

**METHANOL AUSTRALIA LIMITED ACN 066 447 952**



# **PROSPECTUS**

## **Non – Renounceable Rights Issue**

**Non-Renounceable Rights Issue by Methanol Australia Limited of**

**1 New Share for every 4 Shares held at an Issue Price 22.5 cents to raise \$8,696,537 (before expenses)**

**with 1 New Option attaching to every New Share exercisable by 30 April 2007 at 25 cents per Share.**

**the last day for acceptances and payment to be received is Monday 11 September 2006 at 5:00pm AEST**

**The Rights Issue is fully underwritten by Tolhurst Noall Limited (ACN: 003 237 536) (AFSL: 238 444)**

### **IMPORTANT INFORMATION**

**This is an important document that should be read in its entirety. If you are in doubt about what to do, you should consult your professional advisers without delay. The New Shares and New Options offered by this Prospectus are of a speculative nature.**

## **IMPORTANT INFORMATION**

### **Important Notice**

This Prospectus is dated 3 August 2006 and was lodged with ASIC on that date. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of the New Shares and New Options offered by this Prospectus. No securities will be offered under this Prospectus later than 13 months after the date of this Prospectus.

Methanol Australia will apply for quotation of the New Shares and New Options on ASX.

### **Transaction Specific Prospectus**

Section 713 of the Corporations Act requires this Prospectus to contain all information that Eligible Shareholders and their professional advisers would reasonably require and reasonably expect to find in this Prospectus for the purpose of making an informed assessment of:

- the effect of the Rights Issue on Methanol Australia; and
- the rights and liabilities attaching to the New Shares and New Options.

In determining the content of this Prospectus, regard has been had to the fact that Methanol Australia is a disclosing entity for the purposes of the Corporations Act (and is subject to regular reporting and disclosure obligations) and also to the fact that certain matters may reasonably be expected to be known to professional advisers whom Eligible Shareholders may consult.

### **Applications for Shares**

Eligible Shareholders can only accept their Entitlement by completing the Entitlement and Acceptance Form in accordance with the instructions on it, and sending it to Methanol Australia's Share Registry. A personalised Entitlement and Acceptance Form accompanies this Prospectus for use by Eligible Shareholders who are entitled to participate in the Rights Issue.

If you are an Eligible Shareholder, your personalised Entitlement and Acceptance Form shows the number of New Shares comprising your Entitlement. Please refer to Section 3 for details on how to accept your Entitlement.

Eligible Shareholders who take no action in respect of their Entitlement will not receive any New Shares or New Options. Entitlements which are not taken up will revert to the Underwriter and Eligible Shareholders will have their holdings diluted.

Methanol Australia will provide a copy of this Prospectus to any person who requests a copy during the application period for this Prospectus.

### **Electronic version of this Prospectus**

A copy of this Prospectus (in read only format and without an Entitlement and Acceptance Form) may be viewed on Methanol Australia's website at [www.methanol.com.au](http://www.methanol.com.au) from the date of this Prospectus until the Closing Date. No offer is made under the electronic form of this Prospectus, and there is no facility for electronic acceptances.

### **Foreign Jurisdictions**

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. 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 (see Section 2.11).

### **Disclaimer**

No person is authorised to provide any information or to make any representation in connection with the Rights Issue described in this Prospectus which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company, the Underwriter or any other person in connection with the Rights Issue.

It is important that Eligible Shareholders read this Prospectus in its entirety before deciding to invest in New Shares and New Options and, in particular, in considering the prospects for Methanol Australia, that they consider the risk factors that could affect Methanol Australia's performance. Eligible Shareholders should carefully consider these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional

guidance from their stockbroker, solicitor, accountant or other professional financial adviser before deciding whether to invest. Some risk factors that Eligible Shareholders should consider are outlined in Section 5.

### **Privacy**

As an Eligible Shareholder, Methanol Australia (and the Share Registry on its behalf) holds personal information about you. It does this to process and administer your investment in Methanol Australia and to provide related services to you. Methanol Australia may disclose your personal information, for purposes related to your investment, to its agents or service providers, including your sponsoring broker (if any) and Share Registry. You can obtain access to personal information that Methanol Australia holds about you.

### **Glossary**

A number of terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary.

## KEY INFORMATION

### Key Dates for Investors

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Ex- Date (Shares trade without attaching rights entitlement)	4 August 2006
Record Date	11 August 2006
Dispatch of Prospectus and Entitlement and Acceptance Form	17 August 2006
Closing Date for Rights Issue *	11 September 2006
New Shares and New Options quoted on ASX on Deferred Settlement Basis *	12 September 2006
Dispatch of Holding Statements *	19 September 2006
Normal trading commences on ASX	21 September 2006

\* These dates are indicative only and subject to change. Methanol Australia, in consultation with the Underwriter, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, reserves the right to change any of these dates without notice. This may include extending the Rights Issue or accepting late acceptances. You are encouraged to submit your Entitlement and Acceptance Forms as soon as possible.

### Rights Issue Statistics

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Issue Price per New Share	\$0.225
Rights Issue ratio	1 for 4
Number of Shares on issue prior to the Rights Issue	154,605,115
Number of New Shares offered by this Prospectus	38,651,278
Total number of Shares on issue after completion of the Rights Issue	193,256,393
Number of Options on issue prior to the Rights Issue	4,050,000
Number of New Options offered by this Prospectus	38,651,278
Total number of Options on issue after completion of the Rights Issue (excluding 14,055,010 Options proposed to be granted to Cambrian Oil & Gas Plc.)	42,701,278
Exercise Price of existing Options	\$0.20
Expiry Date of existing Options	30 September 2006
Exercise Price of New Options	\$0.25
Expiry Date of New Options	30 April 2007
Total Proceeds of the Rights Issue *	\$8,696,537

\* Excluding costs of the Rights Issue

## CHAIRMAN'S & MANAGING DIRECTOR'S LETTER

3 August 2006

Dear Shareholder,

We are pleased to be able to offer you the opportunity to increase your investment in Methanol Australia Limited (Methanol Australia or the Company). The Rights Issue proposed in this Prospectus is seeking to raise approximately \$8.697 million (before expenses) on the basis of the offer of one New Share (with an attaching New Option) for every four Shares held.

Methanol Australia is positioned to advance the commercialisation of the potential gas accumulations from its 100% owned exploration permit, NT/P68. The Company has secured key, 50 year, Australian government environmental approvals for its two proposed gas-to-liquid (GTL) projects, the Tassie Shoal Methanol Project (50% interest) and the Timor Sea LNG Project (100% interest). The value of these approvals should not be underestimated, given the recent difficulties in securing such approvals for LNG projects being developed by other companies. The Timor Sea LNG Project is the only proposed, new Australian greenfield LNG project that has already received its environmental approvals. The Company's proposed projects could also utilize third party gas resources in the vicinity of Tassie Shoal.

The Company has been attempting to secure a farm-out, on reasonable terms, to fund the ongoing exploration and appraisal activities in NT/P68. This permit has been reviewed by a number of large international companies over the past 12 months. These reviews led to discussions of farm-in terms and it became clear that the proposed terms would involve the assignment by Methanol Australia of a significant interest in the permit yet still not provide certainty of gas supply to the Company's proposed GTL projects.

Recently, Cambrian Mining Plc (Cambrian) approached Methanol Australia with a funding strategy that would allow the Company to advance the exploration and appraisal of NT/P68 while continuing to retain a 100% interest in the permit and the Timor Sea LNG Project.

On July 20, 2006, the Company announced a placement of 10% of the issued capital of the Company (14,055,010 Shares) at 22.5 cents per Share to Cambrian Oil & Gas Plc (an entity related to Cambrian Mining Plc) to raise approximately \$3.162 million. As part of the placement terms, the Company agreed to seek Shareholders approval to grant Cambrian Oil & Gas Plc a one for one free option for each of the placement Shares (14,055,010 Options) exercisable at 25 cents by April 30, 2007. Cambrian Oil & Gas Plc has also acquired 5.5 million Shares from the trustee of the Company's Share Trustee Scheme by special crossing, raising an additional \$1.1 million. In addition, Cambrian Mining Plc has sub-underwritten part of the Rights Issue to which this Prospectus pertains (refer Section 6.4).

Cambrian Mining Plc is a London based, diversified mining house with international interests in coal, iron ore, metals and energy together with related technologies. Cambrian's growth strategy is, in part, based on the identification of under-valued resource projects, particularly where the holding company controls 100% of its project. Cambrian then assists in the financing, structuring and development necessary to bring such projects into production. In this sense, Cambrian is an active investor that seeks to support the Company's management team for the optimal development of our projects.

The Rights Issue has been fully underwritten by Tolhurst Noall Limited. Details of the Underwriting Agreement (including the conditions precedent to the Underwriter's obligations and the circumstances in which the Underwriting Agreement can be terminated) are set out in Section 7.10 of this Prospectus.

The sale of Shares from the Company's Share Trustee Scheme, the placement and the Rights Issue will collectively raise approximately \$13 million before costs, which will allow the Company to fund the acquisition and processing of 2D and 3D seismic surveys in NT/P68. The Company believes NT/P68 has the potential to host a substantial gas accumulation at Epenarra and possibly other significant accumulations that may collectively support the future gas demands of its proposed GTL projects.

The Epenarra structure is a broad, low relief anticline at the Darwin Formation level with a mapped closure of approximately 1,200 sq km. The estimated in place Contingent Resource for gas in Epenarra ranges from 2930 BCF (low estimate: P90) to 9400 Bcf (high estimate: P10) with a mean Contingent Resource of 5620 Bcf (P50: most likely). The Heron-1 well, drilled by ARCO in 1972, recorded several

interpreted gas bearing zones, including a 50m fractured carbonate interval in the lower section of the Darwin Formation. An image of the Heron-1 well log showing the gas bearing interval is provided below. Studies indicate that the gas quality at this level may be low in carbon dioxide with the possibility for attractive levels of associated condensate. Such gas quality could be suitable for LNG production.

The 3D seismic program is designed to identify the density, distribution and orientation of faults and fracturing within the 50m gas bearing zone intersected by Heron-1 and determine the optimum location for an appraisal well to test the productivity and gas quality of this interval.

The Company has conditionally secured suitable vessels to acquire and process at least 400 square kilometres of 3D seismic over the crest of the Epenarra structure and approximately 600 line kilometres of infill 2D seismic over the Blackwood lead in NT/P68. Blackwood is a large conventional Plover play that is relatively shallow (3300m subsea). The new seismic data will improve the structural mapping of Blackwood and is designed to further delineate the structure with the aim of upgrading it to Prospect (drill ready) status. The acquisition programs are scheduled to be conducted during the third and fourth quarters of 2006.

The seismic acquisition and subsequent interpretation studies are expected to make NT/P68 more attractive to prospective farminees, where acceptable terms may ultimately be secured. However, the Company is determined to secure rig slots in anticipation for the drilling of the Prospects in late 2007 in the event that a suitable farm-out cannot be achieved.

The Company remains optimistic about the potential of NT/P68 and believes the Permit may offer the scope to establish commercial gas accumulations that could collectively support the future gas demands of its proposed GTL projects.

We invite you to consider taking up your entitlement in support of the Company's projects. In making this decision, we encourage you to read this Prospectus in full, keeping in mind your own personal level of risk tolerance and financial position.

Yours sincerely,

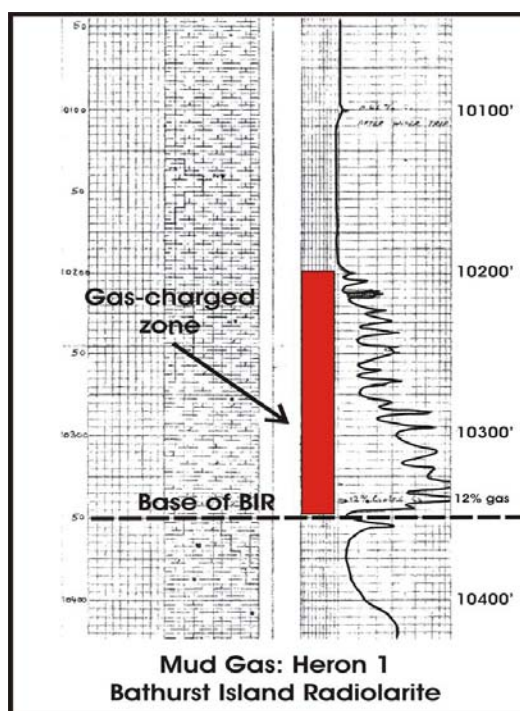


**Warwick Bisley**  
Chairman



**Christopher Hart**  
Managing Director

**Extract from the Heron-1 well Mud Log**  
(subsea depth scale in feet)



## 1. Investment Summary

The information set out in this Section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

### 1.1 Methanol Australia

Methanol Australia is an Australian company focusing on the development of GTL projects. The Company has obtained Commonwealth environmental approvals for both the Tassie Shoal Methanol Project (50% interest) and the Timor Sea LNG Project (100% interest). The Company also holds a 100% interest in the petroleum Exploration Permit, NT/P68. This permit is entirely within Australian waters.

The Company's business plan focuses on the establishment of the GTL projects and the production facilities intended to be constructed on concrete gravity structures grounded on Tassie Shoal, located in Australian waters of the Timor Sea. Tassie Shoal is an area of shallow water immediately adjacent to the Evans Shoal gasfield and 25 km east of NT/P68. The shoal lies approximately 275 km north of Darwin.

The proposed methanol project is intended to be developed in two stages, and each stage has been designed by Davy Process Technology (UK) to produce 1.8 million tonnes of chemical grade methanol per year.

The processing plant for the proposed LNG project has been designed using Air Products and Chemicals Inc. (USA), Dual Mixed Refrigerant (DMR) technology, and when constructed, is intended to be capable of producing over 3 million tonnes of LNG per year.

Gas supply for these projects could be secured from NT/P68 or a number of nearby gas fields. Methanol production uniquely utilises and benefits from significant amounts of carbon dioxide associated with the natural gas supply. While a number of such gas accumulations occur in permits surrounding Tassie Shoal, the Company's primary focus is to establish gas supply from NT/P68 that could ultimately offer a primary gas supply to the proposed GTL projects.

The current state of the Company's proposals to develop the GTL projects has been fully disclosed to the market in the Company's Annual Reports and in other documents referred to in Section 7.1.

### 1.2 The Rights Issue

Each Eligible Shareholder is offered 1 New Share and 1 New Option, for every 4 Shares held as at the close of business on the Record Date. The Issue Price is \$0.225 per New Share and New Option. The Rights Issue will raise approximately \$8.697 million before costs of the Rights Issue. The New Shares will rank equally with existing Shares. Fractional entitlements to New Shares will be rounded down. The rights attaching to the New Shares are set out in Section 7.2.

Eligible Shareholders who subscribe for New Shares will receive an attaching New Option for each New Share allotted. The New Options have an exercise price of \$0.25 and an expiry date of 30 April 2007. If all of the New Options are exercised on or before 30 April 2007, the Company will raise approximately \$9.66 million. Further details on the terms and conditions of the New Options are available in Section 7.3.

Eligible Shareholders should note the information in relation to the market price of the Company's securities set out in Section 2.13. The last trade in the Shares recorded on ASX prior to the announcement of the terms of the Rights Issue was at \$0.20. A valuation of the New Options using the Black & Scholes valuation model establishes an indicative value at that time for each of the New Options of 4.52 cents as referred to therein on the basis of the assumptions set out in Section 2.13.

### 1.3 Underwriting

Methanol Australia has entered into an Underwriting Agreement with Tolhurst Noall Limited for the Rights Issue. The Underwriting Agreement is subject to a number of conditions precedent and termination events, which are outlined in Section 7.10 of this Prospectus. The Rights Issue is partially sub-underwritten by Cambrian Mining Plc and is also partially sub-underwritten by Directors and executives of Methanol Australia. See Sections 6.4 and 7.6.

## 1.4 Purpose of the Rights Issue

The monies raised from the Rights Issue, together with net funds raised since 30 June from the sale of Shares from the Company's Trustee Share Scheme, the placement to Cambrian Oil & Gas Plc and existing funds will be used to:

- (a) Fund the planning, statutory approval, acquisition, processing and interpretation of approximately 600 line kilometres of 2D seismic over the Blackwood lead within NT/P68;
- (b) Fund the planning, statutory approval, acquisition, processing and interpretation of at least 400 square kilometres of 3D seismic over the Epenarra prospect within NT/P68;
- (c) Fund the engineering and design of an exploration well to test the producibility of the previously identified Darwin Formation gas bearing zone in the Epenarra prospect within NT/P68 and an exploration well to test for the presence of hydrocarbons in the Blackwood lead; and
- (d) Meet costs of the Rights Issue and ongoing corporate operating costs and provide additional working capital reserves;

in accordance with budgeted expenditures.

<b>Source of Funds</b>	<b>\$</b>
Proceeds of the Rights Issue	\$8,696,537
Funds available as at 30 June 2006 based on management accounts	\$2,454,356
Net funds raised since 30 June 2006	\$4,207,926
<b>Total Funds Available</b>	<b>\$15,358,819</b>

<b>Application of Rights Issue Proceeds (Use of Funds)</b>	<b>\$</b>
Costs of the Rights Issue	\$642,839
2D acquisition, processing and interpretation	\$865,000
3D acquisition, processing and interpretation	\$10,975,000
Well design and engineering	\$250,000
Administration and corporate	\$1,246,000
Additional working capital	\$1,379,980
<b>Total Funds Applied</b>	<b>\$15,358,819</b>

**Notes:** The 2D and 3D seismic acquisition costs are based on specific best estimates from the contractors proposing to provide the services to the Company and include contingencies for weather downtime and other delays. Well design and engineering is based on specific cost estimates provided by an experienced contractor. Administration and corporate cost estimates are based on approved Company expenditure budgets.

For more information regarding the costs of the Rights Issue, see Section 7.14.

## 1.5 Application for Listing

Application will be made for the listing on Australian Stock Exchange Limited ("ASX") of all securities offered pursuant to this Prospectus.

ASX takes no responsibility for the contents of this Prospectus.

The fact that ASX may grant quotation to the securities offered pursuant to this Prospectus is not to be taken in any way as an indication by ASX of the merits of the Company or the New Shares or New Options offered by this Prospectus.



## **1.6 Risks Factors**

Before deciding to invest in the Company, potential Investors should read the entire Prospectus including the risk factors contained in Section 5. They should carefully consider these factors in the light of their personal circumstances (including, financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional advisor before deciding to invest in any securities the subject of this Prospectus. They should understand that the Company's activities are both speculative and subject to a wide range of risks and that the future value of their investment in the Company will depend on a wide range of factors outside of the control of the Company including future exploration and appraisal results, commodity prices and market conditions.

## **1.7 Enquiries**

If you have any questions regarding this Prospectus, please telephone Methanol Australia's Company Secretary, David Hill, on +61 3 9614 0430 or by email to [admin@methanol.com.au](mailto:admin@methanol.com.au)

## 2. Details of The Rights Issue

### 2.1 Important Dates

Important dates are set out under the heading 'Key Information'.

### 2.2 The Rights Issue

Methanol Australia is offering for subscription by Eligible Shareholders approximately 38,651,278 New Shares at the Issue Price and approximately 38,651,278 New Options to raise approximately \$8.697 million (before costs of the Rights Issue). Eligible Shareholders who take up all or part of their Entitlements will be required to pay the Issue Price (22.5 cents) for each New Share and New Option taken up.

### 2.3 Entitlements

Eligible Shareholders are entitled to subscribe for 1 New Share and 1 New Option for every 4 Shares held by them at 5.00pm (AEST) on the Record Date. The number of New Shares and New Options to which you are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Fractional Entitlements will be rounded down to the nearest whole New Share and New Option. Eligible Shareholders may subscribe for all or part of their Entitlement or allow their Entitlement to lapse (see Section 3). Eligible Shareholders may apply for New Shares and New Options in excess of their Entitlement (see Sections 2.5 and 3).

### 2.4 Dilution

Eligible Shareholders who take up their Entitlement in full will not have their percentage holding in Methanol Australia diluted as a result of the Rights Issue. Eligible Shareholders who do not take up their Entitlement in full will have their percentage holding in Methanol Australia diluted as a result of the Rights Issue. The exercise of New Options or existing Options may also dilute the percentage holdings of Eligible Shareholders.

### 2.5 Application for Shortfall Securities

Eligible Shareholders are entitled to apply for any New Shares and New Options not taken up (Shortfall Securities) on the bases that:

- a. Applications from Shareholders seeking to round up their holdings to a minimum 10,000 Shares from Shortfall Securities will be accorded first priority, on a first come, first served basis.
- b. All other applications for Shortfall Securities shall be afforded next priority and shall be dealt with on a first come first served basis;
- c. Applications for Shortfall Securities will only be accepted to the extent of the Shortfall; and
- d. Notwithstanding anything herein contained the Directors have the right to accept or reject any such application for Shortfall Securities in their absolute discretion without any need to provide any reason or explanation.

### 2.6 Entitlement and Acceptance Forms

Accompanying this Prospectus is a personalised Entitlement and Acceptance form for use by you that sets out your Entitlement as at the Record Date.

The Entitlement and Acceptance Form has provision for you to apply for Shortfall Securities on the basis set out above.

### 2.7 Payment for Shares

The Issue Price is payable in full on application in Australian currency.

Cheques are to be forwarded to the Company's Share Registry in Australia, Link Market Services Limited (the Share Registry) by using the enclosed reply paid envelope or to its address set out in the Corporate Directory, and must be made payable to "**Methanol Australia Limited Subscription A/c**" and crossed "Not Negotiable".

## **2.8 New Shares Not Taken Up**

The Rights Issue is fully underwritten. If you decide not to take up all or part of your Entitlement, it will, subject to priority applications for Shortfall Securities under Section 2.5, revert to the Underwriter.

## **2.9 Rights Issue is Non-Renounceable**

The Rights Issue is non-renounceable and Eligible Shareholders may not transfer, dispose of or otherwise deal with any part of their Entitlement that they do not take up. There will be no trading of Entitlements on ASX.

## **2.10 Minimum Subscription**

The minimum subscription is \$8,696,537, being the full amount of the Rights Issue and the underwritten amount. In accordance with the provisions of the Corporations Act this minimum subscription condition must be fulfilled before any securities will be issued pursuant to this Prospectus.

## **2.11 Jurisdiction and Overseas Shareholders**

This Prospectus does not constitute an offer in any jurisdiction outside of Australia or New Zealand to any person to whom it would not be lawful to issue this Prospectus and does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. As at the date hereof, no action has been taken to register or qualify the New Shares, New Options or the Offer, or otherwise to permit a public offering of the New Shares and the New Options or the Rights Issue in any jurisdiction outside Australia.

In accordance with the ASX Listing Rules, and having regard to:

- (a) the number of holders resident outside Australia and New Zealand;
- (b) the number and value of New Shares and New Options the holders of Shares resident outside Australia and New Zealand would be offered; and
- (c) the cost of complying with the legal requirements and the requirements of regulatory authorities in places other than Australia and New Zealand,

the Directors of the Company consider that it is unreasonable to make an offer to such persons and accordingly the Company will send each Shareholder to whom it will not make the offer, details of the Rights Issue and advice that the Company will not offer securities to that holder.

To make the offer of New Shares and New Options in New Zealand, Methanol Australia is relying on the Securities Act (Overseas Companies) Exemption Notice 2002 (NZ) by virtue of which this Prospectus is not required to be registered in New Zealand.

Where this Prospectus has been dispatched to persons in a country other than Australia, and New Zealand this Prospectus is provided for information purposes only and does not constitute an offer or invitation.

Nominees applying for New Shares and New Options on behalf of overseas residents are responsible for ensuring that such an application does not breach any regulation applicable to any such overseas resident.

Lodgement of duly completed Entitlement and Acceptance Forms accompanied by the relevant application monies will be taken by the Company to constitute a representation from the Applicant that no breaches of any such regulations have occurred. Nominees should seek independent advice as to how they should proceed.

## **2.12 Issues of New Shares and New Options**

The New Shares and New Options are expected to be issued, and transaction confirmation statements dispatched, on 20 September 2006. It is the responsibility of Eligible Shareholders applying for New Shares to determine their allocation of New Shares and New Options prior to trading in those securities. Eligible Shareholders who propose to sell their New Shares or New Options before they receive their transaction confirmation statements will do so at their own risk. Methanol Australia disclaims all liability in tort (including negligence), under statute or otherwise to persons who trade in New Shares or New

Options before receiving their transaction confirmation statements, whether on the basis of a confirmation of allocation provided by Methanol Australia, its Share Registry or otherwise.

### 2.13 Recent Market Prices of Shares on ASX

The lowest and highest market sale prices of Shares on ASX during the 3 months immediately preceding the date of this Prospectus are set out below:

Timeframe	Low	High	Volume weighted average price
Three months	17.50 cents	27.50 cents	20.00 cents
One month	17.50 cents	20.00 cents	19.27 cents

The last sale price for Shares on ASX prior to the date of this Prospectus was \$0.185 on 2 August 2006.

A valuation of the New Options has been carried out using the Black & Scholes valuation model. That valuation attributes or indicates a value of 3.73 cents for each New Option based on the following parameters:

- (a) historical volatility of 85.40% calculated by reference to actual trading in the Company's Shares on ASX over the period of 196 trading days prior to the date of this Prospectus;
- (b) an interest rate of 5.97%, being the 2 year Commonwealth of Australia Government Bond rate as at 2 August 2006;
- (c) an exercise price for each New Option of \$0.25;
- (d) an expiry date for each New Option of 30 April 2007 (approximately 196 trading days from 2 August 2006);
- (e) a market price for the underlying Shares of \$0.185 being the market price for the Shares at the close of trading on ASX on 2 August 2006.

The above indicates that the underlying value attributable to each New Share approximates the current market price for each of the Shares as at close of trading on ASX on 2 August 2006.

A like valuation of the New Options carried out based on the closing price of the Shares on 17 July 2006 (the last trading day prior to the announcement of the Rights Issue) using the closing price on that day of \$0.20 per Share with changes to the following parameters:

- (a) historical volatility of 85.43% calculated by reference to actual trading in the Company's Shares on ASX over the period of 196 trading days prior to 17 July 2006;
- (b) an interest rate of 5.93%, being the 2 year Commonwealth of Australia Government Bond rate as at 17 July 2006;

gave an indicative value for each New Option of 4.52 cents

### 2.14 ASX Quotation

Application will be made within seven (7) days of the issue of this Prospectus for permission for the New Shares to be issued and allotted and New Options to be granted pursuant to this Prospectus to be listed for quotation by ASX.

If permission is not granted for the New Shares and New Options offered for subscription by this Prospectus to be listed for quotation on the stock market of ASX within 12 weeks after the date of the issue of this Prospectus, the Company, in accordance with the Corporations Act 2001, will either:

- (a) repay to applicants all monies received by it; or
- (b) issue a supplementary prospectus advising that the New Shares and New Options will not be listed on ASX and give applicants one month to withdraw their applications and be repaid in full.

No interest will be paid on any monies repaid

## **2.15 Underwriting**

The Rights Issue is fully underwritten by Tolhurst Noall Limited. The Underwriter will take up any New Shares and New Options not taken up by Eligible Shareholders. The Underwriter's obligations to underwrite the Rights Issue are subject to the satisfaction of certain conditions precedent. In addition, the terms of the Underwriting Agreement specify that the Underwriter may terminate their obligations to underwrite the Rights Issue, without cost or liability to themselves, upon giving written notice to the Company, if certain events occur. Details of the material terms of the Underwriting Agreement are contained in Section 7.10 of this Prospectus.

Pursuant to the terms of the Underwriting Agreement, the Underwriter will receive a management fee equal to 1.0% of the total amount calculated by multiplying the Issue Price by the total number of New Shares comprising the Rights Issue and an underwriting fee of 5.5% of the total amount calculated by multiplying the Issue Price by the total number of New Shares comprising the Rights Issue.

## **2.16 CHES**

Methanol Australia participates in the security transfer system known as CHES. ASTC, a wholly owned subsidiary of ASX, operates CHES in accordance with the ASX Listing Rules and the ASTC Settlement Rules. Under CHES, Eligible Shareholders will not receive a share certificate or option certificate but will receive a statement of holding of New Shares and New Options. If you are broker sponsored, and you take up all or part of your Entitlement, ASTC will send you a CHES statement. The CHES statement will set out the number of New Shares and New Options issued to you under this Prospectus and provide details of your holder identification number and the participant identification number of the sponsor. If you are registered on the issuer sponsored sub-register, and you take up all or part of your Entitlement, your statement will be dispatched by the Share Registry and will contain the number of New Shares and New Options issued to you under this Prospectus and a security holder reference number. A CHES statement or issuer-sponsored statement will routinely be sent to Shareholders and Optionholders at the end of any calendar month during which the balance of their shareholding or option holding changes. Shareholders and Optionholders may request a statement at any other time. However, a charge may be made for additional statements.

## **2.17 Closing Date**

The Rights Issue will close at 5.00pm (AEST) on the Closing Date (11 September 2006) or such later date as the Board, subject to compliance with the Corporations Act and the ASX Listing Rules and in consultation with the Underwriter, may determine. Acceptances received after the Closing Date may be rejected and the corresponding Acceptance Monies will be returned without interest.

## **2.18 Acceptance Monies**

Until the issue of New Shares and New Options, the Acceptance Monies will be held on trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the Acceptance Monies will be for the benefit of Methanol Australia and will be retained by it irrespective of whether the issue of New Shares and New Options takes place.

## **2.19 Taxation Implications**

Applicants should seek their own independent advice in relation to matters relating to the operation of taxation laws in Australia and taxation and stamp duty laws in New Zealand.

The Company is unable to give advice on taxation matters generally, as each Applicant's position will relate to their own specific circumstances.

Applicants should satisfy themselves of possible taxation consequences of purchases and sales of securities by consulting their own professional tax advisers.

## **2.20 Ranking**

The New Shares will be issued fully paid and will rank equally with Shares already on issue. The New Options are a new class of security.

A summary of the rights and liabilities attaching to New Shares is set out in Section 7.2 and a summary of the terms and conditions of the New Options is set out in Section 7.3 of this Prospectus.

### 3. Action required by Eligible Shareholders

#### 3.1 What you may do

The number of New Shares and New Options to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. You may do any one of the following:

- take up your Entitlement in full (see Section 3.2);
- take up part of your Entitlement and allow the balance to lapse (see Section 3.4); or
- allow your Entitlement to lapse in full (see Section 3.7).

#### 3.2 If you wish to take up your Entitlement in full

If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form. Send your completed Entitlement and Acceptance Form (together with your cheque, bank cheque or draft for the amount shown on the form made payable to "Methanol Australia Limited Subscription A/c") by using the enclosed reply paid envelope or to reach Methanol Australia's Share Registry:

Link Market Services Limited

Level 4

333 Collins Street

Melbourne Vic 3000

by no later than 5:00pm (AEST) on the Closing Date (**11 September 2006**).

#### 3.3 If you wish to apply for Shortfall Securities

The Entitlement and Acceptance Form contains details of how you may apply for Shortfall Securities in excess of your Entitlement. If you wish to apply for Shortfall Securities you should follow the instructions on the Entitlement and Acceptance Form and lodge the completed form together with the correct amount of Acceptance Monies for the number of New Shares and New Options for which you have elected to apply. Applications for Shortfall Securities will be dealt with in accordance with Section 2.5 above.

#### 3.4 If you wish to take up only part of your Entitlement and allow the balance to lapse

If you wish to take up part of Entitlement and allow the balance to lapse, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form, indicating the number of New Shares and New Options you wish to accept (being less than your Entitlement as specified on the Entitlement and Acceptance Form).

#### 3.5 Acceptance of Applications for Securities

If an Entitlement and Acceptance Form is not completed properly, or if the accompanying payment is for the wrong amount, it may still be treated as valid. The decision of the Company as to whether to treat an acceptance as valid or how to construe it will be final.

#### 3.6 Allotment

Except in relation to specific entitlements set out in personalised Entitlement and Acceptance Forms, the Directors reserve the right to accept or reject (in whole or in part) any Application for Shortfall Securities received pursuant to Sections 2.5 and 3.3.

Where no allotment or issue of Securities is made or the number of Securities allotted is less than that applied for, all surplus application monies will be refunded in full without interest. The surplus application monies will be refunded not later than 14 days after the close of the Offer.

#### 3.7 If you do not wish to take up any of your Entitlement

If you decide not to take up any of your Entitlement, you should take no action and allow it to lapse.

#### 3.8 Payment for the New Shares

The Issue Price of \$0.225 per New Share is payable in full on acceptance of your Entitlement (whether in whole or in part). No brokerage or stamp duty is payable on the issue of New Shares or New Options.

The New Options will be granted for no additional consideration, on the basis of one New Option for each New Share issued.

All payments are to be made in Australian currency either by way of:

- a cheque drawn on and payable at any Australian bank or any bank operating in Australia; or
- a bank cheque or draft drawn on and payable at any Australian bank or any bank operating in Australia.

Other currency will not be accepted. Cash or Electronic Funds Transfer (EFT) payments will not be accepted. Other currency payments or cash payments will be returned and the acceptance will be deemed invalid.

Cheques, bank cheques or drafts should be made payable to "**Methanol Australia Limited Subscription A/c**" and crossed "**Not Negotiable**". Receipts for payments will not be issued.

### **3.9 Queries**

If you have any queries concerning the Rights Issue, please contact the Company Secretary on +61 3 9614 0430 or by email to [admin@methanol.com.au](mailto:admin@methanol.com.au)

## 4. Board of Directors

Details of the Directors are set out in the Company's Annual Report for the year ended 30 June 2005. Brief details of the Directors are set out below.

### 4.1 Warwick Bisley B.Eng. (Mech) (Hons), FTSE, FRACI, FIEAust (Chairman)

Mr Bisley is the non-executive Chairman of the Company with over 35 years' experience in the petrochemical industry in Australia, USA and Asia. He has held senior management positions with Exxon and most recently was the Managing Director of the Singapore Chemical Complex for ExxonMobil Chemical Singapore Pte Ltd as well as President of ExxonMobil Chemical Operations Pte. In that role he was responsible for planning, project execution, staffing, start-up and operations of a US\$2 billion petrochemical complex. His experience will be essential in helping to drive the Tassie Shoal GTL projects to successful completion and operation.

### 4.2 Christopher Hart FAICD (Managing Director)

Over the past 16 years Mr Hart has been actively involved in the upstream oil and gas industry. The primary focus of Mr Hart's activities has been in the area of gas marketing and the development of gas utilisation projects. These activities included the formation of upstream development scenarios for the Yolla gasfield and management of the commencement of the statutory government and environmental approvals process for an initial development concept. Over the past 10 years, Mr Hart has been principally involved in formulating strategies for the commercialisation of the Evans Shoal gasfield. This activity has led to the development of the offshore GTL production concepts, the Tassie Shoal Methanol Project, the Timor Sea LNG Project, and various gas supply options.

Mr Hart has managed each aspect of the Company's projects, including the engineering, design, commercial and economic reviews for the GTL projects, the Commonwealth Environmental Impact Assessment process, the Company's various upstream activities and joint venture matters. Mr Hart serves as a Director of Octanex NL.

### 4.3 Walter Dewé MA (Oxon), FAICD (Executive Director – Commercialisation-Gas)

Mr Dewé has had over 30 years involvement in the international oil and gas industry in Australia, USA, UK and West Africa including managing Kerr-McGee Ltd's extensive hydrocarbon interests in the UK and Norwegian sectors of the North Sea involving major investment decisions in new developments and gas sales negotiations. As a General Manager of various operational and strategic business units with BHP Petroleum, gas commercialisation, gas conversion and methanol production were a major part of Mr Dewé's responsibilities. He also lead business and technical reviews of gas conversion technologies and was instrumental in securing commitment to develop the only currently operating methanol production facility in Australia at Laverton, Victoria. Mr Dewé is Chairman of the Company's Audit Committee.

### 4.4 Andrew Rigg BSc. (Hons) AICD (Non-executive Director)

Mr Rigg is a Distinguished Member of Petroleum Exploration Society of Australia (PESA), a member of American Association of Petroleum Geologists (AAPG) and is Deputy CEO and Special Projects Manager with the Co-operative Research Centre for Greenhouse Gas Technologies (CO2CRC), and serves as a Non-executive Director of Mosaic Oil NL. He has been Geological Manager for Esso Australia and in 1983 was appointed General Manager Exploration for Santos Ltd until 1985 when he joined Ampolex Ltd as General Manager – Exploration: a position held until 1997. Mr Rigg was a non-executive director of Maple Oil NL from early 1997 and acted as Managing Director until he resigned on June 3, 1998. He was a Program Manager for the Australian Petroleum Cooperative Research Centre from 1999 to 2003 managing the GEODISC Research Programme.

### 4.5 James Willis LL.M. (Hons), Dip. Acc (Non-executive Director)

Mr Willis is a partner with Bell Gully, a leading New Zealand legal firm. He has a specialised practice advising substantial participants in the New Zealand upstream petroleum industry on all legal issues including gas contracts, gas transmission arrangements, the acquisition and sale of petroleum assets and other related matters. The structure and content of gas supply contracts will be a substantial issue for the successful development and operation of large scale methanol and LNG plants and Mr Willis' skills will assist with these aspects of the Company's projects. Mr Willis is Chairman of the Company's Remuneration & Nomination Committee.

As can be seen the Company's board has a wide range of experience specifically directed to the oil and gas industry and, in particular, to activities of the present type being undertaken by the Company. Details of key management engaged by the Company can be viewed on the Company's web site [www.methanol.com.au](http://www.methanol.com.au)



## 5. Risk Factors

### 5.1 Introduction

There are a number of factors, both specific to Methanol Australia and of a general nature, which may affect the future operating and financial performance of Methanol Australia and the value of an investment in the Company. Some of these factors can be mitigated by appropriate commercial action. Many are, however, outside the control of Methanol Australia and either are dependent on the policies adopted and approaches taken by regulatory authorities or cannot otherwise be mitigated. This Section describes some of the risks associated with an investment in the Company. You should carefully consider the risks and uncertainties set out below and the information contained elsewhere in this Prospectus before you decide whether to apply for New Shares and New Options.

### 5.2 Risks Relating to the Company and its Projects

The current and future business activities of Methanol Australia are subject to certain risk factors that arise specifically from the nature of Methanol Australia's projects and to other risk factors that arise more generally. Although the Company has put in place certain risk mitigation strategies, some risks cannot be fully mitigated and there are many risk factors that are simply outside the control of management. A number of the risks relating to the Company and its projects are set out below. It is not, however, possible to describe all the risks to which the Company and its business may become subject and which may impact adversely on the Company's prospects and performance.

### 5.3 Specific Risks

Specific risks relate to both the Company's own projects and risks relating to the development of and production from any gas field from which supply is ultimately obtained including any commercial discovery of gas in the Company's Permit. These are as follows:

#### a. Risks relating to commodity prices

Commodities are subject to high levels of volatility in price and demand. The cost of natural gas will depend on a wide range of factors, most of which are outside the control of the Company. The cost of production of natural gas will depend on a wide range of factors including commodity prices, capital and operating costs in relation to any facility which may be constructed to produce such gas and other matters referred to in (b) below. From the Company's point of view, the viability of its projects will depend on supply of gas and the cost of that gas and, in particular, the price which it may achieve from sale of any methanol or LNG produced. While current prices are high, methanol and LNG prices have been volatile over past years and it is clear that the Company will have little control over these commodity prices, making it essential for the methanol and LNG projects to maintain a low production cost to enable them to endure any depressed market conditions relating to the sale prices.

#### b. Risks related to seismic program

The seismic program for which funds are to be raised comprises 2 distinct programs. The purpose of the 3D seismic program to be undertaken over the crest of the Epenarra structure is to enable optimal siting of a well proposed to be drilled in that structure. Notwithstanding this, it is possible that this may not be achievable. The 600 line kilometres of infill 2D seismic over the Blackwood lead in NT/P68 is aimed at upgrading the Blackwood lead to a prospect by further defining the structure. This may or may not be achieved by the program. It is possible that the additional seismic may establish that the Blackwood lead is composed of a number of structures rather than a single structure.

It should be noted that the 2D and 3D seismic acquisition costs referred to in the Application of Rights Issue Proceeds (Use of Funds) statement in Section 1.4 are based on specific best estimates from the contractors intended to provide the services to the Company and include contingencies for weather downtime and other delays. A risk exists that, if these estimates and contingencies are inadequate, the cost of the program may increase utilising otherwise uncommitted working capital. Conversely, if those contingencies are excessive, then the cost of the program may be reduced leaving the Company with increased uncommitted working capital. In an extreme situation the cost of the program could approach the Company's total financial resources but the Directors consider this to be unlikely as the scope of survey operations would, in

that case, be reduced. The greatest risk in relation to the programs is the cost of weather downtime in excess of the allowance included in the stated cost of the programs.

**c. Gas exploration, production and supply risks**

There can be no assurance that exploration would result in a commercial discovery of hydrocarbons nor that any gas accumulation will be brought into production and no assurance can be given that acceptable supply contracts can be negotiated with owners for supply of third party gas from any source. Apart from gas price, matters that will affect the commencement of production from any gas field will relate to the cost of bringing that field into production, gas composition from the field, the level of gas reserves, deliverability of the gas and the capacity to obtain all infrastructure, production and other licences to enable development of the field.

**d. Process technology**

Technologies proposed to be used are conventional with plants operating at the proposed scale. However, prior to construction, each of the technologies proposed for the methanol and LNG projects will require the provision of full process warranties from the technology licensees. While a number of methanol and LNG plants are currently operating at the proposed scale of the Company's proposed projects, these existing projects are based onshore. The engineering and design issues associated with off-shore operation may need further resolution. No assurance can be given that all of these engineering design issues will necessarily be satisfactorily resolved.

**e. Project construction and completion risks**

Whilst the Company has carried out certain studies, it proposes in conjunction with future equity joint venture partners to carry out additional studies, including Front End Engineering and Design. Development of the TSMP and TSLNGP requires precise design and construction planning and, in particular, development within time schedules and budgets. Any failure to complete construction within time schedule and capital expenditure budgets may have significant adverse effects on the Company and any investment in its securities. Longer than expected commissioning and ramp-up periods, during which production could be delayed, may delay the delivery of methanol or LNG product and in turn the project's eventual revenue could be affected. No assurance can be given that either of the GTL projects will be able to be completed in the manner contemplated by the Company or, necessarily, at all.

**f. Operational risks**

These include the possibility of environmental accidents, the risk of unexpected mechanical failure or equipment breakdown resulting in loss of production and additional expense generally, unexpected interruption to or imposition of onerous conditions on access, industrial disputes and resultant increases in costs of operation.

**g. Climatic risks**

The risk of adverse weather conditions that may affect exploration, drilling, production and operational activities in relation to any gas field, as well as construction and operation of facilities in relation to any of the Company's projects referred to herein. In particular, whilst the offshore operating environments of the TSMP and the TSLNGP are not expected to cause significant concern to the normal operation of the proposed plants, high wind speed and wave height may, in extreme circumstances, affect the loading of any methanol or LNG produced onto tankers, or may cause potential damage to jetties and other facilities and may delay the export and sale of methanol or LNG.

**h. Cash flow adequacy.**

Assuming the projects are completed as planned, project cash flow, which will determine the viability of the TSMP and the TSLNGP, will be dependent upon the volume of methanol and LNG production, methanol and LNG sales volumes and prices. These risks may be mitigated by adequate off-take contracts to provide a minimum revenue base for the TSMP and TSLNGP and to some extent will be addressed in financial model sensitivity analysis in relation to the development of the project and the financing structure so as to endeavour to obtain financial flexibility catering for cash flow variability from these factors.

**i. Competition**

Other methanol and LNG projects have been promoted within the region which may be developed and compete in supplying the northeast Asian methanol and LNG markets. These issues can only be addressed by ensuring that the TSMP and TSLNGP possess sustainable competitive advantages in order to obtain adequate market share. These advantages may, in part, be derived from the construction of the facilities in Asia and towage to their locations at Tassie Shoal, competitive gas pricing which may result by the avoidance of significant gas pipeline construction costs when compared to onshore projects, and the close proximity to Asia which may result in lower freight costs to transport methanol and LNG product to northeast Asian markets.

**j. Market demand.**

Projected market demand may be inadequate to support the TSMP's or TSLNGP's potential project production capacity. In the case of methanol, this risk may be offset by additional demand being generated in the region, by upside potential of methanol being used as a source of energy in power generation and fuel cell technologies. The risk may also be offset by the establishment of new as yet unidentified markets for methanol and LNG.

**k. Regulatory approvals.**

All necessary regulatory approvals will need to be obtained for the projects. Although the Company has obtained the necessary environmental approvals (EPBC 2000/108 and 2003/1067) on December 23, 2002 and May 5, 2004, it will need to obtain other approvals including those pursuant to the Petroleum (Submerged Lands) Corporations Act 1967 and the Customs Act 1901: the latter to attach a resources installation constructed overseas to the Australian seabed. The Chief Executive Officer of Customs may impose conditions relating to quarantine at the time of grant of any such approval.

**l. Environmental risks.**

At cessation of production from operations, the Company will be required to participate in clean-up programs resulting from any contamination from operations in which it participates, removing disused plant and equipment and, where necessary, restoring the environment that may have been disturbed in the course of operations. While decommissioning has been incorporated into the design of the facilities, the cost of cleanup may be considerable if operations result in significant environmental impacts. In such a case, any allowance made for rehabilitation in any cash flow projections which may hereafter be made may be inadequate.

**m. Project finance.**

No assurance can be given that the Company and or any future joint venture participants will obtain project finance.

**n. Financial Capacity**

The Company has previously described its objectives in regard to the seismic acquisition programs and the subsequent interpretive studies, which are designed to bring prospects and a lead in the Permit to drill ready status. Further funds will be required for the drilling of wells. It is the Company's intention that additional funds would be raised in a manner deemed most expedient by the Board of Directors at the time, taking into account working capital, exploration budgets, share market conditions, capital raising opportunities and the interest of the upstream industry in co-participation (farmin) in the Company's projects. The support and expertise of key shareholders, including Cambrian Mining, will be fundamental to the Company's future capital raising objectives.

**5.4 General Risks**

**a. General Equity Market Risk**

Investors should be aware that there are risks associated with any investment in a company listed on ASX. The value of Shares may rise and fall depending on the financial and operating performance of Methanol Australia, stock market conditions and other external factors over which the Company and the Directors have no control. These external factors include:

- economic conditions in Australia and overseas which may have a negative impact on equity capital markets;
- changing investor sentiment in the local and international stock markets specifically relating to the resources sector or energy sector stocks;
- changes in domestic or international fiscal, monetary, regulatory and other government policies; and
- developments and general conditions in the oil and gas markets in which Methanol Australia proposes to operate and which may impact on the future value and pricing of shares in oil and gas companies.

Investors should be aware that investment in companies with small market capitalisation may be more volatile than companies with a large market capitalisation and that investment in companies involved in exploration and/or development resources are generally subject to high levels of risk because of their speculative nature.

**b. Sufficiency of funding**

The Company has limited financial resources and will need to raise additional funds from time to time. Any such fund raisings will be subject to factors beyond the control of the Company and its Directors. Investors should note that the Company's present funds together with the funds to be raised pursuant to this issue will not be sufficient to enable drilling within Permit NT/P68 or to enable the completion of any of the GTL projects including completion of the construction and commissioning of those plants. To the extent that additional capital may be raised through future share issues, those issues will be dilutive of investors' interests unless they are made by way of pro rata entitlements issues and each investor takes up his or her entitlement in full. No assurance can be given that any issues will be by way of entitlements issue.

**c. Contract risks generally**

The Company will operate through a series of contractual relationships with operators and contractors. All contracts carry risks associated with the performance by the parties thereto of their obligations as to time and quality of work performed.

**d. Litigation**

Neither the Company nor any of its subsidiaries are presently involved in litigation and the Directors are not aware of any basis on which any litigation against the Company or any of its subsidiaries may arise.

**e. Regulatory risks**

Operations by the Company may require approvals from regulatory authorities which may not be forthcoming or which may not be able to be obtained on terms acceptable to the Company. While the Company has no reason to believe that all requisite approvals will not be forthcoming, and whilst the Company's obligations for expenditure will be predicated on any requisite approvals being obtained, Applicants should be aware that the Company cannot guarantee that any requisite approvals will be obtained. A failure to obtain any approvals would mean that the ability of the Company to develop or operate any project, or possibly acquire any project, may be limited or restricted either in part or absolutely.

**f. Other General Risks**

The Directors have attempted to address relevant risks. However, there are other factors which are not specific to Methanol Australia, which may impact on Methanol Australia including:

- government economic policies;
- foreign exchange rates;
- interest rate charges;
- taxation policies;
- inflation rate changes;
- business confidence and consumer sentiment;

- changes in investors' attitudes towards energy stocks generally and the resource sector;
- the state of the world stock markets; and
- the state of the Australian economy and global economies.

These risks are not necessarily exhaustive and all persons applying for New Shares and New Options should realise that any company with resource-based operations is subject to a wide range of risks many of which may not be foreseeable.

## 6. Effect of the Rights Issue

### 6.1 Funds Raised by the Rights Issue

The issue of 38,651,278 New Shares and New Options will raise \$8,696,537 million before costs of the Rights Issue. The costs of the Rights Issue, including underwriting and management fees, are expected to be \$642,839. Accordingly, the net proceeds of the Rights Issue are estimated to be \$8,053,698.

### 6.2 Capital Structure

The effect of the Rights Issue on Methanol Australia's capital structure is set out below:

Item	Shares	Option
Shares and Options on issue prior to the Rights Issue	154,605,115 <sup>1</sup>	4,050,000
Options proposed to be issued to Cambrian Oil & Gas Plc subject to Shareholder approval		14,055,010 <sup>2</sup>
New Shares and New Options pursuant to the Rights Issue	38,651,278	38,651,278
<b>Shares and Options on issue after the Rights Issue</b>	<b>193,256,393</b>	<b>56,756,288</b>

#### Notes:

1. Of the 154,605,115 Shares presently on issue a total of 122,918 are held by Doravale Enterprises Pty Ltd pursuant to the provisions of a trustee stock scheme approved by the Supreme Court of Victoria as previously disclosed to Shareholders, ASIC and ASX. If and when sold, the net proceeds of sale of each of the Shares would be paid to Methanol Australia by way of subscription monies and represent a capital receipt. The trustee will not take up any entitlement pursuant to the Rights Issue.
2. 14,055,010 Options are proposed to be issued to Cambrian Oil & Gas Plc on approval of Methanol Australia's Shareholders in accordance with the ASX Listing Rules and the Corporations Act, at a general meeting to be held on or around the week commencing 18 September 2006 on the same terms as the New Options, as set out in Section 7.3.

### 6.3 Cash Position

Following completion of the Rights Issue, the Company will have approximately \$14.5 million in cash. The Company currently has no borrowings.

### 6.4 Significant Shareholders – Cambrian Mining Plc and Cambrian Oil & Gas Plc

The Company understands that the primary sub-underwriter to the Rights Issue is Cambrian Mining Plc.

Cambrian Oil & Gas Plc (in which Cambrian Mining Plc is a significant Shareholder) presently has 21,243,163 Shares pursuant to the placement of 14,055,010 Shares made to it on 2 August 2006, on market purchases of 1,688,153 and the purchase of 5,500,000 Shares from Doravale Enterprises Limited on 17 July 2006. Cambrian Oil & Gas Plc's present voting power in the capital of the Company is approximately 13.7% of the total voting power attaching to ordinary shares in the capital of the Company.

Cambrian Mining Plc has entered into a sub-underwriting agreement with the Underwriter, pursuant to which it, or an "affiliated entity" nominated by it, will subscribe for the first 19,300,000 New Shares and attaching New Options of any Shortfall in the Rights Issue.

In addition, Cambrian Mining Plc has taken a general sub-underwriting position of 9,086,985 New Shares and New Options in the Rights Issue if there is a shortfall, after taking into account the total priority sub-underwriting commitments to subscribe for the first 20,648,140 New Shares and New Options of any Shortfall.

If there is a Shortfall in the Rights Issue of up to 19,300,000 Shares (Cambrian Mining Plc's priority sub-underwriting: a 49.9% Shortfall), then Cambrian Mining Plc's voting power will be 9.99% and Cambrian Oil & Gas Plc will reduce to 10.99% of the voting power attaching to Shares in the capital of the Company.

On completion of the underwriting and assuming that Cambrian Mining Plc becomes entitled to the full number of New Shares and New Options underwritten by Cambrian Mining Plc, its voting power in the

capital of the Company would increase from 9.99% to 14.69% based on an increased shareholding of 28,386,985 Shares.

If it is assumed that Cambrian Mining Plc were to control Cambrian Oil & Gas Plc or if the Shareholdings of both are aggregated then the combined voting power of the two entities would be approximately 25.68% of the voting power attaching to Shares in the capital of the Company.

The Directors are unable to state what level of Shortfall (if any) may exist at the close of the Rights Issue given that Shareholders are entitled to apply for additional New Shares and New Options out of the Shortfall Securities.

The level of Cambrian Mining Plc's or Cambrian Oil & Gas Plc's voting power subsequent to close of the Rights Issue will depend on the level to which the Rights Issue is supported by Eligible Shareholders. In this context it should be noted that there are a number of other major Shareholders or Shareholding groups in the capital of the Company prior to the Rights Issue including:

- Santos Limited has a relevant interest in 20,670,606 Shares representing approximately 13.4% of the present issued capital of the Company;
- Mr E G Albers has a relevant interest in 27,923,498 Shares representing approximately 18.1% of the present issued capital of the Company\*;
- Directors and interests associated with Directors have a relevant interest in 14,993,054 Shares representing approximately 9.7% of the present issued capital of the Company\*;

\* The Shares in which each of Mr Albers and Mr Hart have a relevant interest each includes 4,077,944 Shares in the capital of the Company held by Octanex NL, a company of which they are both Directors.

The voting power which Cambrian Mining Plc or Cambrian Oil & Gas Plc may each exercise will also depend on the manner in which their respective boards of directors act and it cannot be assumed that they will act in the same manner or in concert.

The level of influence which Cambrian Mining Plc or Cambrian Oil & Gas Plc may exercise as a result of its increase in voting power should be considered, among other things, in the context of the above other major Shareholdings. It should also be noted that control of the Company will not change as a result of the Rights Issue or as a result of the underwriting or sub-underwriting and that day to day control of the Company will remain vested in the Directors.

Separately to the above, it should be noted that, as part of the placement terms for the 14,055,010 Shares recently placed to Cambrian Oil & Gas Plc, the Company has agreed to seek Shareholder's approval to grant Cambrian Oil & Gas Plc a one for one free Option for each of those placement shares with those Options being exercisable on the terms set out in Section 7.3.

Assuming that Shareholders at the general meeting grant the 14,055,010 Options to Cambrian Oil & Gas Plc, collectively Cambrian Mining Plc and Cambrian Oil & Gas Plc could hold a total of 42,441,995 Options out of a total of 56,756,288 Options then extant.

The exercise by Cambrian Mining Plc or Cambrian Oil & Gas Plc of their Options will be dependent upon compliance by each of them with the provisions of the Corporations Act. This means that neither of those entities will be able to acquire additional Shares by exercise of Options other than in a manner compliant with the Corporations Act

## **6.5 Pro Forma Statement of Financial Position**

The effect of the Rights Issue on the financial position of the Company is set out below. The Pro forma Balance Sheet is based on the Company's management report as at 30 June 2006. The Pro forma Balance Sheet assumes that the Rights Issue is fully subscribed, that the costs of the Rights Issue have been paid and that the net proceeds of the Rights Issue have been received as cash but does not reflect the application of funds outlined in Section 1.4 other than as presently incurred and contained in the management report as those additional expenditures will be made over time. The Balance Sheet from the Company's half-year report which was reviewed by the Company's auditor is included for comparative purposes only. The half-year reviewed report is available in full from the ASIC database.

**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2005, CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2006 BASED ON MANAGEMENT REPORT AND PRO FORMA BALANCE SHEET AS AT 30 JUNE 2006 BASED ON MANAGEMENT BALANCE SHEET AS AT THAT DATE**

\$'000	Note	HALF-YEAR BALANCE SHEET 31/12/2005 (Reviewed) \$	MANAGEMENT BALANCE SHEET 30/6/2006 (Unaudited) \$	PRO FORMA BALANCE SHEET 30/6/2006 (Unaudited) \$
<b>Current Assets</b>				
Cash & cash assets	1	1,219,321	2,454,356	14,715,981
Trade & other receivables		36,652	13,025	13,025
<b>Total Current Assets</b>		<b>1,255,973</b>	<b>2,467,381</b>	<b>14,729,007</b>
<b>Non - Current Assets</b>				
Plant & equipment		79,513	77,268	77,268
Exploration & evaluation costs		121,635	176,144	176,144
<b>Total Non-current Assets</b>		<b>201,148</b>	<b>253,412</b>	<b>253,412</b>
<b>Total Assets</b>		<b>1,457,121</b>	<b>2,720,794</b>	<b>14,982,419</b>
<b>Current Liabilities</b>				
Trade & other payables		204,359	162,974	162,974
Provisions		7,672	35,754	35,754
<b>Total Current Liabilities</b>		<b>202,031</b>	<b>198,728</b>	<b>198,728</b>
<b>Total Liabilities</b>		<b>202,031</b>	<b>198,728</b>	<b>198,728</b>
<b>Net Assets</b>		<b>1,245,090</b>	<b>2,522,066</b>	<b>14,783,691</b>
<b>Equity</b>				
Issued capital	2	10,451,310	12,147,238	24,408,863
Other reserves		140,010	131,469	131,469
Accumulated losses		(9,346,230)	(9,756,641)	(9,756,641)
<b>Total Equity</b>		<b>1,245,090</b>	<b>2,522,066</b>	<b>14,783,691</b>

	PRO FORMA BALANCE SHEET 30/6/2006 (Unaudited) \$	PRO FORMA BALANCE SHEET 30/6/2006 (Unaudited) \$
<b>NOTE 1 Cash &amp; Cash Assets</b>		
Balance 30 June 2006 per management report		2,454,356
Proceeds of Rights Issue of 38,651,278 New Shares at 22.5 cents	8,696,537	
Less, Costs of the Rights Issue	642,839	
		8,053,698
Other equity movements since 30 June 2006		
Net proceeds of sale of trustee Shares		1,093,950
Proceeds of issue of 14,055,010 Shares at 22.5 cents	3,162,377	
Less, costs of issue	48,400	
		3,113,977
<b>Balance per Pro Forma Balance Sheet</b>		<b>\$14,715,981</b>



	Shares	\$	\$
<b>NOTE 2 Issued Capital</b>			
Balance 30 June 2006 per management report	140,055,010		12,147,238
Proceeds of Rights Issue - 38,651,278 Shares at 22.5 cents	38,651,278	8,696,537	
Less, Costs of the Rights Issue		<u>642,839</u>	
			8,053,698
Other equity movements since 30 June 2006			
Net proceeds of sale of trustee Shares	-		1,093,950
Proceeds of issue of 14,055,010 Shares at 22.5 cents	14,055,010	3,162,377	
Less, costs of issue		<u>48,400</u>	
			3,113,977
<b>Balance per Pro Forma Balance Sheet</b>	<b>193,256,393</b>		<b>\$24,408,863</b>

The pro forma Balance Sheet shows, for simplicity, the net proceeds of the Rights Issue recognised as Issued capital, and not apportioned as between the New Shares, recognised as Issued Capital, and the New Options, recognised as Other Reserves.

## 7. Additional Information

### 7.1 Disclosure Requirements

This Prospectus is issued pursuant to Section 713 of the Corporations Act using the special prospectus content rules for continuously quoted securities. Methanol Australia is a "disclosing entity" for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations which require it to disclose immediately to ASX any information of which it is, or becomes, aware concerning Methanol Australia and which a reasonable person would expect to have a material effect on the price or value of Methanol Australia's securities. Having taken such precautions and made such enquiries as are reasonable, Methanol Australia believes that it has complied with the general and specific requirements of ASX (as applicable from time to time throughout the 12 months prior to the issue of this Prospectus) which required Methanol Australia to notify ASX of information about specified matters or events as they arose for the purpose of ASX making that information available to the stock market conducted by ASX. Copies of documents lodged with ASIC in relation to Methanol Australia may be obtained from, or inspected at, an office of ASIC. The ASX maintains a file of all announcements lodged by Methanol Australia. Copies of most documents lodged by Methanol Australia with ASX can be found on the ASX website at [www.asx.com.au](http://www.asx.com.au).

Methanol Australia will provide a copy of the following documents free of charge to any person who requests them during the period in which the Rights Issue remains open:

- the annual financial report of Methanol Australia for the period ended 30 June 2005 (being the most recent annual financial report lodged with ASIC);
- all continuous disclosure notices given by Methanol Australia to ASX since the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC, being the following documents:

<b>Date</b>	<b>Lodged Documents</b>
3/08/2006	Appendix 3B Application for Listing
3/08/2006	Letter to Shareholders – Major Capital Raising
31/07/2006	Report on Activities for the Quarter Ended June 30 2006
28/07/2006	Rights Issue Fully Underwritten
21/07/2006	Appendix 3B – Placement of Shares and Shareholder Issue
20/07/2006	Company Activity Update and Investor Presentation – July 2006
20/07/2006	Major Capital Raising to Fund 2D and 3D Seismic in NT/P68
06/07/2006	2D Seismic Acquisition Contract Awarded to CGG
05/05/2006	Appendix 3Y – Change of Directors Interest Notices
27/04/2006	Clarification Statement relating to Substantial Shareholder Notice
27/04/2006	Report on Activities for the Quarter Ended March 31 2006
19/04/2006	Appendix 3B – Exercise of Options
16/04/2006	Half Year Report to December 31, 2005
10/04/2006	Appendix 3Y – Change of Directors Interest Notices
01/04/2006	Placement of Trustee Shares to Raise \$1.6 Mil

23/02/2006	Appendix 3Y – Change of Directors Interest Notices
02/02/2006	Investor Presentation – February 2006
31/01/2006	Report on Activities for the Quarter Ended December 31 2005
30/01/2006	Assignment of Rig Slot to Santos Limited
28/11/2005	2005 AGM Project Activity Update
28/11/2005	Outcome of Resolutions put to AGM
18/11/2005	Appendix 3Y – Change of Directors Interest Notices
11/11/2005	Micro Methanol Fuel Cells Get Approval for Airplane Use
28/10/2005	Review on Activities for the Quarter Ended September 30 2005
26/10/2005	Notice of Annual General Meeting and Proxy Form
26/10/2005	Annual Report 2005
30/09/2005	Financial Report 2005
22/09/2005	Placement of Shares by Trustee
07/09/2005	Investor Presentation – Good Oil Conference 2005
31/08/2005	Appendix 3Z- Final Directors Interest Notice
31/08/2005	Retirement of Director
31/08/2005	Option Notice Waiver
12/08/2005	Approval to Extend Trustee Stock Scheme
28/07/2005	Report on Activities for the Quarter Ended June 30, 2005
27/07/2005	Appendix 3Y – Change of Directors Interest Notices
22/07/2005	Notice of Outcome of Resolutions put to General Meeting – 22 July 2005
13/07/2005	Proposed Amendment to Trustee Shares Scheme Notice of General Meeting
04/07/2005	Appointment of Warwick Bisley as Chairman of the Board

All requests for copies of the above documents should be addressed to Mr David Hill, Company Secretary at the Company's address.

None of the documents listed above are incorporated into this Prospectus by reference.

## **7.2 Summary of rights and liabilities attaching to New Shares**

The New Shares will rank equally in all respects with Methanol Australia's existing fully paid ordinary shares from their date of issue. The rights attaching to ordinary shares are set out in Methanol Australia's constitution, and, in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules, the ASTC Settlement Rules and general law. Methanol Australia's constitution may be inspected during normal business hours at the registered office of Methanol Australia at Level 25, 500 Collins Street, Melbourne Victoria 3000.

The following is a summary of the principal rights of the holders of ordinary shares of Methanol Australia. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Methanol Australia's members.

**a. Ranking**

The Shares will be fully paid ordinary shares and will rank equally in all respects with the existing ordinary shares in the Company.

**b. Partly Paid Shares and Liability for Calls**

The Company has no partly paid shares on issue.

**c. Reports and Notices**

Members are entitled to receive all notices, reports, accounts and other documents required to be furnished to members under the constitution of the Company, the Corporations Act and the ASX Listing Rules.

**d. General Meetings**

Members are entitled to be present in person, or by proxy, attorney or representative to speak and to vote at general meetings of the Company. Members may requisition general meetings in accordance with the Corporations Act and the constitution of the Company.

**e. Voting**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares (at the present time there are none) at a general meeting of the Company every ordinary member present in person, or by proxy, attorney or representative shall on a show of hands have one vote and upon a poll every member present in person or by proxy, attorney or representative has one vote for every Share held. A qualification to the above is that where a person is present at a meeting as proxy or representative for more than one member then on a show of hands that person shall have only one vote and not one vote for each person represented by him.

A member who holds a Share which is not fully paid shall be entitled to a fraction of a vote equal to the proportion that the amount paid-up bears to the total issue price of the Share.

**f. Dividends**

The Directors may declare and authorise the distribution, from the profits of the Company, of dividends to be distributed to members according to their rights and interests.

**g. Winding Up**

Subject to any special or preferential rights attaching to any class or classes of Shares, members will be entitled in a winding up to share in any surplus assets of the Company in proportion to the Shares held by them respectively, less any amount which remains unpaid on their shares at the time of distribution.

**h. Transfer of Shares**

Subject to Methanol Australia's constitution, the Corporations Act, the ASX Listing Rules, the ASTC Settlement Rules and any escrow restrictions, ordinary shares are freely transferable. Shares may be transferred by a proper transfer effected in accordance with any method introduced by ASX or operated in accordance with the ASTC Settlement Rules or ASX Listing Rules (and in any such case recognised under the Corporations Act), by a written instrument of transfer which complies with Methanol Australia's constitution or by any other form approved by either the Directors or ASX, or otherwise permitted by law.

**i. Future Increases in Capital**

The allotment and issue of Shares is under the control of the Directors of the Company. Subject to restrictions on the allotment of Shares to Directors or their Associates contained in the ASX Listing

Rules, the constitution of the Company and the Law, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

**j. Variation of Rights**

At present the Company only has ordinary shares on issue. If Shares of another class were issued, the rights, privileges and restrictions attaching to ordinary shares could be altered with the approval of a resolution passed at a separate general meeting of the holders of ordinary shares by a three-quarters majority of those holders who, being entitled to do so, vote at that meeting or with the written consent of the holders of at least three-quarters of the ordinary shares on issue, within two months of that general meeting.

**k. Directors**

The constitution of the Company contains provisions relating to the retirement of Directors by rotation (other than Managing Directors and alternate Directors).

**7.3 Terms and Conditions of New Options**

The terms and conditions of the New Options to be granted pursuant to the Rights Issue are as follows:

**a. Exercise price**

Each New Option entitles the holder to subscribe for 1 fully paid ordinary share in Methanol Australia at a subscription price of \$0.25 per share.

**b. Manner of exercise**

The options are exercisable at any time on or prior to 5:00pm (AEST) on 30 April 2007 by completing an option exercise form and delivering it to Methanol Australia's Share Registry together with payment for the number of Shares in respect of which the Options are exercised and the option holding statement for those Options.

**c. Transferability of options**

Subject to the Corporations Act, the ASX Listing Rules and Methanol Australia's constitution, the options are freely transferable and Methanol Australia will apply to ASX for the New Options to be admitted to quotation.

**d. Ranking and quotation of shares**

All Shares issued upon exercise of Options will rank equally in all respects with Methanol Australia's then existing fully paid ordinary shares. Within 10 business days after the issue of Shares upon exercise of Options, Methanol Australia will apply to ASX for those Shares to be admitted to quotation.

**e. Participation rights**

Holders of options may only participate in a new issue of securities to holders of ordinary shares in Methanol Australia if an Option has been exercised and a Share(s) issued in respect of that Option before the record date for determining entitlements to the new issue. Methanol Australia must give holders of Options at least 6 business days' notice of the record date for determining entitlements to that new issue in accordance with the ASX Listing Rules.

**f. No change to option terms**

There will be no change to the exercise price of an Option or the number of Shares over which an option is exercisable in the event of Methanol Australia making a pro rata issue of Shares or other securities to holders of ordinary shares in Methanol Australia (other than a bonus issue).

**g. Reorganisation of capital**

In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, all of the Options will be reorganised as

required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.

#### 7.4 Matters Relevant to New Zealand Shareholders

The following matters should be noted by New Zealand Shareholders:

- investing in securities of an Australian issuer may carry with it a currency exchange risk;
- the financial reporting requirements applying in New Zealand and those applying to Methanol Australia may be different and so Methanol Australia's financial reports may not be compatible in all respects with financial statements prepared in accordance with New Zealand law;
- Methanol Australia may not be subject in all respects to New Zealand law;
- the contract under which the New Shares and New Options will be issued may not be enforceable in New Zealand courts; and
- this Prospectus has not been registered in New Zealand under the respective laws of its jurisdiction and may not contain all the information that a New Zealand registered prospectus is required to contain.

#### 7.5 Directors' Interests

Except as otherwise set out herein, no Director named herein now has or during the last two years has had any interest in the promotion of the Company, or any property proposed to be acquired by the Company in connection with its formation or promotion and no Director is (or was during the last two years) a partner of or has (or during the last two years had) any beneficial interest in, a firm which has (or during the last two years had) any interest in the promotion of or any property proposed to be acquired by the Company in connection with its formation or promotion. Further, no sums have been paid or agreed to be paid to a Director or to such firm in cash or shares or otherwise by any person (in the case of a Director) either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or the firm in connection with the promotion of the Company.

#### 7.6 Security holdings of Directors

Directors are not required under Methanol Australia's constitution to hold any securities in Methanol Australia. As at the date of this Prospectus, the Directors' interests in the issued Shares and Options are as follows:

Director	Ordinary Shares	Performance Rights	Executive Options
W Bisley	744,694	-	1,000,000
C R Hart	10,349,929	2,400,000	-
W J Dewé	1,187,342	600,000	-
A J Rigg	634,970	-	1,000,000
J M D Willis	2,076,119	-	1,000,000

The Directors have entered into priority sub-underwriting agreements in relation to a total of 1,250,474 New Shares and New Options as set out below. Directors and executives of the Company have entered into priority sub-underwriting agreement for a total of 1,348,140 New Shares and New Options.

<b>Director</b>	<b>Priority Sub-underwriting (New Shares)</b>	<b>Sub - underwritten Amount \$</b>	<b>Sub - underwriting Fee \$</b>
W Bisley	180,048	\$40,511	\$1,418
C R Hart	476,232	\$107,152	\$3,750
W J Dewé	291,764	\$65,647	\$2,298
A J Rigg	46,250	\$10,406	\$364
J M D Willis	256,180	\$57,640	\$2,017

Save as set out above, Directors will participate in the Rights Issue on the same basis as all other Eligible Shareholders.

### 7.7 Director's Fees, Remuneration and Other Entitlements

In addition to interests in equities, details of the nature and amount of each element of the emolument of and fees paid or payable for other services to each Director of the Company for the last two financial years are set out in the table below.

<b>Director</b>	<b>Year</b>	<b>Directors Fees \$</b>	<b>Executive &amp; Other Fees \$</b>	<b>Super- annuation \$</b>	<b>Perform- ance Plan \$</b>	<b>Option Plan \$</b>	<b>Total \$</b>
W Bisley	2006	50,000	1,500	4,450	-	465	56,415
	2005	25,000	5,400	2,250	-	1,016	33,666
W J Dewé	2006	6,274	35,178	20,976	3,567	-	65,995
	2005	6,250	29,409	21,000	11,174	-	67,833
C R Hart	2006	-	182,656	-	7,474	-	190,130
	2005	-	174,796	27,250	62,748	-	264,794
A J Rigg	2006	25,000	-	2,250	-	465	27,715
	2005	25,000	-	2,250	-	1,016	28,266
JMD Willis	2006	27,250	-	-	-	465	27,715
	2005	27,250	-	-	-	1,016	28,266

Additionally, certain of the Directors have other interests as follows:

## **Other Related Party Transactions**

The Directors are involved in the following related party transactions:

### **Mr C R Hart**

The services of Mr Hart are provided by PetroEx Pty Ltd, which receives payment of the monies referred to in the table in Section 7.7 under the heading "Executive and Other Fees".

### **Mr W Dewé**

The services of Mr Dewé are provided by Fourties Pty Ltd, which receives payment of the monies referred to in the table in Section 7.7 under the heading "Executive and Other Fees".

## **7.8 Directors' Share Savings Plan**

The board has established a Directors' Share Savings Plan (the Savings Plan). All of the present Directors have agreed to be subject to the Savings Plan and all future Directors will be required to become signatories. It requires each Director to contribute not less than 50% of his Director's fees toward the purchase of shares in the Company at market price.

The principal rationale for the Savings Plan is to align directly the interests of Shareholders and the Directors.

The Savings Plan establishes a process by which Directors can determine the make-up of their compensation package. Apart from being required to contribute not less than 50% of their remuneration toward the purchase of Shares in the Company, the Savings Plan allows for up to 100% of their remuneration to be so allocated.

The following are features of the Savings Plan:

- The Directors' remuneration will continue to be fixed as a monetary sum.
- The Trustee under the Savings Plan is charged with the responsibility for buying Shares with money payable as Directors' fees during a period of 30 days following receipt of a duly signed and completed form of election for Shares.
- Subject to the Remuneration and Nomination Committee exercising its discretion otherwise, all Shares purchased under the Savings Plan cannot be dealt with during the first six months of acquisition.

## **7.9 Directors' Performance Rights**

Messrs Hart and Dewé have rights, which are defined as "Performance Rights" under the Company's Performance Plan. The Performance Plan comprises an element of benefit to these Directors in that Shares are purchased and held by a trustee and equitable rights in those securities are made available to participants in the Performance Plan, once performance hurdles are met, on the basis that on the attainment of certain vesting periods Shares held by the trustee of the Plan will be transferred in satisfaction of the Performance Rights. The table in Section 7.6 above sets out the prospective number of Shares to which the Performance Rights may presently give entitlements to Directors and the table in Section 7.7 sets out the value, calculated in accordance with AASB 2 *Share Based Payment*, of the Performance Rights held by each of the Directors referred to, notwithstanding that, as at the date hereof, those Performance Rights have not vested and that, as a result no direct or legal entitlement to any of such Shares exists on the part of the Directors involved.

## **7.10 Underwriting Agreement**

By an agreement made 28 July 2006 between the Company and Tolhurst Noall Limited as underwriter ("Underwriter"), the Underwriter underwrote the issue and allotment of all the securities offered by this Prospectus ("the Underwritten Securities").

The underwriting obligation of the Underwriter is subject to satisfaction of a series of conditions precedent which include that ASX grant quotation for the New Shares and New Options.



Pursuant to Clause 3 of the Underwriting Agreement, and to the Company complying with the requirements of clause 6 (excluding clauses 6.12 and 6.13) of the Underwriting Agreement, providing the Underwriter with an appropriate "Shortfall Notice" and a Confirmation Certificate (as referred to below) and the Underwriter not having terminated its underwriting obligations under clause 4.1 (referred to below), the Underwriter is required to lodge applications for the "Shortfall" which is the number of Underwritten Securities for which Valid Applications have not been received before the Closing Date. In this context clause 6 of the Underwriting Agreement sets out the obligations of the Company which include ensuring that the Rights Issue proceeds in accordance with the timetable set out in this Prospectus and in compliance with the terms of this Prospectus, the terms of the Corporations Act, the Listing Rules of ASX and any other applicable laws or regulations and any modification, exemption, declaration, waiver, direction or ruling by ASIC. In particular, the Company may not lodge or issue any supplementary or disclosure document without the prior written consent of the Underwriter, which must not be unreasonably held or delayed but the Company must ensure that a supplementary or replacement Prospectus is lodged under Section 719 of the Corporations Act if any matter referred to in Section 719(1) of that Act occurs after the lodgement of the Prospectus.

Other requirements of Section 6 are that the Company must not refuse or reject any valid application without the prior written consent of the Underwriter and provide the requisite confirmation certificates and issue the Underwritten Securities

Under Clause 4.1 of the Underwriting Agreement, the Underwriter may terminate its underwriting obligations before the Company issues the New Shares and New Options the subject of the issue if the Company fails to give necessary certificates confirming that no event of termination set out in Schedule 3 to the Underwriting Agreement has occurred or, if such an event has occurred a certificate containing sufficient detail to enable the Underwriter, acting reasonably and in good faith, to determine whether the event has had a material adverse effect on the Rights Issue or whether it could create a liability for the Underwriter under the Corporations Act.

The events referred to in Schedule 3 are as follows:

1. **(Breach of significant contracts)** A significant or material contract of the Company or any Related Body Corporate (whether or not it is to be referred to in the Prospectus) is, without the prior written consent of the Underwriter:
  - (a) breached by the Company or a Related Body Corporate in a material respect;
  - (b) terminated (whether by breach or otherwise);
  - (c) altered or amended in any way; or
  - (d) found to be void or voidable, to an extent that is material to the Company or the outcome of the Rights Issue.
2. **(ASX Approval)**
  - (a) ASX makes an official statement to any person, or indicates to the Company or the Underwriter that ASX Approval will not be given.
  - (b) ASX Approval has not been given before the Closing Date.
  - (c) ASX Approval although granted is subsequently withdrawn, qualified or withheld before the issue of the New Shares and New Options.
3. **(Default)** The Company is in default of any of the terms and conditions of this agreement or breaches any warranty or covenant given or made by it under this agreement and that default or breach is either incapable of remedy or is not remedied within 5 Business Days after it occurs.
4. **(Panel)** An application is made to the Panel for a declaration of unacceptable circumstances in respect of the Rights Issue or the underwriting or sub-underwriting of the Rights Issue or the Panel makes such a declaration or declines to make such a declaration due to its acceptance of any undertaking which prevents, restricts or inhibits any sub-underwriter from fulfilling its obligation to sub-underwrite the Rights Issue.
5. **(Fails to Comply)** The Company or any Related Body Corporate fails to comply with any of the following:

- (a) a provision of its constitution;
  - (b) a statute;
  - (c) any policy or guideline of ASIC or any other requirement, order or request made by or on behalf of ASIC or any governmental agency; or
  - (d) any agreement entered into by it.
6. **(Capital Structure)** The Company or a Related Body Corporate alters its capital structure without the prior written consent of the Underwriter.
7. **(Constitution Altered)** The constitution or any other constituent document of the Company or a Related Body Corporate is amended without the prior written consent of the Underwriter, which consent must not be unreasonably withheld.
8. **(Financial Assistance)** The Company or a Related Body Corporate seeks the approval of shareholders under section 260B of the Corporations Act, without the prior written consent of the Underwriter.
9. **(Business)** The Company or a Related Body Corporate:
- (a) disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property; or
  - (b) ceases or threatens to cease to carry on business, in either case without the prior written consent of the Underwriter.
10. **(Hostilities)** There is an outbreak of major hostilities not presently existing involving any one or more of the following:
- (a) Australia;
  - (b) the United Kingdom;
  - (c) the United States of America;
  - (d) the Peoples Republic of China;
  - (e) Japan;
  - (f) any member country of the European Union;
  - (g) the Middle East (excluding Israel and Lebanon); or
  - (h) or a major act of terrorism occurs in the United States of America.
11. **(Financial Position)** A materially adverse change, or development involving a prospective materially adverse change, occurs in the financial or trading position of the Company or a Related Body Corporate.
12. **(Prospectus)** Without limiting any other paragraph of this schedule:
- (a) there is a material omission from the Prospectus;
  - (b) the Prospectus contains a misleading or deceptive statement;
  - (c) a statement in the Prospectus becomes misleading or deceptive;
  - (d) a forecast in the Prospectus becomes incapable of being met or unlikely to be met in the projected time;
  - (e) the Prospectus does not comply with section 710 or 713 (as the case may be) of the Corporations Act, the ASX Listing Rules or any other applicable laws or regulations;
  - (f) a matter referred to in section 719 of the Corporations Act occurs in respect of the Prospectus; or
  - (g) the Company lodges the Prospectus with ASIC without first obtaining the written approval of the Underwriter (which approval, to avoid doubt, is not to be unreasonably withheld or delayed).

13. **(Corporations Act)** Without limiting any other paragraph of this schedule:
  - (a) ASIC applies for an order under section 1324B of the Corporations Act in relation to the Prospectus and the application is not dismissed or withdrawn before the Closing Date;
  - (b) a person gives a notice under section 730 of the Corporations Act in relation to the prospectus;
  - (c) ASIC gives notice of intention to hold a hearing in relation to the Prospectus under section 739(2) of the Corporations Act or makes an interim order under section 739(3) of the Corporations Act;
  - (d) any person (other than the Underwriter) who consented to being named in the Prospectus withdraws that consent,
  - (e) ASIC commences any investigation, examination or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 in relation to the Rights Issue or the Company; or
  - (f) ASIC gives an infringement notice to the Company under section 1317DAC of the Corporations Act.
14. **(Supplementary Prospectus)** The Underwriter reasonably form the view that a supplementary or replacement document must be lodged with ASIC under section 719 of the Corporations Act and the Company does not lodge a supplementary or replacement document in the form, with the content and within the time reasonably required by the Underwriter.
15. **(Indictable Offence)** A director, or the Company Secretary of the Company or a Related Body Corporate is charged with an indictable offence relating to a financial or corporate matter.
16. **(Insolvency Event)** An Insolvency Event occurs with respect to the Company or a Related Body Corporate.
17. **(Listing Rules)** The Company commits a material breach of the Listing Rules.
18. **(Charge)** The Company or a Related Body Corporate charges or agrees to charge, the whole, or a substantial part of its business or property.
19. **(Confirmation Certificate)** The Confirmation Certificate in accordance with all of the requirements of this agreement is not furnished by the Company or a statement in that Confirmation Certificate is untrue or incorrect in a material respect.
20. **(Material Adverse Change)** There is a material adverse change in the management, results of operations or prospects of the Company.
21. **(Trading of Securities)** Trading in any securities of the Company is suspended by ASX for more than 5 Business Days, or any securities of the Company quoted on the Official List of ASX cease to be so quoted.

Clause 4.4 of the Underwriting Agreement limits the right of the Underwriter to exercise its right to terminate in circumstances where an event set out in paragraphs 5 to 21 (inclusive) of Schedule 3 above occurs, to circumstances where the Underwriter determines reasonably and in good faith that the event has or would have had such a material adverse effect or could have created a liability for the Underwriter under the Corporations Act 2001. Clause 5 of the Underwriting Agreement provides that the Company must pay the fees set out below and, additionally, the Company must pay or reimburse the Underwriter for its reasonable legal and other costs of and incidental to the Rights Issue.

The fees payable to the Underwriter comprise:

Lead Manager Fee:	a fee of 1% of the total amount raised from all sources pursuant to the Rights Issue. This will be an amount of up to \$86,965
Underwriting Fee:	a fee of 5.5% of the total dollar amount underwritten. This will be an amount of \$478,310. The Underwriter will be responsible for the payment of sub-underwriting fees.

On the above basis, the Underwriter will receive a total of \$565,275 being an amount of 5.5% of the total funds raised plus a management fee of \$86,965.

Clause 8 of the Underwriting Agreement contains extensive representations and warranties by the Company in standard form. Clause 8.3 of the Underwriting Agreement imposed obligations to undertake Due Diligence Investigations (as defined) to ensure that the Prospectus complies with the requirements of the Corporations Act 2001 and for this purpose a Due Diligence process was established in accordance with requirements of that clause.

Under clause 9 of the Underwriting Agreement the Company provides the Underwriter and various "indemnified parties" with extensive indemnities from and against liability arising thereunder.

#### **7.11 Trustee Shares and Restrictions Thereon**

The 122,918 Shares held by Doravale Enterprises Pty Ltd are held on terms of a scheme of arrangement approved by the Supreme Court of Victoria on the basis that the Shares rank *pari passu* with all Shares on issue.

The Trustee is empowered to sell the Shares in accordance with the provisions of that scheme with the net proceeds of sale being paid to the Company by way of subscription monies. Essentially, the economic benefits flowing from the Shares belong to the Shareholders from time to time until such time as they are sold at which stage the Company receives capital by way of subscription monies from the purchasers.

Under the terms on which the Shares are held, the Trustee is required to not exercise any voting rights attached to the Shares and has agreed that all dividends and distributions of income payable in respect of those Shares will be paid by the Company to the Shareholders of the Company from time to time other than the Trustee. As at the date of this Prospectus the Trustee has not disposed of or sold any of the above number of Shares held by it.

#### **7.12 Dividends and Dividend Policy**

The Company has not paid dividends and its ability to pay dividends will depend on derivation of profits from operations generally.

#### **7.13 Interests of Named Persons**

Other than as set out below or elsewhere 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, promoter or stockbroker to Methanol Australia or Underwriter to the Rights Issue has, or had within 2 years before lodgement of this Prospectus with ASIC, any interest in:

- a. the formation or promotion of Methanol Australia;
- b. any property acquired or proposed to be acquired by Methanol Australia in connection with its formation or promotion or in connection with the Rights Issue; or
- c. the Rights Issue and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services rendered by him in connection with the formation or promotion of Methanol Australia or the Rights Issue

Tolhurst Noall Limited is Underwriter to the Rights Issue, for which it will be paid the fees set out in Section 7.10.

Representatives of Tolhurst Noall Limited may have interests in Shares and directors of Tolhurst Noall Limited have provided general sub-underwriting in relation to take up of 1,777,778 New Shares and New Options in any Shortfall (assuming a 100% Shortfall). Tolhurst Noall Limited's oil and gas research analyst, Jurgen Hendrich, is a non-executive director of Cambrian Oil & Gas Plc, in addition to having interests in existing securities of Methanol Australia Limited, Cambrian Oil & Gas Plc and Cambrian Mining Plc.

Menzies & Partners has acted as solicitors to the Company in relation to the Rights Issue and this Prospectus for which it will be paid \$12,000 plus disbursements. Further amounts may be paid to Menzies & Partners in accordance with its normal time based charges.

Ernst & Young has acted as auditors to the Company for the financial periods ending 30 June 2005 and 30 June 2006 and have received fees for audit and other services carried out for the two years prior to the date of this Prospectus amounting to \$110,500. Fees paid for such audit services for the year ending 30 June 2005 totalled \$43,000 and for the year ended 30 June 2006 totalled \$50,000. Fees for other services for the year ending 30 June 2005 totalled \$7,500 and for the year ended 30 June 2006 totalled \$10,000.

#### 7.14 Expenses of the Rights Issue

All expenses connected with the Rights Issue are being borne by the Company. The estimated expenses of the Rights Issue are:

Item	Amount
Underwriting Commission and Fees	565,275
Legal	22,000
Printing	4,000
Share Registry and Sundry	20,000
ASX Fees	31,564
<b>Total</b>	<b>642,839</b>

#### 7.15 Governing law

This Prospectus and the contracts which arise on acceptance by Methanol Australia of acceptances for

Entitlements are governed by the law applicable in Victoria and each Eligible Shareholder submits to the exclusive jurisdiction of the courts of Victoria.

#### 7.16 Consents

**Tolhurst Noall Limited** has given and has not, at the date of this Prospectus, withdrawn its consent to being named in this Prospectus as the Underwriter to the Rights Issue, in the form and context in which it is so named.

**Menzies & Partners** has given and has not, at the date of this Prospectus, withdrawn its consent to being named in this Prospectus as Solicitors for Methanol Australia Limited in this Prospectus in the form and context in which it is so named.

**Cambrian Mining Plc** has given and has not, at the date of this Prospectus, withdrawn its consent to being named in this Prospectus as a sub-underwriter to the Rights Issue, in the form and context in which it is so named.

**Ernst & Young** has given and has not, at the date of this Prospectus, withdrawn its consent to being named in this Prospectus as auditor to Methanol Australia Limited in the form and context in which it is so named and to the issue of the prospectus with references to the reviewed Financial Report for the 6 months ended 31 December 2005 in the form and context in which those references are so included.

Ernst & Young was not involved in the preparation of any part of the Prospectus and has not authorised or caused the issue of any part of this Prospectus.

**Link Market Services Limited** has given and has not, at the date of this Prospectus, withdrawn its written consent to being named in the Prospectus as the Share Registrar of the Company in the form and context in which it is named. Link Market Services Limited has not participated in the preparation of the Prospectus and has only authorised or caused the issue of those parts of the Prospectus which comprise references to it as the Share Registrar of the Company in the form and context in which those references are included.

## 8. Directors Responsibility Statement

The Directors of the Company report that for the purposes of Section 731 of the Corporations Act, they state that they have made all enquiries that were reasonable in the circumstances and have reasonable grounds to believe that any statements by them in this Prospectus are true and not misleading or deceptive, and that with respect to any other statements made in this Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given the consent required by Section 716(2) of the Corporations Act and have not withdrawn that consent before lodgement of this Prospectus with ASIC. Each Director of the Company consents to the lodgement of this Prospectus with ASIC, and has not withdrawn that consent prior to this Prospectus being lodged.

This Prospectus is prepared on the basis that:

- certain matters may be reasonably expected to be known to professional advisers of the kind with whom applicants may reasonably be expected to consult; and
- information is known to Applicants or their professional advisers by virtue of any Acts or laws of any State or Territory of Australia or the Commonwealth of Australia.

This Prospectus is dated the 3rd day of August 2006.

Signed on behalf of Methanol Australia Limited



**Warwick Bisley**  
Chairman



**Christopher R Hart**  
Managing Director

## 9. Glossary

Terms and abbreviations used in this Prospectus have the following meaning:

**\$** means Australian dollars unless otherwise specified.

**Acceptance Monies** means monies in respect of an application for New Shares, payable in accordance with this Prospectus and the Entitlement and Acceptance Form.

**AEST** means Australian Eastern Standard Time in Australia.

**ASIC** means Australian Securities and Investments Commission.

**ASTC** means ASX Settlement and Transfer Corporation Pty Limited ABN 49 008 504 532.

**ASTC Settlement Rules** means the Settlement Rules of ASTC, which are applicable while Methanol Australia is admitted to the Official List of ASX.

**ASX** means Australian Stock Exchange Limited ABN 98 008 624 691.

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

**Board** means the board of Directors.

**Business Day** means those days other than a Saturday, Sunday, New Years Day, Australia Day, Good Friday, Easter Monday, Anzac Day, Christmas Day, Boxing Day and any other day which ASX shall declare and publish as not a Business Day.

**carbonate interval** means a buried geological section of rock often targeted as a potential hydrocarbon reservoir that is primarily made up of a carbonate material such as limestone where the basic molecular unit consists of a triangular structure with a carbon atom at its centre and an oxygen atom at each corner (eg: CO<sub>3</sub>).

**CHES** means Clearing House Electronic Subregister System.

**Closing Date** means 11 September 2006.

**Company** or **Methanol Australia** means Methanol Australia Limited ACN 066 447 952.

**Contingent Resource** are those resources which relate to quantities of petroleum (oil or gas) which are estimated, on a given date, to be potentially recoverable from a known accumulation but which are not currently considered to be commercially recoverable.

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

**Director** means a director of Methanol Australia.

**Eligible Shareholder** means a Shareholder whose address (as registered on the Methanol Australia share register) is in Australia and New Zealand and who holds Shares at the Record Date.

**Entitlement** means the number of New Shares (and New Options) to which an Eligible Shareholder is entitled under the Rights Issue.

**Entitlement and Acceptance Form** means the form accompanying this Prospectus which sets out the number of New Shares which are the subject of each Entitlement and provides the means for acceptance of all or part of an Entitlement.

**Exemption Notice** means the Securities Act (Overseas Companies) Exemption Notice 2002 issued by the New Zealand Securities Commission under the *Securities Act 1978* (NZ), reference 2002/299 (as amended).

**Greenfield** means a project or development commencing from a virgin site where no existing infrastructure or production facility exists.

**GTL** means gas-to-liquid and is usually applied to projects or processes that aim to convert natural gas into a liquid and transportable form.

**Issue Price** means \$0.225 in respect of the subscription for a New Share and New Option on the terms and conditions set out in Section 2.

**Lead** means a potential hydrocarbon accumulation that is poorly defined and requires more data acquisition such as seismic and/or evaluation in order to be classified as a prospect.

**LNG** means liquefied natural gas which is a product made up primarily of methane chilled to minus 160 degrees centigrade.

**methanol** is a colourless liquid with a chemical compound CH<sub>3</sub>OH, commercially made from natural gas that may explode when exposed to an open flame. Methanol has a flash point of 12°C and a boiling point of 65°C. The largest users of the methanol in the Asia Pacific region use it to make chemicals such as formaldehyde and acetic acid.

**New Option** means an Attaching Option to subscribe for a Share on the terms and conditions set out in Section 8.3.

**New Shares** means the Shares offered to Eligible Shareholders under this Prospectus.

**New Zealand Shareholder** means a Shareholder whose address (as registered on the Methanol Australia share register) is in New Zealand.

**Option** means an option to subscribe for a Share.

**Optionholder** means a registered holder of Options.

**P10, P50 and P90** means a probabilistic indicator used to quantify contingent and prospective resources where the low estimate is assessed as P90, the mean estimate is assessed as P50 and the high estimate is assessed as P10 in the relevant category.

**the Permit** means the Petroleum Exploration Permit NT/P68 held by the Company's wholly owned subsidiaries TSP Arafura Petroleum Pty (50%) and Oz-Exoil NL (50%).

**Plover Play** means a recognised prospective trend of potential prospects that have been demonstrated in a known sandstone called the Plover Formation.

**Project or Projects** means singularly or collectively the TSMP, TSLNGP and the Permit.

**Prospect** means a potential hydrocarbon accumulation that is sufficiently well defined to represent a viable drilling target.

**Prospectus** means this document, and any supplementary or replacement prospectus in relation to this document.

**Record Date** means 5:00pm AEST on **11 August 2006**.

**Rights Issue** means the offer of New Shares and New Options to Eligible Shareholders under this Prospectus.

**Seismic** means seismic exploration which is undertaken to map the subsurface geology of an area and enable identification of potential petroleum reservoir rocks, such as sandstones. Marine seismic surveys are conducted using a specialized vessel towing an acoustic source and one or more hydrophone cables along a predetermined grid. The acoustic source generates an acoustic (pressure wave) pulse which travels as a seismic signal down through the geological layers. The seismic signals are reflected back and recorded by hydrophones towed behind the vessel.

**Share** means a fully paid ordinary share in the capital of Methanol Australia.

**Share Registry** means Link Market Services Limited Pty Limited ABN: 54 083 214 537.

**Shareholder** means a registered holder of Shares.



**Shortfall** means the total number of New Shares and New Options for which valid applications were not received by the Company by the Closing Date.

**Shortfall Securities** has the meaning given to it in Section 2.5

**TSLNGP** means the Company's proposed LNG project, the Timor Sea LNG Project, which has received its Commonwealth government environmental approvals.

**TSMP** means the Company's proposed methanol project, the Tassie Shoal Methanol Project, which has received its Commonwealth government environmental approvals.

**Underwriter** means Tolhurst Noall Limited in its capacities as underwriter to the Rights Issue.

**Underwriting Agreement** means the underwriting agreement between Methanol Australia and the Underwriter dated 28 July 2006.

## Directory

### DIRECTORS

Warwick Bisley (Chairman)  
Christopher R Hart (Managing Director)  
Walter J Dewé (Executive Director)  
Andrew J Rigg (Non-Executive Director)  
James M D Willis (Non-Executive Director)

### COMPANY SECRETARY

David B Hill  
Level 25, 500 Collins Street  
Melbourne, Victoria 3000 Australia

### REGISTERED AND PRINCIPAL OFFICE

Level 25, 500 Collins Street  
Melbourne, Victoria 3000 Australia

Telephone +61 (3) 9614 0430  
Facsimile +61 (3) 9614 0660  
Email: [admin@methanol.com.au](mailto:admin@methanol.com.au)  
Website: [www.methanol.com.au](http://www.methanol.com.au)

### UNDERWRITER

Tolhurst Noall Limited  
Level 29, 35 Collins Street  
Melbourne VIC 3000

Telephone: +61 (3) 9242 4000  
Facsimile: +61 (3) 9242 4040  
Website: [www.tolhurst.com.au](http://www.tolhurst.com.au)

### AUDITOR

Ernst & Young  
Ernst & Young Building  
8 Exhibition Street  
Melbourne VIC 3000

Telephone: +61 (3) 9288 8000  
Facsimile: +61 (3) 8650 7333

### ADVISING SOLICITOR

Menzies & Partners  
9<sup>th</sup> Floor, 356 Collins Street  
Melbourne Vic 3000

Telephone: (03) 9602 1500  
Facsimile: (03) 9642 0698

### SHARE REGISTRY

Link Market Services Limited  
Level 4  
333 Collins Street  
Melbourne Vic 3000

Telephone: 1 300 554 474  
Facsimile: +61 (2) 9287 0303  
International: +61 (2) 8280 7111