, other than as specified in section 6.12; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of the Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in section 6.12.

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## 7. Directors' Statement

This Prospectus is authorised by Nomad and is lodged with ASIC pursuant to section 718 of the *Corporations Act*.

Each Director has given and Mr David Craig as a proposed director has given, and has not withdrawn, before the date of this Prospectus, his consent to the lodgement of this Prospectus with ASIC and to the issue of this Prospectus in accordance with section 720 of the *Corporations Act*.



Richard Blair  
Chairman, Nomad Building Solutions Limited  
Dated: 15 November 2010

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## 8. Glossary

|   |   |
|---|---|
| <b>\$</b>                                 | Australian Dollars unless otherwise stated.   |
| <b>Additional Shares</b>                  | New Shares which Eligible Shareholders may apply for in addition to their Entitlement as described in sections 1.11(d) and 1.12 of this Prospectus.   |
| <b>AGM</b>                                | The Company's Annual General Meeting to be held on 29 November 2010.  |
| <b>Application</b>                        | An application to subscribe for New Shares pursuant to the Entitlement Offer.   |
| <b>Application Monies</b>                 | Monies received from applicants in respect of their Applications.   |
| <b>ASIC</b>                               | Australian Securities and Investments Commission.   |
| <b>ASX</b>                                | Australian Securities Exchange operated by ASX Limited ACN 008 624 691.   |
| <b>ASX Listing Rules</b>                  | The official listing rules of the ASX.  |
| <b>ASX Settlement and Operating Rules</b> | The operating rules of ASX Settlement and Transfer Corporation Pty Limited ACN 008 504 532.   |
| <b>Business Day</b>                       | A day on which trading takes place on the stock market of ASX.  |
| <b>CHESS</b>                              | The Clearing House Electronic Subregister System operated by ASX Settlement & Transfer Corporation Pty Limited ACN 008 504 532.   |
| <b>Closing Date</b>                       | The date on which the Entitlement Offer closes being 5.00 pm (WST) 9 December 2010 or such other earlier or later date as determined by the Company.  |
| <b>Company or Nomad</b>                   | Nomad Building Solutions Limited ACN 117 371 418.   |
| <b>Constitution</b>                       | The constitution of the Company.  |
| <b>Corporations Act</b>                   | <i>Corporations Act 2001</i> (Cth).   |
| <b>Directors</b>                          | The directors of the Company.   |
| <b>Eligible Shareholder</b>               | The holder of a Share on the Record Date with a registered address in Australia or New Zealand.   |
| <b>Entitlement</b>                        | The entitlement to subscribe for 3 New Shares for every 4 Shares held on the Record Date.   |
| <b>Entitlement and Acceptance Form</b>    | The entitlement and acceptance form accompanying this Prospectus.   |
| <b>Entitlement Offer</b>                  | The pro-rata non-renounceable entitlement offer to Eligible Shareholders of 3 New Shares for every 4 Shares held on the Record Date at an issue price of \$0.10 per New Share to raise \$11,891,987 before costs. |
| <b>Group</b>                              | The Company and each of its Subsidiaries.   |
| <b>Ineligible Shareholders</b>            | Has the meaning given in section 1.15.  |
| <b>Institutional Placement</b>            | The allotment and issue of 20,420,486 Shares to professional and sophisticated investors on 11 November 2010 at an issue price of \$0.12 per Share to raise \$2,450,458 before costs.                             |
| <b>New Shares</b>                         | The Shares in the Company offered under this Prospectus, the terms of which are summarised in section 6.  |
| <b>Offer</b>                              | The offer of New Shares pursuant to this Prospectus.  |

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|                               |   |
|-------------------------------|---|
| <b>Offer Period</b>           | The period from 25 November 2010 until the Closing Date.  |
| <b>Official Quotation</b>     | The grant by ASX of "Official Quotation" (as that term is used in the ASX Listing Rules) of all the New Shares when allotted.   |
| <b>Opening Date</b>           | The date on which the Offer opens being 25 November 2010 or such other earlier or later date as determined by the Company.  |
| <b>Option</b>                 | An option to acquire a Share.   |
| <b>Privacy Act</b>            | <i>Privacy Act 1988</i> (Cth).  |
| <b>Prospectus</b>             | This prospectus dated 15 November 2010.   |
| <b>Record Date</b>            | 5.00pm (WST) on 24 November 2010.   |
| <b>Relevant Company</b>       | The Company and each Subsidiary.  |
| <b>Share</b>                  | A fully paid ordinary share in the capital of the Company.  |
| <b>Shareholder</b>            | The holder of a Share.  |
| <b>Share Registry</b>         | Security Transfer Registrars Pty Ltd ACN 008 894 488.   |
| <b>Shortfall</b>              | The difference between the total number of New Shares offered under the Entitlement Offer and the number of New Shares actually applied for by Eligible Shareholders.               |
| <b>Shortfall Shares</b>       | The Underwritten Shares for which valid Entitlement and Acceptance Forms have not been received by 5.00 pm (Perth time) on the Closing Date.  |
| <b>Subsidiary</b>             | Each company at the date of execution of the Underwriting Agreement or at the time of completion is a subsidiary of the Company within the meaning of the <i>Corporations Act</i> . |
| <b>Underwriter or Entrust</b> | Entrust Private Wealth Management Pty Ltd ABN 80 100 088 168.   |
| <b>Underwriting Agreement</b> | The agreement between Nomad and the Underwriter dated 3 November 2010, the terms of which are summarised in section 5.1.  |
| <b>Underwritten Amount</b>    | \$11,891,987.   |
| <b>VWAP</b>                   | Volume Weighted Average Price.  |
| <b>WST</b>                    | Western Standard Time.  |