




oliver'sTM
FEED YOUR GOOD

Oliver's Real Food Limited

ACN 166 495 441

Prospectus

For an initial public offering of up to 50 million fully paid ordinary shares in **Oliver's Real Food Limited** at an issue price of \$0.30 per ordinary share to raise up to \$15 million.



Lead Manager

Veritas Securities Limited ACN 117 124 535

Important Information

Offer

This Prospectus is issued by Oliver's Real Food Limited ACN 166 495 441 (**Oliver's Real Food, Oliver's or Company**).

The Offer contained in this Prospectus is an invitation to acquire fully paid ordinary shares in Oliver's (**Shares**).

Lodgement and listing

This Prospectus is dated 17 May 2017 (**Prospectus Date**) and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. This is a replacement prospectus which replaces the Prospectus dated 5 May 2017 (**Original Prospectus**) and which was lodged with ASIC on that date (**Original Prospectus Date**).

This replacement prospectus has been issued by the Company to clarify the presentation of some of the financial information in the Original Prospectus.

Oliver's has applied to ASX Limited within seven days of the Original Prospectus Date for admission of the Company to the Official List of the ASX and for quotation of its Shares on ASX. None of ASIC, the ASX or their respective officers takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Expiry date

No Shares will be issued on the basis of this Prospectus later than 13 months after the Original Prospectus Date.

Not investment advice

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation and particular needs (including financial and tax issues) of any prospective investor.

Consider risks of investment

It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company. In particular, in considering the prospects of Oliver's, you should consider the best estimate assumptions underlying any Forecast Financial Information (as defined in Section 4) and the sensitivities associated with that information also set out in Section 4 and any forward looking statement, together with the risk factors that could affect the Company's business, financial condition and results of operations. Some of the key risk factors that should be considered by prospective investors are set out in Sections 1.4 and 5 of this Prospectus. You should carefully consider these factors in light of your investment objectives, financial situation and particular needs (including financial and taxation issues). There may be risk factors in addition to these that should be considered in light of your personal circumstances. If you have any queries in connection with this Prospectus or in relation to an investment in the Company, you should seek advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in the New Shares.

Disclosing entity

If admitted to the Official List, Oliver's will be a disclosing entity for the purposes of the Corporations Act and, as such, will be subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.

Disclaimer

Except as required by law, and only to the extent so required, neither the Company, nor any other person warrants or guarantees the future performance of Oliver's, the repayment of capital by Oliver's, or the payment of a return on the Shares.

No person is authorised to give any information or to make any representation in connection with the Offer which is not included in this Prospectus. Any information or representation not included in this Prospectus may not be relied on as having been authorised by Oliver's or by the Directors of Oliver's (**Directors**), or any other person involved in the preparation of the Prospectus or making of the Offer. In making any investment decision you should rely only on the information in this Prospectus.

Exposure period

The Corporations Act prohibits Oliver's from processing Applications to acquire Shares under this Prospectus (**Applications**) in the seven-day period after lodgement of the Original Prospectus with ASIC (**Exposure Period**). This Exposure Period may be extended by ASIC for up to a further seven days. The purpose of the Exposure Period is to enable the Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus, in which case any Application may need to be dealt with in accordance with section 724 of the Corporations Act. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period and no preference will be conferred on them.

During the Exposure Period, this Prospectus will be made available to Australian residents, without the Application Form, at the Company's website, www.oliversrealfood.com.au/investors.

Obtaining a copy of this prospectus

A hard copy of the Prospectus is available free of charge during the Offer Period to any person in Australia by calling the Oliver's Offer Information Line on 1300 737 760 (toll free within Australia), or +61 9290 9600 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday (business days only) during the Offer Period.

This Prospectus is also available to Australian resident investors in electronic form at the Offer website, www.boardroomlimited.com.au/Olivers. The Offer constituted by this Prospectus in electronic form is available only to Australian residents accessing the website within Australia. Hard copy and electronic versions of this Prospectus are generally not available to persons in other jurisdictions.

Statements of past performance

This Prospectus includes information regarding the past performance of Oliver's. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Financial information presentation

Section 4 sets out in detail the financial information referred to in this Prospectus and the basis of preparation for the financial information. The financial information in this Prospectus should be read in conjunction with, and is qualified by reference to, the information contained in Section 4 and Section 8 together with other information in this Prospectus.

All references to FY15, FY16, FY17 and FY18 appearing in this Prospectus are to the financial years ended or ending 30 June 2015, 30 June 2016, 30 June 2017, and 30 June 2018, respectively, unless otherwise indicated.

The Forecast Financial Information included in Section 4 has been prepared in accordance with the recognition and measurement principles prescribed by the Australian Accounting Standards issued by the Australian Accounting Standards Board, which are consistent with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

The Historical Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by the Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

Unless otherwise stated or implied, all proforma data in this Prospectus gives effect to the proforma adjustments referred to in Section 4.

Financial data is as at 30 June 2016, unless otherwise stated or implied.

Operational data and metrics is as at the Original Prospectus Date, unless otherwise stated or implied.

All financial amounts contained in this Prospectus are expressed in Australian currency, unless otherwise stated. Any discrepancies between totals and sums and components in tables, figures and diagrams contained in this Prospectus are due to rounding.

Forward looking statements

This Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors and on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the Prospectus Date, are expected to take place (including the key assumptions set out in Section 4). The basis of preparation and presentation of the Forecast Financial Information, to the extent applicable, is consistent with the basis of preparation and presentation for the Proforma Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited.

This Prospectus contains forward looking statements which may be identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", and other similar words that involve risks and uncertainties. Certain statements, beliefs and opinions contained in this Prospectus, particularly those regarding the possible or assumed future financial or other performance of Oliver's industry growth or other trend projections are or may be forward looking statements.

Any forward looking statements are subject to various known and unknown risk factors that could cause Oliver's actual results and circumstances to differ materially from the results and circumstances expressed or anticipated in these statements. Such statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Oliver's or its Directors and Management. Forward looking statements should be read in conjunction with, and are qualified by reference to, risk factors as set out in Sections 1.4 and 5 and other information in this Prospectus.

The Directors, the Investigating Accountant and the Lead Manager cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements. The Company has no intention to update or revise forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the

information contained in this Prospectus, except to the extent required by law.

This Prospectus, including the industry overview in Section 2, uses public information, market data, industry forecasts and projections. The Company has obtained portions of this information from market publications, market research and commentary prepared by third parties. The Company has not independently verified this information. There is no assurance that any of the forecasts or forward looking information contained in the reports, surveys and research of such third parties that are referred to in this Prospectus will be achieved. Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the key risks in Sections 1.4 and 5.

Selling restrictions in 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. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia.

The taxation treatment of Australian securities, including the Shares, may not be the same as those for securities in jurisdictions outside Australia. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

In particular, this Prospectus may not be released or distributed in the United States. The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States unless the Shares are registered under the US Securities Act or are offered and sold in transactions exempt from, or not subject to the registration requirements of the US Securities Act and any other applicable US securities laws.

No cooling off rights

Cooling off rights do not apply to an investment in Shares offered under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application.

Photographs and diagrams

The photographs used in this Prospectus are depictions of various parts of the Oliver's business. However the photographs used in this Prospectus are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets or products shown in them are or, on Completion of the Offer will be, owned, sold or supplied by Oliver's. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Documents available on website

Any references to documents included on Oliver's website at www.oliversrealfood.com.au/investors or the Offer website www.boardroomlimited.com.au/Olivers are provided for convenience only, and none of the documents or other information available on these websites or any other website referred to in the sources contained in this Prospectus, is incorporated in this Prospectus by reference.

Defined terms and time

Defined terms and abbreviations used in this Prospectus, unless specified otherwise, have the meanings given in the glossary of this Prospectus at Section 11. Unless otherwise stated or implied, references to times in this Prospectus are to the time in Sydney, Australia.

Unless otherwise stated or implied, references to dates or years are calendar year references.

Applications

Applications for New Shares under this Prospectus may only be made during the Offer Period on the Application Form included in, or accompanying, this Prospectus in its hard copy form, or in its electronic form which must be downloaded in its entirety from www.boardroomlimited.com.au/Olivers, together with an electronic copy of this Prospectus (Application Form). By making an Application, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing the Application Form on to another person unless it is included in, or accompanied by, this Prospectus in its paper copy form or the complete and unaltered electronic version of this Prospectus. Refer to Sections 7.9 for further information.

As set out in Section 7, it is expected that the Shares will be quoted on ASX initially on a normal settlement basis. To the extent permitted by law, each of the Company, the Registry, and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before

receiving their holding statement, whether on the basis of a confirmation of allocation provided by any of them, by the Oliver's Offer Information Line, by a Broker or otherwise.

Privacy

By filling out the Application Form to apply for New Shares, you are providing personal information to Oliver's and the Registry, which is contracted by the Company to manage Applications. Oliver's, and the Registry on its behalf, may collect, hold, use and disclose that personal information for the purpose of processing your Application, servicing your needs as a Shareholder, providing facilities and services that you need or request and carrying out appropriate administration. If you do not provide the information requested in the Application Form, Oliver's and the Registry may not be able to process or accept your Application.

Once you become a Shareholder, the Corporations Act and Australian taxation legislation require information about you (including your name, address and details of the Shares you hold) to be included in the share register. In accordance with the requirements of the Corporations Act, information on the share register will be accessible by members of the public. The information must continue to be included in the share register if you cease to be a Shareholder.

Oliver's and the Registry may disclose your personal information from time to time to inform you about other products and services offered by Oliver's which they consider may be of interest to you. Your personal information may also be provided to Oliver's agents and service providers on the basis that they deal with such information in accordance with Oliver's privacy policy. The agents and service providers of Oliver's may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. Agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared include those listed below or as otherwise authorised under the Privacy Act 1988 (Cth):

- the Registry for ongoing administration of the share register;
- the Lead Manager in order to assess your Application;
- Brokers for the purpose of providing their services;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, management consultants and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

Information contained in Oliver's share register is also used to facilitate corporate communications (including Oliver's financial results, annual reports and other information that Oliver's may wish to communicate to its Shareholders) and compliance by Oliver's with legal and regulatory requirements.

An Applicant has a right to access, correct and update his or her personal information that Oliver's and the Registry hold about that person, subject to certain exemptions under law. A reasonable fee may be charged for access. Access requests must be made in writing or by telephone call to Oliver's registered office or the Registry's office, details of which are disclosed in the corporate directory at the end of this Prospectus. The Company will aim to ensure that the personal information it retains about you is accurate, complete and up to date. To assist with this, please contact the Company or the Registry if any of the details you have provided change.

Applicants can obtain a copy of Oliver's privacy policy by visiting the Oliver's website www.oliversrealfood.com.au/investors. By submitting an Application, you agree that Oliver's and the Registry may communicate with you in electronic form or to contact you by telephone in relation to the Offer.

Use of trade marks

This Prospectus includes Oliver's registered and unregistered trade marks. All other trade marks, trade names and service marks appearing in this Prospectus are the property of their respective owners.

Questions

If you have any questions about this Prospectus or how to apply for New Shares, you should seek advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser. Instructions on how to apply for Shares are set out in Section 7 and on the Application Form. Alternatively, please contact the Oliver's Offer Information Line on 1300 737 760 (toll free within Australia), or +61 9290 9600 (outside Australia) between 8:30am and 5:30pm (Sydney time), Monday to Friday (business days only) during the Offer Period.

This document is important and should be read in its entirety before making any investment decision.

Contents

Important Information	2
Key Offer Information	5
Founder & CEO's Letter	6
Chairman's Letter	8
1 Investment Overview	10
2 Industry Overview	20
3 Business Overview	25
4 Financial information	40
5 Key Risks	55
6 Directors, Management & Corporate Governance	62
7 Details of the Offer	75
8 Investigating Accountant's Report	84
9 Material Contracts	93
10 Additional Information	97
11 Glossary	108
Appendix A – Key Accounting Policies	112
Application Forms	123
Corporate Directory	131

Key Offer Information

Indicative Dates

Prospectus Date	17 May 2017
Opening date of Offer	22 May 2017
Closing time of Offer	5pm, 2 June 2017
Issue of Shares (completion of the Offer)	8 June 2017
Expected despatch of holding statements	8 June 2017
Shares begin trading on ASX (normal settlement basis)	14 June 2017

Dates may change

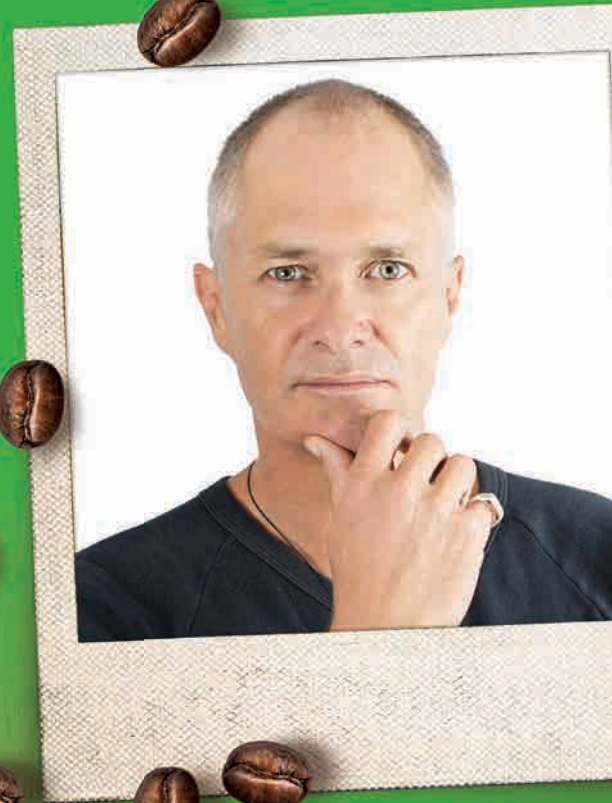
The above dates are indicative only and may be subject to change. Unless indicated, all times and dates are Sydney, Australia time. Oliver's, in consultation with the Lead Manager, reserves the right to vary the dates and times of the Offer subject to the Corporations Act, the ASX Listing Rules and other applicable laws, including to extend the Offer, close the Offer early, deferring completion of the Offer or to accept late Applications either generally or in particular cases, allotting Shares at different times to investors, or to withdraw the Offer, all without notifying any recipient of this Prospectus or any applicants. Investors are encouraged to submit their Applications as soon as possible. The quotation and commencement of trading of the Shares on ASX remains subject to confirmation from ASX.

Key Offer Details

Offer price per New Share	\$0.30	
Number of Shares on issue as at the date of this Prospectus	115,796,664	
	Minimum Subscription	Maximum Subscription
Gross proceeds from the Offer	\$9,000,000	\$15,000,000
Total number of New Shares to be issued under the Offer	30,000,000	50,000,000
Total number of Shares on issue on completion of the Offer	145,796,664	165,796,664
Total number of Options on issue on completion of the Offer	10,950,000 ¹	10,950,000 ¹
Indicative market capitalisation based on the Offer Price	\$43,738,999	\$49,738,999

¹ Notes: The Lead Manager to the Offer is entitled to the issue of 2,000,000 Options subject to raising at least \$7,000,000 from investors under the Offer. If the Lead Manager is not issued those Options, there will only be 8,950,000 options on issue on completion of the Offer. The capital structure assumes that no Options are exercised before Completion and it does not include any bonus Shares to be issued by the Company under the Employee Offer.

Letter from the Founder and CEO



Jason Gunn
Founder & CEO



**CERTIFIED
ORGANIC™**

FAST FOOD CHAIN

LIVE EVER!



Dear Investor,

More than 15 years ago I had a vision. A vision of what I thought we could achieve, both as a business, and also as a catalyst to social change.

I think it's important that everyone who invests in Oliver's Real Food understands what this vision means to us, how we make decisions, and why we do the things we do.

At Oliver's, we are passionate about nutrition and the benefits of eating well. We realise that some of the food choices we make each day have a huge impact on our personal health, as well as the health of our planet.

Over the last several decades, food businesses have had a massive impact on the health of individuals, and the food choices they have encouraged us to make as individuals have led to adverse environmental impacts.

Today, we live at a moment when vast numbers of people in the world are overweight, unwell, and in many cases suffering serious degenerative disease.

Oliver's aspires to deliver the healthier food choices, as well as the nutritional information, that gives people the power to take back control of their health, and the health of our planet.

I imagined after driving the highways of the Australian east coast, that a significant percentage of the population would choose a healthier fast food alternative, if it was only made available to them.

Here we are, 15 years later, and Oliver's has done that and we have what we consider to be a successful business.

We have already changed the way that hundreds of thousands of people eat when they are travelling, and many people tell us that we have "changed their lives" (and their health) for the better.

Now that we have a proven concept, developed and refined over the years, we are offering people that have loved and supported us, the opportunity to become a shareholder in this business.

I believe that these days more and more people want to support companies that believe in something that goes beyond maximizing profits, but we understand that the best way to achieve our vision is to build a strong and profitable company.

This is how we think about our IPO. We're going public for our employees, suppliers and our investors. We make a commitment to them to work hard to grow the company and make it strong, and this IPO is fulfilling our commitment.

Funds raised will enable us to open more stores over the next few years, making healthier choices available at more highway locations around this great country.

We want to invite you to come on this journey with us, as we become a major influencer in the fast food landscape of Australia.

And when you do, you will be partnering with us, in our mission.

As with all investments, there are risks. In reading this document, please review Section 5 carefully before making any investment decision.

I hope you can join us and share in the satisfaction this business brings to so many.

Jason Gunn

Founder & CEO
Oliver's Real Food Limited

Our Mission:

To make Real Food available conveniently on the highways of Australia.

To educate & empower individuals to live happier and healthier lives, through good food choices, and

To increase consciousness for positive social & environmental impacts from our food choices.

FRESH. NATURAL. ORGANIC.

Chairman's Letter

Mark Richardson
Chairman





Dear Investor,

On behalf of the Board of Directors, I am delighted to invite you to become a Shareholder in Oliver's Real Food Limited.

From the first two locations near Wyong NSW, opened in 2005 and 2006 respectively, Oliver's has become what we believe to be the world's first organically certified fast food chain. Oliver's now has 20 locations on arterial highways of Australia supported by an efficient logistics and supply operation, dedicated central kitchens, loyal suppliers and our own proprietary OliVerse technology system.

Oliver's lives up to its operating promise of "Feed Your Good". Our customers have told us they love the menu of high quality, fresh, healthy food. Oliver's uses no preservatives, no artificial additives and the food is made fresh to eat. Ninety per cent of what we sell is branded Oliver's and more than fifty per cent is organic – and that is why our customers value Oliver's over other fast food choices.

The Board believes that Oliver's is well positioned for substantial growth with a first mover advantage providing a healthy fast food offering on Australia's major highways.

Oliver's appeals to families, truck drivers, sales executives, holiday makers, local residents, highway based services, tour operators, international tourists and anyone else who is looking for a healthy, tasty fast food alternative. Uniquely, Oliver's also sells a range of health and wellbeing books, DVD's and CD's which are both consistent with our mission and profitable.

Oliver's serves over 2 million customers per year and is expected to have annual store sales this financial year of approximately \$21 million and next financial year of approximately \$42 million.

The Offer under this Prospectus is for up to 50 million New Shares to raise up to \$15 million at \$0.30 per New Share. No shareholder is selling any equity in this Offer. Each of the Directors, including each of the founders, is a Shareholder and has agreed to enter into a two year escrow period. Proceeds from the Offer will be used to fund the acquisition or development of new stores already identified along the New South Wales, Victorian, Queensland and South Australian highways. Oliver's store roll out plan is achievable with the minimum \$9 million subscription. Please ensure that you read section 7 for further details of the Offer.

This is a growth investment. Oliver's is part of a global mega-trend towards healthy eating and sustainable awareness, which is at the heart of the Company's vision and purpose for the business.

This Prospectus contains information about the Offer, the detailed uses of the funds to be raised and the historical and forecast financial earnings of Oliver's Real Food Limited as well as the key risks associated with an investment in the Company, and in shares generally. For more information about the key risks, see Section 5 of this Prospectus. I encourage you to read this document carefully and in its entirety prior to making your investment decision.

On behalf of all Directors, I look forward to welcoming you as a shareholder of Oliver's.

A handwritten signature in black ink that reads "Mark Richardson".

Mark Richardson

Chairman

Oliver's Real Food Limited

FRESH. NATURAL. ORGANIC.



1. Investment Overview

Who is the issuer of this Prospectus?

Oliver's Real Food Limited ACN 166 495 441, ("Oliver's", "Oliver's Real Food" or "the Company") a public company registered in New South Wales, Australia.

More info in
Sections 3.1

1.1 Business Overview

Who is Oliver's and what does it do?

Oliver's Real Food is believed to be the world's first certified organic fast food chain with stores at 20 locations along the arterial highways of Australia's eastern seaboard. It's business is to provide its customers with premium quality, "real" food that is fresh and natural, free from additives and preservatives, 7 days a week at major highway locations.

More info in
Section 3.1

What is the industry in which Oliver's operates?

The Company is focused on maximising penetration of the estimated \$1bn¹ Australian eastern seaboard arterial highway food segment. Through its "healthy fast food" offering, the Company competes directly for a share of the Fast Food segment and delivers to the growing demand for Fast Casual Dining and Cafés and Coffee Shops segment offerings, which are growing at 30%² and 7.4%³ on a 5 year annualised basis respectively.

More info in
Sections 2.1 and 2.3

¹Source: *Oliver's Real Food Arterial Highway Survey, 2016*

²Source: *Sydney Morning Herald "Fast food evolution – global super-brands are having to reinvent themselves to keep up", January 2015*

³Source: *Business Daily Businesses "Up and coming interior trends in Cafés and Coffee Shops in Australia", 12 February 2016*

Why is the offer being conducted?

The purpose of the Offer is to:

1. provide funding for future growth namely the stores roll-out;
2. retain and attract talent – employees participate in equity for future growth;
3. provide access to capital markets and achieve a listing on ASX to broaden the Shareholder base;
4. to retire debt and fund capital expenditure as required; and
5. provide working capital for the Company.

More info in
Sections 4.7, 7.5 and 7.6

The proceeds received by Oliver's from the issue of New Shares under the Offer will be used as set out in Sections 4.7 and 7.5 and will differ slightly depending on whether the maximum subscription of \$15m under the Offer is reached.

1.2 Key Features of Oliver's Business Model

How does Oliver's generate revenue?

Oliver's owns and operates a fast food chain of stores at 20 locations along the arterial highways of Australia's eastern seaboard, principally New South Wales and Victoria.

More info in
Section 3.3

The majority of food and beverages sold is prepared by Oliver's company-owned kitchens with the balance provided by independent third party contractors. Over 90% of the products are Oliver's branded.

Food is prepared daily from fresh, natural and organic produce – nothing artificial and no additives. Coffee is fair trade organic. In addition, the Company has a 75% interest in a wholesale business called "Red Dragon Organics", that distributes specialised drinks products through Oliver's stores and to over 500 retailers and cafes in metropolitan centres.

How does Oliver's develop its products?

The Company's product range has evolved through the ethos of no additives or preservatives, all natural ingredients and organics where possible. The "voice of the Oliver's customer" and global research into emerging dietary needs have been used to enhance offerings, with the extension of organics, gluten free, dairy free and vegan options coming from increased consumer demands for these options.

More info in
Sections 3.4.1 and 3.9

The current product range sold in Oliver's stores consists of high quality gourmet pita pockets, sushi, salads, organic soups and curries, gluten free and low fat muffins, fruit salad, muesli, chia pods, organic drinks, organic fair trade coffee, alkaline water, freshly squeezed juices and smoothies, protein bars, energy balls, green and edamame beans served with Himalayan salt, and health & wellbeing books, CDs and DVDs.

What is Oliver's strategy and objectives?	<p>Oliver's business strategy is to accelerate the roll out of new stores along the arterial highways of Australia's eastern and southern seaboard.</p> <p>Store location is selected for its traffic flows, ease of access, situation of other QSR outlets and the location of Oliver's kitchens and service routes. A key benefit from the roll out strategy is economies of scale.</p> <p>Oliver's has identified 11 new locations for roll out in FY18 and has identified further potential sites on which to roll out further stores over the next 4 years for a total of 60 possible Oliver's stores. The Company will also consider expanding across other states in Australia and possibly overseas as part of its longer term growth strategy.</p>	<i>More info in Section 3.7</i>
Who are Oliver's customers?	<p>Over two million customers are served each year at Oliver's 20 stores locations in New South Wales, Victoria and Queensland.</p> <p>They are commuters on arterial roads, including families, business people, local residents, truck drivers and holidaymakers. Many make up the 73,000 Facebook™ followers Oliver's has and all share a desire to make healthier food choices.</p> <p>In addition to the store footprint, Oliver's has an online marketplace offering Australia wide delivery of packaged goods such as organic fair trade coffee, organic muesli, Himalayan salt, wellbeing books and DVDs, with potential to expand this offering and its sales.</p>	<i>More info in Section 3.3.3</i>
Who does Oliver's compete with?	<p>Given the Company's specialisation at arterial highway service centres, the competitive set is dominated by the global fast food chain incumbents McDonalds (estimated 37% share), KFC (estimated 14% share), Hungry Jacks (estimated 12% share), Subway (estimated 4% share), Diners/Cafes (estimated 29% share), Oliver's (estimated 3% share)⁴.</p> <p>⁴ Directors estimates based on Oliver's Real Food Arterial Highway Survey, 2016</p>	<i>More info in Section 2.1.1</i>
What is Oliver's competitive position?	<p>Oliver's is believed to be the world's first certified organic fast food chain. Oliver's provides a healthy fast food offering along major arterial highways on the eastern seaboard of Australia. Store locations often provide limited competition in the healthy fast food offering due to the fast food outlets of brands such as McDonalds, KFC, Burger King and Subway dominating a number of locations. These QSR brands typically attract a less health conscious customer.</p>	<i>More info in Section 3.3</i>
Which geographic markets does Oliver's operate in?	<p>The Company's current focus is on acceleration of store rollout on the eastern seaboard of Australia (a recent report suggests approximately 80% of the total Australian Restaurant and Take Away outlet revenue opportunity is within New South Wales, Victoria and Queensland combined)⁵.</p> <p>The Company has the rights and may choose to expand to other parts of Australia and possibly key markets overseas as part of its longer term growth strategy.</p> <p>⁵ Source: Australian Financial Review, 2 March 2017, quoting IBIS World Data</p>	<i>More info in Section 2.1</i>
Who owns Oliver's brand trademarks and intellectual property?	<p>Oliver's owns the intellectual property associated with the business with relevant trade marks in Australia, US, UK, Europe, New Zealand and Singapore.</p>	<i>More info in Section 3.10</i>
How does Oliver's expect to fund its operations?	<p>Funds generated from ongoing business operations in addition to funds raised through the IPO.</p>	<i>More info in Section 4</i>
What is Oliver's dividend policy?	<p>The Directors do not intend to pay dividends immediately but will pay dividends in the future when the Company is considered by the Board to be sufficiently profitable and cash flow positive, and taking into account the capital required for the continued expansion of the Oliver's store network.</p>	<i>More info in Section 4.10</i>

1.3 Summary of Key Strengths

Strong position in the growing healthy fast food segment	<p>Oliver's has an existing store network of 20 stores and a 12 year operating history, with a first mover advantage for healthy food on arterial highways and scalable operational capabilities.</p> <p>Oliver's stores are strategically located to attract high traffic volumes, and provide an alternative offering to incumbent QSR providers.</p> <p>The Company's healthy food authenticity has been recognized by Australian Certified Organic (ACO) Standard Certification. This certification is from Australia's largest certifier for organic and biodynamic produce and has resulted in Oliver's becoming "the world's first certified organic fast food chain".</p>	<i>More info in</i> Section 3.3
Arterial highway distribution specialisation	<p>The benefits from Oliver's specialisation include:</p> <ul style="list-style-type: none"> • longer leases at its arterial highway distribution sites, which leads to higher lifetime returns; • commuter traffic with limited quality food options, which leads to a more captive audience at these sites; and • higher barriers for new entrants, limiting alternatives at each site. 	<i>More info in</i> Section 3.3
Strong brand and customer advocacy	<p>"Would you like beans with that?" is a widely recognisable (and awarded) marketing campaign.</p> <p>Oliver's serves over two million customers per annum across its stores. The Company has over 73,000 Facebook™ followers. Many of these are, repeat customers at numerous Oliver's outlets and often refer friends and family.</p>	<i>More info in</i> Section 3.3

1.4 Summary of Key Risks

Identification of new sites and renewal of existing sites	<p>The Company envisages an aggressive growth strategy. Unsuitable new sites, delays in opening new sites, reduced availability or excessive cost of real estate capable for use as new sites may impede the speed at which Oliver's growth strategy can be implemented.</p> <p>For existing stores, Oliver's cannot guarantee that the lease will be renewed at the end of the term in which case Oliver's may be forced to quit a particular site.</p>	<i>More info in</i> Section 5.1
Failure of growth drivers	<p>There is a risk Oliver's would be unable to deliver returns in accordance with its capital expenditure programme as a result of:</p> <ul style="list-style-type: none"> • underperformance of stores due to changing highway routes, customer throughput or new retail offerings or market share changes • changes to landlord approvals or rental terms; • an inability to locate suitable sites for new stores; • insufficient availability of professional builders to construct and develop new stores; or • management demands reducing ability to execute defined strategies 	<i>More info in</i> Section 5.2
Supply chain security	<p>There is a risk of material disruption to the supply of fresh food and other packaged goods due to a natural disaster such as flooding or widespread disease to crops or livestock.</p> <p>Such an event could potentially have significant consequences for all stores, including loss of revenue, potential brand damage and increased costs from alternative arrangements.</p>	<i>More info in</i> Section 5.2
Food safety and sanitation	<p>There is a risk that a serious food safety incident could occur in a commercial kitchen or store as a result of operational lapse in procedures or malicious tampering. The occurrence of a serious food poisoning incident is likely to have significant consequences for Oliver's stores. This may involve:</p> <ul style="list-style-type: none"> • a loss of revenue and brand reputation arising from reduced consumer trust; • closure of stores while food safety authorities satisfy themselves that the underlying issue has been resolved resulting in foregone revenues; and • the payment to affected individuals of compensation and to the food authorities of a penalty or fine, which would occur in circumstances other than malicious tampering. 	<i>More info in</i> Section 5.2

Talent attraction and retention

Current key management has extensive experience in and knowledge of the Australian food and retail industry and of the Company's business. The Company's future performance depends, to a significant degree, on its key personnel, particularly the Founder and CEO Jason Gunn. Jason is deeply entrenched in all aspects of the Company, and serves as a Director of Oliver's and all of its subsidiaries. The loss of Jason as the CEO would adversely affect the Company's ability to develop and implement its business and growth strategies.

[More info in Section 5.1](#)

Competition

The Company's competitive position may be adversely impacted by an existing or new competitor who attempts to aggressively grow its market share through widespread promotion of a quality healthy food offering. If the Company is not successful in competing in such an environment, then this may impact the Company's competitive position resulting in loss of market share, sales and margins and have an adverse impact upon the Company's future financial performance.

[More info in Section 5.1](#)

Other key risks

The above risks are a summary of some of the key risks but not an exhaustive list of all the risks associated with an investment in New Shares. Full details of the risks are included in Section 5, and investors are recommended to review all of those risks carefully before making an investment decision.

1.5 Summary of Key Financial Information

Summary of Historical Financial Information

The audited results for FY2015 and FY2016 are set out in full in Section 4 and are summarised as follows:

[More info in Section 4.2](#)

\$'000	FY2015	FY2016
Revenue	12,748	17,196
Other Income	1,841	2,704
EBITDA	1,612	1,901
NPAT	897	624

**Note – Other income is capital proceeds from the sale of franchise stores and/or land & buildings as a sale and leaseback.*

What is Oliver's franchise strategy and how has it changed?

Up until FY2016 Oliver's had a strategy to franchise a number of stores. This strategy has now been changed, such that Oliver's has now re-purchased or has contracts agreed to re-purchase all but one of its existing franchised stores, using capital from both the pre-IPO capital raising and the funds expected to be raised under the Offer.

[More info in Section 4.6](#)

What are the FY2017 financial results expected to be?

The actual results for H1 FY2017 and the forecast results for the full year FY2017 are set out in full in Section 4 and are summarised as follows:

[More info in Sections 4.6.1 and 4.3](#)

\$'000	H1 FY2017	H2 FY2017 Forecast	FY2017 Forecast
Revenue	9,083	12,004	21,087
EBITDA	(695)	(1,244)	(1,939)
EBITDA Normalised*	(695)	(567)	(1,262)
NPAT	(1,047)	(1,338)	(2,385)

**Normalisation adjustments are IPO expenses and ASX listing fees.*

What are the key drivers for the increase in revenue and profit from FY2017 to FY2018?

Oliver's future growth will be driven by five main factors:

1. Optimising the existing store network
2. Buy back of existing franchises
3. New store openings
4. Supply chain efficiencies
5. Online marketplace growth

More info in
Section 4.6.2.1

What is the forecast for FY2018?

The forecast results for FY2018 and a comparison to FY2017 are set out in full in Section 4 and are summarised as follows:

More info in
Section 4.6.2

	FY2017 Forecast	FY2018 Forecast
Number of Stores	22	33
Revenue	21,087	41,909
EBITDA	(1,939)	4,767
EBITDA Normalised*	(1,262)	4,767
NPAT	(2,385)	2,367

*Normalisation adjustments are IPO expenses and ASX listing fees.

1.6 Directors and Key Management

Who are the Directors?

- Mark Richardson, independent Non-executive Director and Chairperson;
- Jason Gunn, Executive Director and Chief Executive Officer;
- Kathy Hatzis, Non-executive Director;
- John Diddams, independent Non-executive Director; and
- Peter Rodwell, independent Non-executive Director.

More info in
Section 6.1

Who are the key management of Oliver's?

- Jason Gunn, Chief Executive Officer;
- Alan Lee, Chief Financial Officer;
- Peter Scicluna, Chief Operating Officer;
- Neil Temple, Chief Technology Officer;
- Amanda Robson, Project Director;
- Mark Patterson, Business Development & Marketing Manager;
- Dena Hynes, Human Resources Manager; and
- Emma Lawler, Company Secretary

More info in
Section 6.2

1.7 Significant interests of key people and related party transactions

Who are the substantial Shareholders and what will their interests be at completion of the Offer?

Jason Gunn and Kathy Hatzis, both Directors of the Company, will both be substantial Shareholders at the completion of the Offer, holding approximately 26% and 14% shareholdings in the Company respectively, assuming that the maximum subscription of \$15m is raised under the Offer and approximately 30% and 16% shareholding in the Company respectively, assuming that the minimum subscription of \$9m is raised under the Offer, and, in both cases assuming that they do not subscribe for New Shares under the Offer.

More info in
Section 6.3.5

What interests do the Directors hold in the Company?	Shareholder	Shareholding before the Offer	Shareholding % before the Offer	Post-IPO % Minimum Subscription	Post-IPO % Maximum Subscription	Options	More info in Section 6.3.5
	Jason Gunn	43,387,500	37.5%	29.8%	26.2%	1,000,000	
	Kathy Hatzis	23,362,500	20.2%	16.0%	14.1%	500,000	
	Mark Richardson	1,233,333	1.1%	0.9%	0.7%	750,000	
	John Diddams	400,000	0.4%	0.3%	0.2%	3,500,000	
	Peter Rodwell	400,000	0.4%	0.3%	0.2%	500,000	
		68,783,333	59.6%	47.3%	41.4%	6,250,000	

Notes: Assumes that no existing Director or other connected person subscribes for additional Shares under the Offer. Shares and Options may be held by Directors through entities associated or controlled by the Director.

What benefits are payable to Directors?	Details on the benefits payable to Directors and Key Executives in the form of remuneration and equity based incentives are set out in Section 6.3.1.1	More info in Section 6.3.1.1

What related party transactions exist?	The Company's wholly-owned subsidiary, Gundagai Properties Pty Limited entered into a loan agreement with Gunn-Arr Investments Pty Ltd, a company controlled by Jason Gunn, Executive Director and the Chief Executive Officer of the Company. The loan was used to allow Gundagai Properties Pty Limited to acquire the land on which the Gundagai store is located. The loan is to be repaid on 14 March 2018 and may be repaid early at any time without penalty. The relevant material terms are set out in Section 9.	More info in Section 6.3.3
	The Company has entered into an IP Assignment Deed with Taonga Nui Holdings NZ Limited, a company associated with Jason Gunn. The IP Assignment Deed assigns to the Company all registered and unregistered intellectual property rights to the Oliver's business owned by Taonga Nui. The relevant material terms are set out in Section 9.	

1.8 Key terms and conditions of the Offer and proposed use of funds

What is the Offer?	Oliver's is offering to issue up to 50 million New Shares to raise up to \$15 million. The Offer Price is \$0.30 per New Share. All New Shares issued pursuant to this Prospectus will, from the time they are issued, rank equally with all existing Shares. A summary of the rights attaching to the New Shares is set out in Section 10.4. The Company is aiming to raise a minimum of \$9 million and a maximum of \$15 million under the Offer.	More info in Sections 7.1 and 10.4

What is the proposed use of funds?	Sources \$'000	Minimum Subscription	Maximum Subscription	More info in Sections 4.1 and 7.6
	Cash proceeds received for New Shares issued under the Offer (before costs)	9,000	15,000	
Total sources	9,000	15,000		
Uses				
New NSW Kitchen	700	700		
New stores – fitouts & capex	3,388	3,388		
Buy back of existing franchise businesses	2,800	2,800		
Repayment of loans	-	3,484		
Payment of Offer expenses	1,264	1,480		
Additional working capital	848	3,148		
Total uses	9,000	15,000		

<p>Who can apply for New Shares under the Offer?</p>	<p>The Offer is open to Investors who have a registered address in Australia and other eligible jurisdictions chosen by the Company and Lead Manager.</p>	<p><i>More info in</i> Section 7.10</p>
<p>What are the terms of the New Shares offered under the Offer?</p>	<p>The New Shares to be offered under the Offer are fully paid ordinary shares. A summary of the material rights and liabilities attaching to the New Shares offered under the Offer is set out in Section 10.4</p>	<p><i>More info in</i> Section 10.4</p>
<p>Will the Shares be quoted on the ASX?</p>	<p>Oliver's has applied to the ASX within 7 days of the Original Prospectus Date for admission of the Company to the Official List and quotation of the Shares on the ASX (which is expected to be under the code "OLI"). It is expected that quotation will be on a normal settlement basis.</p> <p>If approval is not given within three months after such application is made to ASX (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.</p>	<p><i>More info in</i> Section 7.22</p>
<p>How is the Offer structured?</p>	<p>The Offer comprises:</p> <ul style="list-style-type: none"> • the Public Offer – open to the public, including customers, who have pre-registered to receive a copy of the Prospectus (see Section 7.12.1); • the Broker Firm Offer – open to clients of Brokers who have received a firm allocation from their Broker (see Section 7.12.2); • the Institutional Offer – an invitation to bid for Shares made to Institutional Investors (see Section 7.12.3); and • the Employee Offer – open to Eligible Employees (see Section 7.1.3); 	<p><i>More info in</i> Section 7.2</p>
<p>What are the minimum and maximum amounts to be raised under this Offer?</p>	<p>The Offer is conditional on the Company raising at least \$9 million. If less than the minimum of \$9 million is raised within 4 months after the date of this Prospectus (or any longer period permitted by law), then no New Shares will be issued under this Prospectus and all Application Monies received by the Company will be refunded to Applicants (without interest) in accordance with the Corporations Act.</p> <p>The maximum amount to be raised under the Offer is \$15 million.</p>	<p><i>More info in</i> Section 7.4</p>
<p>Over-subscriptions</p>	<p>The Company will not accept over-subscriptions.</p>	<p><i>More info in</i> Section 7.4</p>
<p>Is there a minimum Application amount under the Offer?</p>	<p>The minimum Application under the Offer is 10,000 New Shares for \$3,000 at the Offer Price of \$0.30. There is no maximum value of New Shares that may be applied for under the Offer.</p> <p>If you apply for a total Application amount that is not a multiple of the Offer Price, your Application will be rounded down to the nearest multiple of the Offer Price and any difference will be retained by the Company.</p> <p>Under the Employee Offer, Eligible Employees will be offered the opportunity to acquire \$600 worth of New Shares which will be matched by an additional \$600 worth of New Shares from the Company at no cost to the Eligible Employee.</p>	<p><i>More info in</i> Section 7.11</p>
<p>Is the Offer underwritten?</p>	<p>No. The Offer is not underwritten.</p>	<p><i>More info in</i> Section 7.3</p>
<p>Is there any brokerage, commission or stamp duty payable by Applicants?</p>	<p>No brokerage, commission or stamp duty is payable by Applicants on New Shares allotted under the Offer.</p>	<p><i>More info in</i> Section 7.14</p>

<p>What are the tax implications of making an investment?</p>	<p>The tax consequences of any investment in the New Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice before deciding whether to invest.</p>	<p><i>More info in</i> Section 10.7</p>
<p>How can I apply?</p>	<p>Eligible Investors may apply for New Shares by completing a valid green Public Offer Application Form attached to or accompanying this Prospectus.</p> <p>Broker Firm Offer Applicants who receive an allocation of Shares under the Broker Firm Offer should follow the instructions provided by their Broker and use the blue Broker Firm Offer Application Form attached or accompanying this Prospectus.</p>	<p><i>More info in</i> Section 7.12</p>
<p>What is the allocation policy?</p>	<p>The allocation of New Shares between the Broker Firm Offer, Institutional Offer and the Public Offer, is to be determined by the Lead Manager in consultation with the Company. The Lead Manager, in consultation with the Company has absolute discretion regarding the basis of allocation of New Shares among Institutional Investors.</p> <p>For Broker Firm Offer Applicants, Brokers will decide as to how they allocate New Shares that they are allocated among their retail clients.</p> <p>For Applicants in the Public Offer, the Company and the Lead Manager has absolute discretion regarding the allocation of New Shares and may reject an Application, or allocate fewer New Shares than applied for, in their absolute discretion.</p> <p>Applicants under the Public Offer are advised that New Shares will generally be allocated on a "first come, first served" basis, but Applications may be also subject to being scaled back, depending on demand at the absolute discretion of the Company and the Lead Manager.</p>	<p><i>More info in</i> Section 7.12</p>
<p>I pre-registered with Oliver's, what do I have to do?</p>	<p>All Oliver's customers who preregistered will receive an email advising them of the availability of the Prospectus and how to apply for New Shares under the Public Offer.</p>	<p><i>More info in</i> Section 7.12.1</p>
<p>How do I pay for the New Shares I apply for?</p>	<p>Application Monies under the Public Offer should be paid using the following methods:</p> <ol style="list-style-type: none"> 1. by BPAY®: by following the instructions on the Application Form included in or accompanying this Prospectus or on the online Application Form. This is the preferred method; or 2. by cheque: Cheques should be crossed "Not Negotiable" and made out to "Oliver's Real Food Limited". 	<p><i>More info in</i> Section 7.12.1</p>
<p>When will I know my Application has been successful?</p>	<p>It is expected that initial holding statements will be despatched by standard post on or around 8 June 2017.</p>	<p><i>More info in</i> Section 7.15</p>
<p>Can the Offer be withdrawn?</p>	<p>Oliver's reserves the right not to proceed with the Offer (or any part of it) at any time before the issue or transfer of New Shares to successful Applicants.</p> <p>If the Offer does not proceed, the Registry, your Broker or Oliver's will refund Application Monies.</p> <p>No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.</p>	<p><i>More info in</i> Section 7.17</p>
<p>What is the closing date for receipt of Applications?</p>	<p>The Offer is expected to close at 5pm, 2 June 2017.</p> <p>The Company may elect to close the Offer early, extend the Offer, or accept late Applications either generally or in particular cases.</p> <p>The Offer may be closed at any earlier date and time, without further notice.</p> <p>You are encouraged to submit your Application and Application Monies as early as possible in advance of the Closing Date and to allow a sufficient period for processing time.</p>	<p><i>More info in</i> Section 7.12</p>

<p>When are the Shares expected to commence trading?</p>	<p>It is expected that trading of the New Shares on the ASX will commence on or about 14 June 2017 on a normal settlement basis.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial statement of holding do so at their own risk. The Company, the Lead Manager and Registry disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, whether on the basis of a confirmation of allocation provided by any of them, by the Oliver's Offer Information Line or otherwise.</p>	<p><i>More info in</i> Section 7.15</p>
<p>Who is the Lead Manager to the Offer?</p>	<p>Veritas Securities Limited (ACN 117 124 535)</p>	<p><i>More info in</i> Section 9.1</p>
<p>Are there any escrow arrangements?</p>	<p>Yes. There are compulsory escrow arrangements under the ASX Listing Rules and certain voluntary escrow arrangements.</p>	<p><i>More info in</i> Section 7.20</p>
<p>Who should you contact if you have an enquiry?</p>	<p>Please call the Oliver's Offer information line on 1300 737 760 (toll free within Australia) or +61 9290 9600 (outside Australia) from 8.30am until 5.30pm (Sydney time) Monday to Friday (business days only).</p> <p>If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek advice from your accountant, financial advisor, stockbroker, lawyer or other professional adviser before deciding whether to invest in the New Shares.</p>	

2. Industry Overview



Oliver's Real Food operates in the Australian arterial highway food service market, currently dominated by QSR fast food brands such as McDonald's, KFC, Hungry Jacks, Subway and other general cafes and diners.

Through its "healthy fast food" offering matched by quality organic fair trade coffee¹, the Company competes directly for a share of the Fast Food segment and delivers to the growing demand for Fast Casual dining and Cafés and Coffee Shops segment offerings, which are both experiencing high growth.

2.1 Arterial Highway Food Market Size and Competition

In early 2016, Oliver's Real Food undertook its own detailed proprietary survey to identify the scale of food and coffee market opportunity for each arterial highway on Australia's eastern seaboard. Department of Infrastructure and Regional Development national road network traffic counts, site visitation to each location and identification of sites for Oliver's Real Food acquisitions or new builds were mapped out during this market scanning exercise.

2.1.1 Arterial Highway Food Market Size

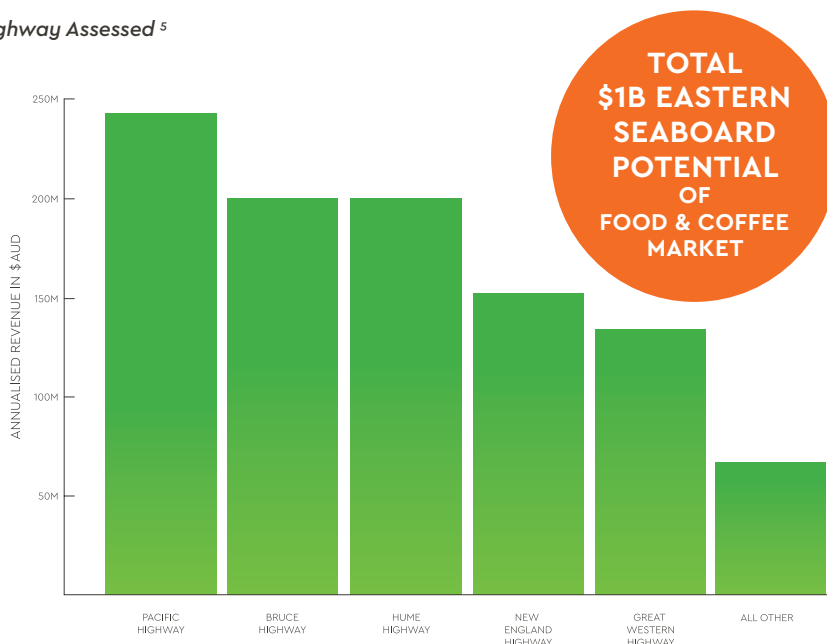
The survey revealed an estimated \$1 billion per annum segment of the fast food market located on major arterial highways across New South Wales, Victoria and Queensland².

A recent report³ suggests approximately 80% of the total Australian Restaurant and Take Away outlet revenue opportunity is within New South Wales, Victoria and Queensland, (with New South Wales the largest initial opportunity). Department of Infrastructure and Regional Development national road network traffic counts⁴ of the national road network in 2013–14 suggest over 80% of Australia's highway traffic is concentrated in New South Wales, Victoria and Queensland.

Figure 1: Estimated value of food market by highway

The following table illustrates the estimated value of the food market by highway on the Australian eastern seaboard.

Market Scale of Highway Assessed⁵



¹Fair trade coffee is coffee that is certified as having been produced to fair trade standards. Fair trade organisations are engaged actively in supporting producers and sustainable environmental farming practices. Fair trade practices prohibit child or forced labour.

²Source: Oliver's Real Food Arterial Highway Survey, 2016

³Source: Australian Financial Review, 2 March 2017, quoting IBIS World Data

⁴Source: "Traffic on the national road network, 2013–2014", Australian Government Department of Infrastructure and Regional Development Bureau of Infrastructure, Transport and Regional Economics

⁵Source: Oliver's Real Food Arterial Highway Survey, 2016

2.1.2 Competition

As towns and cities are by-passed by highway upgrades across Australia, market share at highway service centres on these highways has consolidated more towards recognisable fast food brands (for example, McDonalds, KFC, Hungry Jacks).

Figure 2: Key Competitor Market Share Estimate⁶



⁶Source: Oliver's Real Food Arterial Highway Survey, 2016

2.2 Healthy Fast Food Alternative

Currently highway food offerings are dominated by fast food with a core product range of burgers, fries, chicken, pizza and some recent establishment of sandwiches and coffee. However with the trend towards healthier choices, an opportunity exists to satisfy this growing demand through the Oliver's "healthy fast food" alternative.

The Company's current product range competes with the recognizable large fast food brands. At Oliver's, the fast food alternatives include high quality gourmet pita pockets, sushi, salads, organic soups and curries, gluten free and low fat muffins, fruit salad, muesli, chia pods, organic drinks, organic fair trade coffee, alkaline water, freshly squeezed juices and smoothies, protein bars, energy balls, green and edamame beans, and more.

2.3 Fast Casual and Cafés and Coffee Shops Category Growth

Within the combined \$24.3 billion Fast Food and Cafés and Coffee Shops industries in Australia, the Fast Casual and Cafes and Coffee Shops sectors that Oliver's is part of, are outpacing industry growth.

Fast Casual dining

Fast Casual dining offerings are defined as promising higher quality food than other fast food restaurants (with fewer frozen or processed ingredients). Fast Casual is an intermediate concept between fast food and casual dining and priced accordingly, making average customer spend per visit higher for Fast Casual brands. Brands like Nandos and Zambbrero fit into the growing Fast Casual category.

A 2014 survey⁷ indicates the 30% growth in the Fast Casual dining sector has been outpacing growth in all other Australian food sectors in recent years (compared to 5% growth in revenues for the Fast Food sector in the 5 years to 2015).

⁷Source: Sydney Morning Herald "Fast food evolution – global super-brands are having to reinvent themselves to keep up," 11 January 2016

Cafés and Coffee Shops

Oliver's also appeals to the growing demand for Cafés and Coffee Shops offerings via the acquisition of high volume café and diner operations, and replacing them with Oliver's branded quality Arabica bean offerings, LaMarzocca coffee machines and trained baristas plus the wider Oliver's food offering. As demand for quality coffee has grown in Australia, the Cafés and Coffee Shops sector is reported to have grown by 7.4% in the 5 years to 2016.

Figure 3: Fast Food Category and Cafés and Coffee Shops Growth⁸

The following figure sets out the estimated growth in various restaurant categories based on available public information. Oliver's currently competes as a healthy food alternative in the estimated \$19.3bn fast food sector, as well as delivering a product range that fits within the growing fast casual and cafes and coffee shops sector.

⁸Source: Business Daily Businesses "Up and coming interior design trends in Cafés and Coffee Shops in Australia", 12 February 2016

Segment	Size in AUD Annualised Revenue	5 year Annualised Growth
Fast Food	\$19.3 billion ⁹	5.0% ⁹ (2011-2015)
Fast Casual	\$1.1 billion ¹⁰	30.0% ¹¹ (2011-2015)
Cafés and Coffee Shops	\$5.3 billion ¹²	7.4% ¹² (2012-2016)

OLIVER'S COMPETES WITH A HEALTHY FAST FOOD ALTERNATIVE

OLIVER'S DELIVERS TO HIGH GROWTH DEMAND AREAS

⁹Source: Inside FMCG "Fast food outlets adapt", 20 July 2016

¹⁰Based on Fast Casual representing 5.7% of the Fast Food sector. Source: www.franchisebusiness.com.au/news/fast-casual-dining-boomingsector

¹¹Source: Sydney Morning Herald "Fast food evolution – global super-brands are having to reinvent themselves to keep up," 11 January 2015

¹²Source: Business Daily Businesses "Up and coming interior design trends in Cafés and Coffee Shops in Australia", 12 February 2016

2.4 Key Drivers of Demand

2.4.1 Growth in Highway Traffic

A number of economic and social factors fuel the increasing market opportunity for Oliver's. Traffic flow continues to grow on Australian arterial highways, with the following four factors contributing to a continuing increase in highway traffic:

- Improvement in long range roadside travel conditions owing to highway and major road upgrades
- 5% growth in the Australian population between Q417 and 2020¹³
- Tourism growth of >4% p.a. as reported by Tourism Research Australia¹⁴
- Significant road freight task growth; in 2016, the Hon Paul Fletcher MP (Minister for Urban Infrastructure) estimated that by 2030, this task would increase 1.8 times over 2010 levels¹⁵

The compound effect of these four factors results in strong growth in highway traffic nationwide. VIC Roads¹⁶ reported that the volume of traffic on Melbourne's freeways for instance, is on course to double in the next 20 years.

¹³Source: Australian Population Forecast, Trading Economics | Australian Bureau of Statistics, tradingeconomics.com/australia/population/forecast

¹⁴International Visitors to Help Australian Tourism Hit the Mark, Media Release 14 July 2016, Austrade

¹⁵Speech to National Roads Summit, "Roads, Jobs and Growth", 19 May 2016, http://minister.infrastructure.gov.au/pf/speeches/2016/pfs009_2016

¹⁶Source: Melbourne's Long Hard Road Ahead, The Age, February 2016

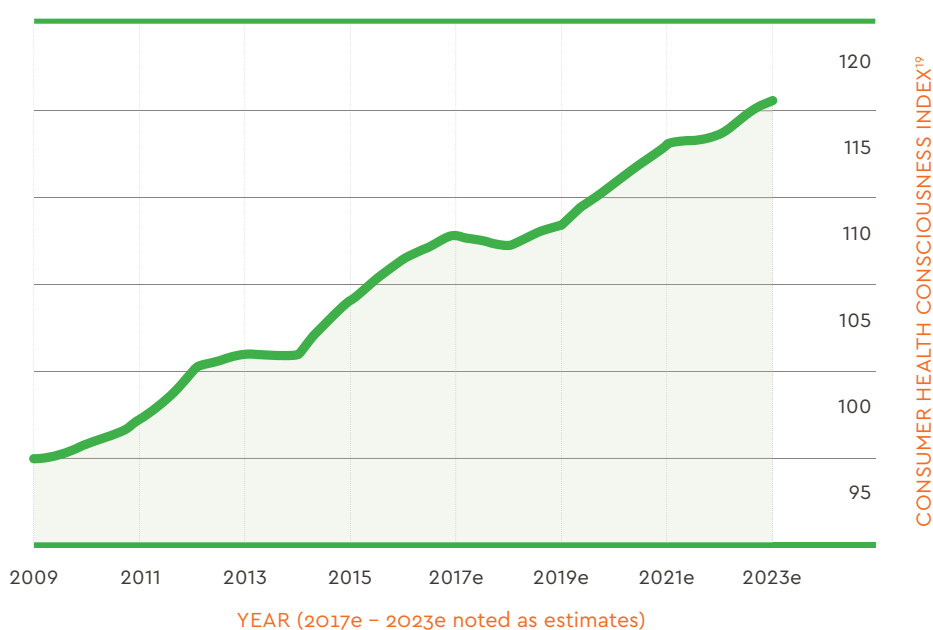
2.4.2 Health and Wellness Movement

Attitudinal Shifts Fuelling the Category

Described as the "next trillion dollar industry globally", the Health & Wellness market space is expected to accelerate by 17%¹ in the next five years. Healthy eating, nutrition and weight loss offerings represent over 17.5% of this industry¹⁷. Consumers demonstrate an increased awareness of the impact of food choices on their health and are actively pursuing healthy fresh food alternatives.

Nielsen's 2015 Global Health & Wellness Survey¹⁸ polled over 30,000 individuals online and results suggest that the consumer mindset about healthy foods has already shifted from results in previous years. More than half (57%) indicated they will include more natural, fresh foods in their diet.

Figure 4: The Consumer Health Consciousness index¹⁹ supports the growth in healthy lifestyle choices and continuing growth in consumer health consciousness, fuelling "the next trillion dollar industry globally"



¹⁷Global Wellness Institute, *Global Wellness Economy Monitor*, January 2017

¹⁸Source: Nielsen survey, "We are What We Eat", *Healthy Eating Trends Around the World*, January 2015

¹⁹Source: *Australian Financial Review*, 2 March 2017, quoting IBIS World Data



3.
Business
Overview



3.1 Introduction

Oliver's is believed to be the world's first certified organic fast food chain, with stores at 20 locations on the major arterial highways of Australia's eastern seaboard. Over its 12 year operating history, Oliver's has established a position as one of the leading healthy food brands providing a healthy, fresh food alternative to traditional fast food for travellers on Australia's major arterial highways.

Oliver's provides a healthy fast food option which is claimed as "Fresh, Natural and Organic". Approximately 50% of the food and beverages sold at Oliver's sites is organically grown and 90% of it is Oliver's branded.

Oliver's is committed to the health and wellbeing of customers. Food is prepared daily from fresh, natural and organic produce – nothing artificial and no additives. The Company's premium quality product range consists of gourmet pita pockets, sushi, salads, sandwiches, organic soups and curries, gluten free and low fat muffins, fruit salad, dairy and coconut yoghurt cups, organic muesli, organic chia pods, organic drinks, organic free-trade coffee, alkaline water, organic nuts, chips and popcorn freshly squeezed juices and smoothies, organic coffee, and tea, protein bars, energy balls, organic green & edamame beans served with Himalayan salt, health and wellbeing books, CDs and DVDs.

Over two million customers visit Oliver's stores each year. More than 73,000 Facebook™ fans share the love for fresh, natural and organic food on the arterial highways of Australia's eastern seaboard.



3.2 Company History

Oliver's was established in 2003, with its first store opening on the F3 Freeway at Wyong, NSW in 2005. Today Oliver's operates 20 stores across the Australian eastern seaboard, principally in New South Wales and Victoria, and serviced by central commercial kitchens and distribution centres in and near Sydney, Melbourne and Brisbane.

Figure 5: Oliver's Real Food Historical Timeline



3.3 The Company's business model

Oliver's business model centres around providing healthy, nutritious, fresh and organic food via its major arterial highway store network. Oliver's business model leverages several core competitive advantages as summarised in the table below.

3.3.1 Oliver's has a 12 year operating history that has delivered a number of advantages and benefits

Advantages	Benefits
Leader in the growing healthy fast food segment	The Company's healthy food authenticity has been recognized by Australian Certified Organic (ACO) Organic Standard Certification. This Certificate of Compliance has resulted in Oliver's becoming "the world's first certified organic fast food chain". The Certification is maintained subject to annual audits of Oliver's facilities including kitchens, farms and stores labelling, separation practices, sanitation, pest control and traceability of non organics in products. Each of Oliver's organic suppliers requires similar authentication, audited at least annually by external authorities and more regularly by Company internal reviews. "Fresh, Natural, Organic." is reinforced in every store and on every customer touchpoint.
First mover advantage on arterial highways	Oliver's is the first casual dining and healthy fresh food offering strategically located at the established 'pit-stops' along Australia's arterial roads. Oliver's existing and new store rollout selection criteria (including traffic volume data from the Department of Infrastructure and Regional Infrastructure) has been developed in-house and is intended to sequence store rollout based on opportunity sizing and operational efficiencies.
Scalable operational capabilities	Since opening its first store in 2005, the Company has refined its operating model and strengthened its fresh, natural and organic offering to take a strong competitive position. Oliver's is well placed to leverage organics buying power with suppliers, realise infrastructure efficiencies across sites, deploy proven site selection models across 3 proven retail formats and build out its own leading technology platform that is expected to generate efficiencies.
Product knowledge and service excellence	Staff training, system development, dedicated service and nutritional training and ongoing shopping audits rapidly establish and uphold customer experience standards.

3.3.2 The highway channel strategy provides Oliver's with a number of advantages and benefits

Advantages	Benefits
High barriers to entry for new entrants on arterial highways	The number and location of highway service centres that are permitted to have access to arterial highways is limited by State Government policy; the NSW Government initiated its Highway Service Centre Policy by Ministerial Direction to Councils in 1998 and since then, the planning for highway service centres has centred around a limited number of strategically located centres which meet the needs of users of the highways. The Queensland Government has a similar policy position. This results in limiting the competitive threats to the Company.
Security of tenure on arterial highways	Leases on highway locations are often longer than typical retail food leases in cities, often providing security of tenure for 20 to 30 year periods.
Captive market on arterial highways	Oliver's is often the only exclusively "healthy" option available in its chosen location. Limited competition in the healthy food category facilitates premium pricing for Oliver's quality offering.
Long Trading Hours	Unlike CBD and some metropolitan locations which close during weekends and holiday periods, highway locations have a captive audience that drive demand 7 days per week, 52 weeks of the year, providing continuous turnover.

3.3.3 Strong brand and customer advocacy provides Oliver's with a number of advantages and benefits

Advantages	Benefits
Strong brand ethos	There has been significant investment in developing the Oliver's brand ethos, brand identity, nutritional philosophy, certified organics differentiation, products and high service standards.
Strong customer advocacy	Oliver's sales growth has come in part through advocacy from its many loyal customers, with store management and social media reporting that customers actively seek Oliver's on their highway travels. Oliver's has over 73,000 Facebook™ followers who often act as brand champions and Company social media analysis supports strong message sharing for social media feeds.

3.4 Key Suppliers

Oliver's currently sources its fresh produce primarily from farmers it has contracted with directly and from fresh food markets. Oliver's holds a wholesale licence for the Victoria markets in Melbourne, the Flemington fresh produce markets in Sydney and the Brisbane markets where additional fresh produce supply will be sourced going forward as the store network expands.

A wide range of suppliers of fresh organic produce allows Oliver's to ensure consistent supply of organic produce including supplies of organic beans, beetroot, rice, rolled oats, apples, eggs, and edamame beans. Oliver's often enters into 12 month supply contracts with farmers and other suppliers to manage supply and price.

Organic produce is sourced from the markets and from licensed farmers wherever possible. Oliver's also sources organic produce from the Company owned farm in Wyong NSW. Some product is also sourced from overseas, such as the supply of Australia's first organic edamame beans (which are not available locally) and organic coconut water.

To the extent there is any disruption to supply due to climatic or seasonal conditions, then the Company may resort to the use of non-organic produce rather than non-supply. However, such occurrences are rare.

In 2016 Oliver's acquired a 75% interest in Red Dragon Organic beverages. This Company supplies Oliver's a range of specialist organic beverages such as turmeric ginger beer, sugar free ginger beer, and lemon myrtle & lime bitters. These are branded Oliver's, as well being distributed through over 500 retailers and cafes under the Red Dragon label.

In March 2017, Oliver's introduced a range of IKU™ plant-based wholefoods to the menu to extend the existing Oliver's offering. This includes minestrone and vegetable laksa soups, dessert options like coconut and black rice pudding, and snacks such as cacao and mint balls.



3.4.1 Product development

Oliver's consistently seeks to develop new healthy fresh and packaged food offerings. Some of the key milestones include:



3.5 Supply Chain and Distribution

Oliver's has built a supply chain infrastructure which includes commercial kitchens, cool rooms and refrigerated trucks to enable the purchase and rapid processing of fresh produce, which enables control of food quality and extended life within the channel.

To service stores cost effectively, a supply chain system has been developed where Oliver's trucks deliver fresh ingredients, dry goods and packaged goods from Oliver's three company-owned commercial kitchens and distribution centres near each of Sydney, Melbourne and Brisbane, 3-4 times a week. From this, stores make their own fresh products (such as sandwiches, salads and sushi) on site, serving fresh products daily, maintaining adequate stock with minimal wastage. This distribution system is scalable in each state, with capacity available in Melbourne and Brisbane facilities and plans underway to expand kitchen facilities at Wyong NSW to service the growing demands in and around this marketplace.

Third party freight liners are used for any necessary short term requirements due to any planned or unplanned servicing of Oliver's trucks.

3.6 Marketing

Brand awareness and preference has been built from the growth in Oliver's retail store network, from associated local area marketing during the store opening phase, from customer advocacy and from a very active social media presence.

There are no plans for paid mass marketing in the form of costly and untargeted television, radio and metropolitan newspaper advertising. Given the arterial highway strategy, Oliver's foresees continued investment in geographically targeted activities to drive commuters in store, in store marketing, media relations and social and mobile marketing, which are all cost effective and scalable growth channels for the brand.

Oliver's will invest approximately 1.5% of store turnover in marketing activities for the FY18 year, for the purposes of:

- Development of highway billboard signage for each store opening (for example: "Would you like beans with that?")
- In-store merchandising and menu panel updates that improve customer spend in store
- Website development and online marketplace expansion
- Sponsorships and charity support including funds collected in every store for ChildFund charity and continued corporate sponsorship of the Oliver's Real Food Road national road series bike team
- Media Relations agency engagement
- Daily Social Media activity including sponsored posts on store openings, introduction of new menu items and amplifying customer posts – which have collectively contributed to a seven fold growth in Facebook™ followers (to over 73,000) in the last 5 years
- Mobile enabled personalized marketing campaigns for highway traffic and customers in store.



3.7 Growth Strategy

The Board believes that Oliver's future growth will be driven by five main factors.

3.7.1 Optimising the existing store network

Oliver's consistently seeks to improve the performance of the existing store network.

Key to performance is sales growth and managing costs including stock management (wastage and shrinkage), wages and cost of goods sold.

Annual store sales vary from store to store depending on location, size, store format and store management, for example stores in prominent locations versus stores that are in a food court layout.

Average revenue growth per store across the Company-owned network was approximately 7% in FY2017.

Recent Company initiatives to improve performance and profitability include:

- Fruit & Vegetable market licenses being secured for Victoria Epping markets and NSW Flemington markets
- Individual stores making their own sandwiches and sushi to reduce wastage and reduce out of stock risk as well as efficiencies in Oliver's kitchens
- Customer service training instore which has contributed to increased customer spend
- Development of Oliver's branded Ginger Beer and Lemon Lime and Bitters through the Red Dragon business unit
- New supply chains secured including Organic Coconut Water, IKU™ plant based wholefoods range and new contracts with Central NSW farmers for Oliver's green beans, rice and rolled oats.
- Substantial investment in Oliver's technology system to deliver information that drives kitchen, store and distribution centre efficiencies (see Section 3.8)



3.7.2 Buyback of existing franchises

Historically Oliver's sold off some stores on a franchise basis, primarily to fund the roll out of additional stores. In late 2016 the Company determined to buy back the franchise stores and pursue a Company owned store network. To date the Company has bought back 5 franchises, one of which was acquired before 31 December 2016 and 4 have settled at various dates since that date. The Company has agreements to buy back 2 more by 30 June 2017.

The key benefits of buying back the franchise stores include:

- Higher sales and margins
- Management control delivering stronger efficiencies
- Economies of scale

3.7.3 New Store Openings

The Company has identified a number of further potential sites on which to roll out further stores over the next 4 years, providing a total of 60 possible Oliver's stores.

The Company has opened one new store and plans to open two new stores by 30 June 2017 (to a total of 22) and 11 new stores in FY18, reaching a total of 33 stores by 30 June 2018. New store openings will be a combination of acquiring existing retail outlets and converting them to Oliver's stores and via greenfields development. The Company has a number of leases already in place for these future stores, and a number of locations are still to be negotiated (see Section 4.6.2.1). The location of these new proposed stores is illustrated at Figure 5 below. The additional sites identified in Figure 6 below are potential sites that Oliver's may look to operate from over the next 4 years. None of these additional sites have been secured under lease yet but they demonstrate the potential growth that may be possible in the Oliver's network. However there is no guarantee that these sites will be secured and opened.

Oliver's has a track record of opening new stores on time and within budget and will have opened, or

will open 4 new stores in FY17. Oliver's has well documented policies and procedures which provide the basis for new store openings.

New store openings typically take between 2 months and 4 months from initial possession of the property to store opening. Activities including design, council approvals, construction and fit out are managed internally or outsourced to contracted third parties.

All new stores are integrated into the Oliver's financial reporting network using the Company's proprietary technology system OliVerse, which provides an end to end information system of daily operations and store revenue data.

Store managers and staff are trained in advance of store opening often in a nearby Oliver's store.

3.7.3.1 Site Selection

Location is a critical factor in the success of a new store opening. In determining site selection, the Company undertakes substantial research and has developed a proprietary model to assist with this






	1	Passing traffic	The number of vehicles passing the site is a foundation metric for site evaluation. In some cases, it is also possible to use this data to identify the ratio of local commuters passing the site versus long distance travellers.
	2	Draw down ratio	The proportion of vehicles that pull off the highway into service centres (as opposed to driving by) is a substantial variable that determines the number of visitors at key locations.
	3	Percentage of customers who buy food	Not all visitors consume food. Some locations will have a higher percentage than others; long distance travellers are a prime target.
	4	Market share among food providers	In some locations, Oliver's is the sole food provider. In other locations, Oliver's competes with the major international fast food brands. The competitive environment will determine what portion of the food consumers will choose to purchase from Oliver's.
	5	The average transaction value (ATV)	ATV is a key influence of annual turnover. Oliver's experience reveals it is higher where the mix of consumers is biased towards long distance travellers, and less where the bias is toward local commuters who may only visit to purchase a coffee.

Figure 6: Oliver's Real Food Store Roll-Out Plan, FY18



Figure 7: A total of 60 sites identified by the Company for possible store locations



process. Model inputs include:

3.7.4 Supply chain efficiencies

Oliver's expects continued economies of scale from the growth of the existing store network. These benefits include:

1. Improved terms from suppliers
2. Ability to amortise overheads over a larger number of stores
3. Greater utilisation of distribution centres, kitchens and transport vehicles

3.7.5 Online marketplace growth

In addition to the store footprint, Oliver's has an online marketplace offering Australia wide delivery of packaged goods such as organic fair trade coffee, organic muesli, Himalayan salt, wellbeing books and DVDs, with potential to expand this offering and its sales. The Company is investing in the growth of this e-commerce platform to allow customers who have infrequent access to stores the opportunity to purchase products for home delivery.

3.8 Technology

Oliver's has invested in its own proprietary technology platform known as OliVerse.



OliVerse provides:

Scope	Summary of Benefits
OliPOS (current)	In-store POS and payments
Store Operations (current)	Back office support tools to assist with store operations in real-time
Analytics (current)	Real-time access (anywhere) to all store performance metrics and reporting
Consumer Online (current)	Extension of the Oliver's brand into a cutting-edge online sales and marketing channel, with the potential for future expansion and promotion in national digital and social media advertising forms
Integrated Inventory*	Single-point inventory platform to support stores, distribution centres, kitchens and markets
Kitchen & Nutrition Management*	Integrated inventory and recipe management to support store supply, purchasing and nutritional information
Consumer Mobile*	APPS to support, interact and communicate with mobile customers
Loyalty*	Design and implementation of the Oliver's loyalty programme
Customer In-store*	Customer in-store ordering and payment kiosks
Financial Integration*	Fully integrated with Oliver's finance platforms and processes

**Functionality released by 30 June 2018. Circumstances may change and the Company may defer functionality or change the scope of deliverables.*

Completion of these additional functions will ensure customer transaction data is captured and integrated with inventory management, kitchen planning and store performance systems and processes in real time, allowing the Oliver's stores and head office to manage efficiencies.

3.9 Product innovation

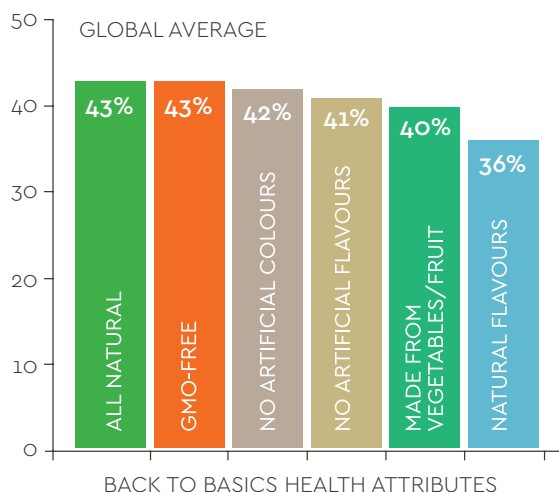
Oliver's commitment is to having healthy, fresh food available conveniently. Critical to the product ethos is no additives, no preservatives and no colourings or flavourings. Maximising fresh, natural and

organic offerings is the aspiration for the product management, operations and procurement teams.

With an Oliver's in-house nutritionist, organic certification and procurement team committed to sourcing competitively sustainable foods and beverages, Oliver's aims to leverage the change in food preferences and continue to be educators and influencers of change in health and wellbeing for commuters in Australia.

Nielsen 2015 Global Health and Wellness Survey¹ suggests food sources factor significantly into food purchase decisions. Foods with all natural ingredients and those without genetically modified organisms (GMOs) are each considered very important to 43% of respondents (the highest percentages of the 27 attributes included in the study). The absence of artificial colours (42%) and flavours (41%) are also

Figure 8: Percentage that rate each health attribute very important in purchasing decisions



¹Source: Nielsen survey, "We are What We Eat", Healthy Eating Trends Around the World, January 2015

critically important to the public and this will continue to drive Oliver's product innovation roadmap.

In March 2017, Oliver's introduced a range of plant-based wholefoods to the menu to satisfy the demands for products of vegetables/fruit origin. More wholefood, plant-based, organic and raw offerings are scheduled for release in 2017.

3.10 Intellectual property

Oliver's Real Food owns certain trade marks in Australia, US, UK, Europe, New Zealand and Singapore, as noted below.

Jurisdiction	App. no./Reg. no.	Mark	Class/es	Pub. date Reg. date	Status
United States	App. No.:79147750		29, 30, 32, 43	Pub. Date: June 16, 2015	Registered
United States	Reg. No.:4801595		29, 30, 32	Reg. Date: September 1, 2015	Allowed
WIPO	App. No.:85855605		29, 30, 32, 43	Pub. Date: June 3, 2014	Registered
European Union (EUTM)	Reg. No.:1205193		29, 30, 32, 43	Pub. Date: June 12, 2014	Registered
United Kingdom	App. No.:011584661		29, 30	Reg. Date: December 23, 2013	Registered
Australia	Reg. No.:011584661		43	Pub. Date: April 9, 2013	Registered
Australia	App. No.:2458755		29, 30	Reg. Date: November 12, 2015	Registered

Australia	Reg. No.:2458755		29, 30, 32, 43	Pub. Date: November 30, 2007	Registered
Australia	App. No.:1066598		29, 30, 32, 43	Reg. Date: March 7, 2008	Registered
Australia	Reg. No.:1066598	FEED YOUR GOOD	43	Pub. Date: August 11, 2005	Registered
New Zealand	App. No.:1088023		32	Reg. Date: July 26, 2005	Registered
New Zealand	Reg. No.:1088023		43	Pub. Date: December 15, 2005	Registered
New Zealand	App. No.:1541703		29, 30	Reg. Date: November 28, 2005	Registered
Singapore	Reg. No.:1541703		29, 30, 32, 43	Pub. Date: February 28, 2013	Registered

3.11 Supply chain acquisitions

Oliver's owns a controlling interest (75%) in The Delicious & Nutritious Food Company Pty Ltd (D&N), specialist organics drinks manufacturer of Red Dragon products, which supplies Oliver's branded Organic Turmeric Ginger Beer, Lemon Lime and Bitters and Sugar Free Ginger Beer. D&N supplies over 500 other retailers with beverages under the Red Dragon brand.

As part of its growth strategy, Oliver's intends to pursue business acquisitions that leverage existing business specializations in organic and healthy fast food offerings. This may include the acquisition of other integrated vertical or horizontal operations and brands that meet strict financial parameters.

As an example of this strategy, Oliver's has entered into a non-binding heads of agreement to acquire the 25% of D&N that it does not already own. See Section 10.3 for further details.



3.12 Oliver's social responsibility

Oliver's has a long standing commitment to the education and supply of healthy food and lifestyle alternatives for youth, having created healthy kids packs at launch of the Company and installing Love Bucket donation points for the ChildFund charity in all Oliver's stores for the last 8 years.

3.12.1 Oliver's sustainable and ethical farming

Oliver's encourages sustainable and ethical farming practices. Oliver's own organic produce and direct organic supply chains are satisfying an increased demand for organic produce and each undertakes a strict certified organic programme and annual auditing process to maintain these high standards for environmental and consumer benefit.



One of the largest supplies for Oliver's is fair trade organic coffee, which is certified as having been produced to fair trade standards – actively supporting producers and sustainable environmental farming practices, plus prohibiting child or forced labour. Fair trade organic coffee is served in each of Oliver's stores.

3.12.2 Oliver's environmental protection

Oliver's remains committed to environmental protection. One example is through the installation of Tesla electronic car recharge stations at some of its stores and installing solar power to fuel the Gundagai store on the Sydney to Melbourne arterial highway.

3.12.3 Oliver's sustainability in store fit outs & packaging

Sustainably farmed bamboo is used in fit-outs, and take away cutlery and coffee cups are made from bio-degradable plastics. Bottle recycling units are also available at some of Oliver's stores. In FY18, Oliver's will be introducing re-useable crockery and cutlery in stores for customers dining in.

3.12.4 Oliver's corporate sponsorship

Oliver's key corporate sponsorship is of the Oliver's Real Food Road national road series bike team, who have announced their partnership with the Tom Farrell Institute for the Environment (TFI). The aim of this partnership is to help the team move towards becoming a carbon-neutral organisation.



Oliver's Racing's Sean Whitfield (ABOVE) pulls on the 'stage winner' jersey in Naga, Phillipines, 19 February 2017 at the Tour de Filipinas.



4.
Financial
Information

The financial information contained in this Section includes:

Statutory historical financial information for Oliver's Real Food Limited and all its subsidiary companies as set out in section 10.3, being:

- audited statutory historical consolidated income statements for FY2015 and FY2016, together with the reviewed statutory historical consolidated income statement for the six months to 31 December 2016 (H1FY2017) (**statutory historical income statements**);
- audited statutory historical consolidated cash flow statements for FY2015 and FY2016, together with the reviewed statutory historical consolidated cash flow statement for H1 FY2017 (**statutory historical cash flow statements**); and
- reviewed statutory consolidated historical balance sheet as at 31 December 2016 (**statutory historical balance sheet**),

(together, the **statutory historical financial information**).

Proforma historical financial information for Oliver's being the:

- proforma historical consolidated balance sheet as at 31 December 2016 assuming minimum proceeds of \$9m are raised from the Offer;
- proforma historical consolidated balance sheet as at 31 December 2016 assuming maximum proceeds of \$15m are raised from the Offer

(together, the **proforma historical balance sheets**).

The statutory historical financial information and the proforma historical balance sheets together form the "**historical financial information**".

Forecast financial information for Oliver's being the:

- forecast consolidated income statement for FY2017; and
- forecast consolidated income statement for FY2018,

(together, the **forecast financial information**).

Also summarised in this Section are:

- the basis of preparation and presentation of the financial information;
- management discussion in relation to the financial information presented;
- sources and uses of funds raised;
- commentary on capital expenditure; and
- commentary on future dividends.

All amounts disclosed in the tables in this Section are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest thousand.

4.1 Basis of preparation and presentation of the Financial Information

4.1.1 Preparation of the statutory historical financial information

The statutory historical financial information has been extracted from the consolidated financial statements of Oliver's for FY2016 (audited) and H12017 (reviewed).

The statutory historical income and cash flow statements of Oliver's for FY2016 (including FY2015 comparatives) have been audited by RSM Australia Partners (RSMAP). RSMAP have issued a qualified opinion in respect of Oliver's FY2016 financial statements. The statement of qualification was as follows:

"We were appointed as auditors of the entity on 5 October 2016 and were unable to observe the counting of the physical inventories at the beginning of the financial year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at 30 June 2015. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the income for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows."

The statutory historical income and cash flow statements of Oliver's for H12017 (including H12016 comparatives) have been reviewed by RSMAP. RSMAP have issued an unmodified review opinion in respect of Oliver's H12017 financial statements.

In the opinion of RSMAP, the financial information has been prepared and presented in accordance with the key accounting policies set out in Appendix 1 to this Prospectus. The key accounting policies have been consistently applied throughout the periods presented, and are expected to remain the key

accounting policies of Oliver's for future periods.

The financial information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by AIFRS or IFRS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

4.1.2 Preparation of proforma historical financial information

The proforma historical financial information has been prepared using the reviewed Oliver's statutory historical balance sheet as at 31 December 2016 and the Directors' proforma adjustments in relation to the pre-IPO capital raise, the proposed IPO which is the subject of this Prospectus and other proforma adjustments.

The Directors' proforma adjustments are intended to reflect the impact of, inter alia, the pre IPO capital raising (and related costs), the acquisition of certain franchised Oliver's stores, the cost of building new stores in FY2017, the proposed IPO (and related costs) and certain other transactions, as though they had occurred as at 31 December 2016. The director's proforma adjustments are set out in more detail in Section 4.3 below.

The proforma historical financial information has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards issued by the AASB, the Corporations Act and the accounting policies adopted by the Company.

The proforma historical financial information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

4.1.3 Preparation of forecast financial information

The forecast financial information has been prepared with due care by the Directors based on an assessment of current economic and operating conditions and on a number of best estimate general and specific assumptions regarding future events and actions as set out in Section 4.6. This information is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring, and is not intended to be a representation that the assumptions will occur.

The Directors of Oliver's consider the best estimate assumptions, when taken as a whole, to be reasonable at the time of preparing this Prospectus. However, by its nature, prospective information is not fact, and investors are cautioned not to place undue reliance on the forecast financial information included in this Prospectus.

Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the forecast financial information, and that this may have a material positive or material negative effect on Oliver's' actual financial performance or financial position. In addition, the assumptions upon which the financial information is based are by their very nature subject to significant uncertainties and contingencies, many of which will be outside the control of Oliver's, the Directors and management, and are not reliably predictable.

Accordingly, Oliver's, the Directors, nor any other person can give investors any assurance that the outcomes discussed in the forecast financial information will occur.

The forecast financial information should be read in conjunction with the specific assumptions as set out in Sections 4.61 and 4.62, the general assumptions as set out in Section 4.6, the sensitivity analysis as set out in Section 4.63, the risk factors as set out in Section 5 and other information in this Prospectus.

The forecast financial information has been prepared on a basis consistent with how Oliver's expects to prepare financial information in future periods.

The basis of preparation and presentation of the forecast financial information, to the extent relevant, is consistent with the basis of preparation of the historical financial information.

Oliver's has no intention to update or revise the forecast financial information or other forward looking statements regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

4.1.4 Explanation of certain non-IFRS financial measures

Oliver's uses certain measures to manage and report on its businesses that are not recognised under Australian Accounting Standards. These are known as "non-IFRS financial measures" and the principal one used in this Prospectus is:

- EBITDA is earnings before interest, taxation, depreciation, amortisation and impairment charges.

EBITDA is considered to be an important measure of the underlying performance of Oliver's.

Although the Directors believe that the above measure provides useful information about the financial performance of Oliver's, it should be considered as a supplement to the income statement and statement of cash flow measures that have been presented in accordance with the Australian Accounting Standards and not as a replacement for them. Because non-IFRS financial measures are not based on Australian Accounting Standards, they do not have standard definitions, and the way Oliver's calculated these measures may differ from similarly titled measures used by other companies. Readers should therefore not place undue reliance on the non-IFRS financial measures.

4.1.5 Review of financial information

The historical, proforma historical and forecast financial information (to EBITDA prior to Directors normalisations) presented in the Prospectus has been reviewed by RSM Corporate Australia Pty Limited in accordance with the terms of their engagement. Investors should note the scope and limitations of the Independent Limited Assurance Report (the IAR) included in Section 8.

Further, investors should note that past results are not a guarantee of future performance.

All financial information presented in this Prospectus should be read in conjunction with the risk factors set out in Section 5, the IAR and other information contained in this Prospectus.

4.2 Statutory historical income statement

Table 1 below presents the Oliver's statutory historical income statements for FY2015, FY2016 and H12017.

Table 1: Oliver's statutory historical results

\$'000	FY2015 Audited	FY2016 Audited	H1 FY2016 Reviewed	H1 FY2017 Reviewed
Number of Corporate Stores*	8	10	7	12
Number of Franchised Stores	4	8	8	7
Total Number of Stores (Period End)	12	18	15	19
Revenue	12,748	17,196	8,368	9,083
Cost of Sales	(4,010)	(6,632)	(3,112)	(3,113)
Gross Profit	8,738	10,564	5,256	5,970
Other income	1,841	2,704	1,666	98
Expenses				
- Labour expenses	(5,643)	(6,509)	(3,089)	(3,638)
- Rental expenses	(1,121)	(1,482)	(690)	(920)
- Other administrative expenses	(2,203)	(3,376)	(1,657)	(2,205)
EBITDA	1,612	1,901	1,486	(695)
- Depreciation and amortisation	(400)	(721)	(257)	(351)
- Net finance costs	(225)	(276)	(120)	(118)
Profit before tax	987	904	1,109	(1,164)
Tax expense	(90)	(280)	(246)	117
NPAT	897	624	863	(1,047)

*The store number information does not form part of the statutory historical income statements and is provided for information purposes only.

Notes: **1.** Revenue is presented net of interest received of \$5k in FY2015, \$7k in FY2016, \$2k in H1FY2016 and \$2k in H1FY2017. Interest received is recognised in net finance costs. **2.** There are no non-recurring items in the historical period that require adjustment. In addition, no adjustments have been made to the statutory historical income statement to illustrate the proforma impact of listed company costs. **3.** The Directors estimate listed company costs to be \$680k p.a. which includes Directors' fees, insurances, annual reporting and compliance expenses.

4.3 Proforma historical balance sheet

The proforma historical balance sheet information below illustrates the adjustments that have been made to the reviewed historical balance sheet for Oliver's as at 31 December 2016 to prepare proforma balance sheets, one to reflect the Minimum Subscription of \$9 million and one to reflect the Maximum Subscription of \$15 million. These adjustments reflect, inter alia, the pre-IPO capital raising, the acquisition of certain Oliver's franchise stores, the cost of building new stores in FY2017, the proposed IPO (and related costs), certain related transactions and the capital structure that will be in place following completion of the Offer as if it had occurred or was in place as at 31 December 2016.

Table 2: Oliver's – proforma historical balance sheet as at 31 December 2016

\$'000	31 December 2016 Reviewed	Pre-IPO Capital raise	Pre-IPO Proforma	Minimum Subscription		Maximum Subscription	
				Impact of the Offer	Proforma	Impact of the Offer	Proforma
Assets							
Current assets							
Cash and cash equivalents	1,457	2,650	4,107	1,122	5,229	3,422	7,529
Trade and other receivables	1,121	(150)	971		971		971
Inventories	1,174		1,174		1,174		1,174
Other	321		321		321		321
Total current assets	4,073	2,500	6,573	1,122	7,695	3,422	9,995
Non-current assets							
Property, plant and equipment	5,469	1,298	6,767	4,058	10,825	4,058	10,825
Intangible assets	1,027	3,637	4,664	2,830	7,494	2,830	7,494
Other	713		713		713		713
Total non-current assets	7,209	4,935	12,144	6,888	19,032	6,888	19,032
Total assets	11,282	7,435	18,717	8,011	26,728	10,311	29,028
Liabilities							
Current liabilities							
Trade and other payables	2,527	300	2,827		2,827		2,827
Borrowings	2,053		2,053		2,053	(2,053)	-
Other	771		771		771		771
Total current liabilities	5,351	300	5,651	-	5,651	(2,053)	3,598
Non-current liabilities							
Borrowings	1,431		1,431		1,431	(1,431)	-
Other	729		729		729		729
Total non-current liabilities	2,160	-	2,160	-	2,160	(1,431)	729
Total liabilities	7,511	300	7,811	-	7,811	(3,484)	4,327
Net assets	3,771	7,135	10,906	8,011	18,917	13,795	24,701
Equity							
Contributed equity	3,410	7,135	10,545	8,702	19,247	14,398	24,943
Retained earnings	165	-	165	(1,076)	(911)	(988)	(823)
Other reserve	89		89	385	474	385	474
Minority interest	107		107		107		107
Total equity	3,771	7,135	10,906	8,011	18,917	13,795	24,701

Notes to Proforma transactions: **1.** Pre-IPO capital of \$7.40m has been raised subsequent to 31 December 2016. Costs in relation to this pre-IPO capital of \$270k have been incurred and these costs have been offset against contributed equity. **2.** The acquisition of the Eastlink Inbound Oliver's store was completed on 23 January 2017 and was funded through pre-IPO capital for cash consideration of \$0.37m and loan foregiven of \$0.15m. **3.** The acquisition of the Hexham Oliver's store was

completed on 22 February 2017 and was funded through pre-IPO capital for cash consideration of \$0.36m **4.** The acquisition of the Wyong Northbound Oliver's store was completed on 7 March 2017 and was funded through pre-IPO capital for cash consideration of \$2.8m **5.** The acquisition of the Goulburn Oliver's store was completed on 1 May 2017 and funded through pre-IPO capital for cash consideration of \$0.75m. **6.** The acquisition of certain Oliver's intellectual property for \$0.5m for which cash from pre-IPO capital of \$0.2m was paid on 4 May 2017 with the balance of \$0.3m payable prior to 30 June 2019. **7.** The Company acquired the minority 24% interest in Retail Technology Services Pty Ltd on 26 April 2017 for the issue of 500,000 shares at \$0.24 each. **8.** The proforma balance sheet reflects, as a result of the Offer under the Minimum Subscription scenario, the following: **a)** a contributed equity increase of \$9.0m through the issue of 30m Shares by the Company (\$9m less IPO transaction costs of \$0.50m offset against contributed equity with a further \$0.70m expensed); **b)** the acquisition of the Wyong Southbound Oliver's store for cash consideration of \$1.9m (to be funded through the Offer) and expected to complete by 30 June 2017; **c)** the acquisition of the Wallan Northbound Oliver's store for cash consideration of \$0.9m (to be funded through the Offer) and expected to complete by 30 June 2017; **d)** the construction of the new kitchen in NSW for an estimated cost of \$0.7m (to be funded through the Offer) and expected to complete by December 2017; **e)** The expense associated with the issue of Options to Directors and Executive Management, together with Shares expected to be issued under the Employee Offer; and **f)** the acquisition cost and capital expenditure for the fitouts of the three new stores to be opened in May and June 2017, together with acquisition costs already paid for one new store and the associated fitout capital expenditure expected to be incurred before the store is opened in early FY2018. **9.** The proforma balance sheet reflects, as a result of the Offer under the Maximum Subscription scenario, the following: **a)** a contributed equity increase of \$15.0m through the issue of 50m Shares by the Company (\$15m less IPO transaction costs \$0.80m offset against contributed equity with a further \$0.68m expensed); **b)** all of the proforma adjustments for the Minimum Subscription set out in note 8 (b) to (f) above; and **c)** the repayment of outstanding borrowings of \$3.5m.

The proforma historical balance sheets are provided for illustrative purposes only and are not represented as being necessarily indicative of Oliver's future financial position. Further information on the sources and uses of funds of the Offer is contained later in this Section.

4.3.1 Share Capital

Table 3, below sets out a reconciliation of share capital (excluding costs) from 31 December 2016 to after the Offer indicating the impact of the pre-IPO capital raise and the effect of the Offer.

Table 3: Share capital reconciliation

Share capital	Number of Shares	\$
Total Share capital at 31 December 2016	82,900,831	\$3,410,438
Number of ordinary New Shares issued in pre-IPO capital raise	32,895,833	\$7,405,000
Total Share capital after pre-IPO capital raise	115,796,664	\$10,815,438
Share capital issued arising from the Offer – Minimum Subscription (\$9m)	30,000,000	\$9,000,00
Total Share capital post Offer – Minimum Subscription (\$9m)	145,796,664	\$19,805,438
Additional Share capital issued from the Offer – Maximum Subscription (\$15m)	20,000,000	\$6,000,000
Total share capital post Offer – Maximum Subscription (\$15m)	165,796,664	\$25,815,438

Note: The capital structure does not include any bonus Shares to be issued by the Company under the Employee Offer

4.3.2 Liquidity and capital resources

1. Following Completion of the Offer, Oliver's principal sources of funds will be the cash proceeds raised from the Offer together with the remainder of the pre-IPO funding and operating cash flow from the Oliver's business.
2. Oliver's expects that it will have sufficient working capital available from the cash proceeds of the Offer under each of the Minimum Subscription and Maximum Subscription to fulfil the purposes of the Offer and meet its stated business objectives.

4.4 Summary statutory historical cash flow statements

Following is a summary of the Oliver's statutory historical cash flow statements for FY2015 and FY2016 and H1 FY2017.

Table 4: Oliver's – summary historical cash flow statements

\$'000	FY2015 Audited	FY2016 Audited	H1 FY2017 Reviewed
Cash flows from operating activities			
Receipts from customers	17,646	18,587	8,818
Payments to suppliers and employees	(17,204)	(19,705)	(8,922)
	442	(1,118)	(104)
Interest received	5	7	2
Other revenue	54	58	113
Finance costs	(226)	(276)	(120)
Tax received (paid)	(90)	(49)	-
Operating cash flow before financing	185	(1,378)	(109)
Cash flows from investing activities			
Payments for purchase of business	(133)	(659)	12
Payments for property, plant & equipment	(3,827)	(3,307)	(1,441)
Proceeds from sale of property, plant & equipment	3,362	5,817	36
Net cash used in investing activities	(598)	(1,851)	(1,393)
Cash flows from financing activities			
Proceeds from issued capital	1,000	786	1,270
Proceeds from borrowing	980	1,086	928
Repayment of borrowing	(1,579)	(2,030)	(77)
Net cash provided by financing activities	401	(158)	2,121
Net increase/(decrease) in cash held	(12)	315	619
Cash at beginning of financial year	535	523	838
Cash at end of financial year	523	838	1,457

1. There are no non-recurring items in the historical period that require adjustment. In addition, no adjustments have been made to the statutory cash flow statements to illustrate the proforma impact of listed company costs.

2. Historically, Oliver's has used cash generated by the business together with the proceeds of the sale of land and buildings and the sale of stores to franchisees, to fund the expansion of the Oliver's store network.

4.5 Management discussion and analysis of the statutory historical financial information

4.5.1 General factors affecting the operating results

Set out in the following paragraphs is a discussion of the general factors which affected Oliver's operations and relative financial performance in FY2015, FY2016 and H1 FY2017, and which the Directors expect may continue to affect it in the future.

The discussion of the general factors is intended to provide a brief summary only and does not detail all factors which affected Oliver's historical operating and financial performance, nor everything which may affect operations and financial performance in the future.

Revenue

Oliver's generates revenue through the sales of healthy fast food at its restaurant chain along the arterial highways of New South Wales, Victoria and Queensland. At a general level, the key drivers of revenue for Oliver's are:

- The shift of the consumer mindset to healthy food;
- The general levels of activity and growth in highway traffic;
- The general level of fast food consumption in Australia; and
- Availability of appropriate sites for new stores.

Cost of Sales

Cost of sales incorporates the cost of fresh produce, dairy, beverages, meats and packaging materials. Approximately 85% of all raw materials are supplied from Oliver's central kitchens and distribution centres. Oliver's actively manages its cost of sales through negotiations with its key suppliers.

Operating expenses

Key expenses include:

- **Labour expenses** – includes salaries and wages, superannuation and other on-costs for staff at the stores, kitchens, distribution centres and other facilities together with the corporate head office. With the exception of the costs for corporate head office, these costs generally change in line with the volume of sales activity.
- **Rental expenses** – being rental costs for the stores, kitchens, distribution centres, corporate office and other facilities. These costs generally increase by the consumer price index percentage.
- **Utilities expenses** – includes costs for electricity, gas, water, telephone and internet used in the stores, kitchens, distribution centres and other facilities. These costs generally change in line with the volume of sales activity and underlying price movements.
- **Transport expenses** – Costs directly incurred as a result of the delivery of goods to the stores from the kitchens and distribution centres. This includes mainly the running costs for Oliver's trucks and trailers.

Depreciation and amortisation

Depreciation primarily relates to Oliver's plant and equipment. For the purposes of calculating depreciation, Oliver's has assumed the following useful lives:

- Buildings: 40 years;
- Leasehold improvements: the life of the lease; and
- Plant and Equipment: 2 to 7 years.

Amortisation primarily relates to amortisation of patents, trademarks and customer contracts recognised as part of the acquisition accounting on various acquisitions undertaken by Oliver's. Amortisation is recognised to the income statement over the estimated useful lives of intangible assets.

Oliver's has assumed the following useful lives:

- Patents and Trademarks: 5 years; and
- Customer contracts: 10 years.

Capital expenditure

Capital expenditure primarily relates to plant and equipment used in the retail stores which is either purchased outright or financed via finance leases or hire purchase arrangements with the financier. Capital expenditure also includes leasehold improvements to buildings and fitouts for new and existing stores. Typically, capital expenditure can be broken down into two types:

1. Growth capital expenditures: Oliver's growth capital expenditure relates to the leasehold improvements to buildings, fitouts, plants and equipments for new Oliver's stores; and
2. Maintenance capital expenditure: Oliver's is committed to maintaining its asset base.

Seasonality

Oliver's revenue has historically demonstrated a level of seasonality with peak revenue periods, being school holidays, Christmas/New Year, Easter and other public holidays.

Taxation

As Oliver's only operates in Australia, taxation has been calculated on the underlying corporate tax rate of 30%. Effective tax rates have historically been different to the corporate tax rate as certain costs are not deductible for tax purposes such as amortisation of intangible assets.

4.6 Forecast Financial Information

The following general assumptions are relevant to the Forecast Financial Information:

- There is no material change in the competitive and operating environments in which Oliver's operates;
- There is no change in applicable Australian Accounting Standards and International Financial Reporting Standards that would have a material impact on Oliver's accounting policies, financial reporting or disclosure requirements;
- There is no significant deviation from current market expectations of the broader economic conditions relevant to the sectors in which Oliver's operates;
- There is no material change in the legislative regimes (including taxation) and regulatory environment other than as disclosed in this Prospectus in which Oliver's operates;
- There are no significant disruptions to the continuity of operations of Oliver's and there are no other material changes in Oliver's business;

- There are no material acquisitions, divestments, restructuring or investments other than as set out in, or contemplated by, this Prospectus;
- There are no material changes to Oliver's corporate and funding structure other than as set out in, or contemplated by, this Prospectus;
- There is no loss of key management personnel and Oliver's will maintain the ongoing ability to recruit and retain required personnel;
- There is no material litigation that will arise or be settled to the benefit or detriment of Oliver's;
- There are no contingent liabilities that will arise or be realized to the detriment of Oliver's;
- None of the risks set out in Section 5 eventuates, or if they do, none of them have a material adverse impact on the operations of Oliver's; and
- The Offer proceeds in accordance with the timetable set out on page 5 of this Prospectus.

The FY2017 and FY2018 Forecast Financial Information is based on various best estimate assumptions made by the Directors of Oliver's. The assumptions below are a summary only and do not represent all factors that will affect Oliver's forecast financial performance. This information is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring, and is not intended to be a representation that the assumptions will occur. It should be read in conjunction with the basis of preparation of the Forecast Financial Information set out in Section 4.1.3 and the general assumptions set out above and the risk factors set out in Section 5.

4.6.1 FY2017 financial forecast information

The FY2017 forecast financial information of Oliver's is set out in Table 7, below. The forecast financial information has been prepared on the basis of the reviewed financial information for H1 FY2017, and Oliver's forecast for the six months ending 30 June 2017 (H2 FY2017).

Table 5: FY2017 forecast financial information

	H1 FY2017 actual	H2 FY2017 forecast	FY2017 forecast
Number of Corporate stores	12	19	19
Number of Franchised stores	7	3	3
Total Number of Stores (Period end)	19	22	22
\$'000			
Trading Income	9,083	12,004	21,087
COGS	3,113	3,824	6,937
Gross Operating Profit	5,970	8,180	14,150
Labour expenses	2,722	4,236	6,958
Rental expenses	821	1,059	1,880
Other administrative expenses	1,559	1,811	3,370
Contribution	868	1,075	1,943
Other income	98	-	98
Corporate overheads	(1,660)	(2,319)	(3,979)
EBITDA	(695)	(1,244)	(1,939)
Normalisation adjustments*	-	677	677
Normalised EBITDA	(695)	(567)	(1,262)
Depreciation and amortisation	(351)	(569)	(920)
Finance costs	(118)	(98)	(216)
Profit before tax	(1,164)	(1,911)	(3,075)
Tax expense	117	573	690
NPAT	(1,047)	(1,338)	(2,385)

*Normalisation adjustments are IPO expenses and ASX listing fees.

4.6.1.1 Directors' Best Estimates and Key assumptions made in the preparation of the FY2017 financial forecasts

The best estimates and key assumptions made by the Directors in preparing their FY2017 forecasts are set out below:

Revenue

- Actual (reviewed) results for the first 6 months of FY2017 were extracted from the statutory historical income statement for H1FY2017.
- Actual (unaudited, not reviewed) trading results for the 3 months from January to 31 March 2017 have been extracted from the monthly management reports.
- Assumed that the growth for Oliver's existing stores sales based on the growth achieved in the first half of the financial year will continue in the last quarter of the financial year, taking into account the seasonality factor.
- Assumed three (3) new stores are opened in the second half of FY2017. Financial results for these three new stores are included for the period from the anticipated opening date to 30 June 2017 and amount to revenue of \$373k and contribution of \$76k in aggregate. All these stores were either existing businesses that were purchased outright and converted to Oliver's or are new locations for which leases are in place, as at the Prospectus Date. These new stores are located at:
 - Ferry Park, NSW
 - Aratula, QLD
 - Bulahdelah, NSW
- Assumed the buy-backs of four (4) franchised stores from the franchisees will have settled at various dates in the second half of FY2017. Financial results for these four buy-back stores are included for the period from the date of acquisition to 30 June 2017 and amount to revenue of \$2.271m and contribution of \$390k in aggregate. These franchise stores acquired are located at:
 - Eastlink Inbound, VIC
 - Hexham, NSW
 - Wyong Northbound, NSW; and
 - Goulburn, NSW

Cost of Sales

Ongoing procurement savings in the business driving improved margins, based on the ongoing impact of procurement initiatives which have been put in place.

Operating expenses

Key expenses include:

- **Labour expenses** – includes salaries and wages, superannuation and other on-costs for staff at the stores, kitchens, distribution centres and other facilities. These expenses in FY2017 have been increased in line with the sales growth and new stores opened.
- **Rental expenses** – Rental expenses increased in FY2017 have been mainly due to leases entered into for new stores.
- **Other administrative expenses** – Other administrative expenses have only been marginally increased in FY2017, reflecting Oliver's continuous effort to refine its operating model to optimize its cost base to seek operational effectiveness.

Corporate overheads

These expenses include costs directly associated with the head office (e.g. head office staff costs, Directors' remuneration), professional services fees and costs associated with the listing of Oliver's. These costs have been significantly increased in FY2017 mainly due to the proposed transformation of Oliver's to an ASX public listed company and the additional overheads incurred for the management of the projected growth of the store network. In addition, the cost of share based payments by way of options issued to directors and certain key management team have also been expensed in accordance with AASB2 in the period. Full details of the Director's Options and the Oliver's Employee Incentive Plan are set out in Section 6.

4.6.2 FY2018 forecast financial information

The table below sets out the Directors forecast financial information for Oliver's for FY2018.

Table 6: FY2018 forecast financial information

\$'000	FY2017 forecast	FY2018 forecast
Number of Corporate stores	19	32
Number of Franchised stores	3	1
Total Number of Stores (Year end)	22	33
\$'000		
Trading Income	21,087	41,909
COGS*	6,937	10,816
Gross Operating Profit	14,150	31,093
Labour expenses	6,958	14,191
Rental expenses	1,880	3,340
Other administrative expenses	3,370	4,603
Contribution	1,943	8,958
Other income	98	-
Corporate overheads	(3,979)	(4,191)
EBITDA	(1,939)	4,767
Normalisation adjustments**	677	-
Normalised EBITDA	(1,262)	4,767
Depreciation and amortisation	(920)	(1,537)
Finance (costs)/income	(216)	152
Profit before tax	(3,075)	3,382
Tax expense	690	(1,015)
NPAT	(2,385)	2,367

* The implied improvement in COGS margin of 7% from FY2017 to FY2018 in Table 6 above are due to:

- The different store mix (i.e. franchise vs company owned): The COGS in FY2017 would have been improved by 5% (i.e. from 33% to 28%) if we assume the franchise stores bought back in FY2017 were all company owned stores for the full year in FY2017 (a 'like-for-like' basis to FY2018); and
- 2% supply chain improvement in COGS set out in section 4.6.2.1. This will bring the COGS from 28% to 26% in FY2018.

**Normalisation adjustments are IPO expenses and ASX listing fees.

4.6.2.1 Directors' Best Estimate and Key assumptions made in the preparation of the FY2018 forecast financial forecasts

The key drivers of the increase in Revenue and EBITDA included in the FY2018 forecasts are as follows:

1. Optimising the existing store network
2. Buyback of existing franchises
3. New stores openings
4. Supply chain efficiencies, and
5. Online marketplace growth.

Table 7: The following table uses forecast information from the Company internal financial forecasts to illustrate how each of these key sales drivers contributes to the increase in sales revenue and EBITDA forecast from FY2017 to FY2018:

\$'000	Sales	EBITDA
FY2017 financial forecast	21,087	(1,939)
Optimising the existing store network	5,236	2,442
Buyback of existing franchises	11,001	2,414
New store openings	8,805	1,636
Supply chain efficiencies	4,084	1,018
Online marketplace growth	200	50
	29,326	7,560
	50,413	5,622
Less: eliminations	(7,807)	-
Less: reduction in franchise fee revenue	(697)	(643)
Less: additional corporate overheads	-	(211)
FY2018 financial forecast	41,909	4,767

Notes to further explain key sales and EBITDA driver contribution to the FY2018 growth over FY2017 financial forecast:

1. Optimising the existing store network ("same store growth")

The growth in sales revenue for Oliver's existing stores for FY2018 is based on the historical percentage year-on-year growth rate achieved in FY2017 and prior years and ranges between 3% pa and 10%pa, with an average year-on-year growth rate of 5% pa, depending on the store location and a number of other factors. It should be noted that the smaller turnover stores, and the newer stores, mainly account for the larger percentage increases, as they are generally starting from a lower base, while forecast growth rate percentage increases for the larger stores have been estimated in the main to be more modest.

Similarly, EBITDA growth has been estimated using previous empirical data for the existing stores, with the average contribution as a percentage of sales revenue for smaller stores at circa 10-14% and 15-20% for larger stores.

The forecast increase in contribution from these stores for FY2018 over FY2017, is derived as a result of 2 elements:

- An increase in EBITDA generated from additional sales revenue forecast for the newer stores for the period, and
- A contribution to increased EBITDA from all stores derived from forecast store efficiencies through better COGS management and labour utilisation.

2. Buyback of existing franchise stores

Four franchised stores were acquired from franchisees in the second half of FY2017 and the Company has exchanged contracts to acquire a further two franchise stores with settlement to take place on 1 July 2017, using funds sourced from the IPO, namely:

- Wyong Southbound, NSW and
- Wallan Northbound, VIC.

Each of these stores were traditionally the better performing stores and were previously sold as franchise businesses to provide expansion funding for the Company. They have been forecast to have an average year-on-year growth rate of 6% in sales revenue over the previous year and are expected to contribute an average of circa 21% in FY2018.

As with the existing store network, the forecast increase in contribution from these stores for FY2018

over FY2017 is derived as a result of 2 elements:

- The increase in EBITDA generated from the additional \$11m of sales revenue forecast for the period, and
- A contribution to increased EBITDA from forecast store efficiencies through better COGS management, labour utilization and other efficiencies now that the stores are under Company management.

3. New store openings

The Company plans to open eleven new stores in FY2018 and used the site selection criteria set out in section 3.7.1.1 to determine which locations and stores to open, as set out in the following table:

Table 8: Summary of new stores anticipated to be opened in FY2018

New Stores	State	Anticipated open date	Type of Store	Status of lease	Expected annual revenue \$'000
Ballarat	VIC	Q1,FY2018	Existing Café, rebrand	Lease signed	\$1,200,000
Horsham	VIC	Q1,FY2018	Existing Building, fitout	Lease signed	\$1,100,000
Coonalpyn	SA	Q1,FY2018	Existing QSR, rebrand	Own property	\$1,000,000
Dubbo	NSW	Q2,FY2018	Existing Café, rebrand	Lease signed	\$1,000,000
Port Macquarie	NSW	Q3,FY2018	New Building by Oliver's	Lease signed	\$2,200,000
Boggabilla	NSW	Q2,FY2018	Existing Café, rebrand	Lease signed	\$1,000,000
Little River	VIC	Q3,FY2018	New Building by Oliver's	Lease signed	\$2,500,000
Sutton Forest	NSW	Q3,FY2018	New Building by Oliver's	Lease signed	\$2,600,000
Bathurst	NSW	Q4,FY2018	Existing store identified	In discussions	\$1,100,000
Holbrook	NSW	Q4,FY2018	TBA	TBA	\$1,200,000
Coonabarabran	NSW	Q4,FY2018	TBA	TBA	\$1,000,000

**Expected Annual Revenue for the first year of operation of each store is included to provide relativity as to the estimated size of the new stores. For example, a small store is expected to generate circa \$1m to \$1.5m of sales revenue in its first full year of operations, whilst a larger store is expected to generate \$2m or more of sales revenue in its first full year of operations.*

The Expected Annual Revenue has been estimated using the site selection methodology set out in Section 3.7.3.1 and Roads and Maritime Service traffic data together, with Oliver's estimates of other data based on the existing performance of corporate and franchised stores.

Forecast financial results for these eleven new stores, have been included in the FY2018 forecast for the period from their respective anticipated store opening date to 30 June 2018 and in aggregate are forecast to generate \$8.8m in sales revenue and \$1.7m contribution for that period, at a rate of 19% contribution to sales revenue.

The location of the 3 stores forecast to be opened in Q4, FY2018 have been identified, but the Directors have determined it is not economic to enter into a lease significantly in advance of proposed store opening dates.

Depending on circumstances, the Directors may change the order of the opening of some of these new stores or substitute other store locations for some of the forecast stores.

Forecast Store Cost of Sales and Operating expenses

The key drivers of these store level expense lines in the FY2018 forecasts are:

- **Cost of goods sold** – In FY2018 approximately 95% of all items sold in the Oliver's stores are supplied through the Oliver's kitchens and distribution centres, farmgate markets and Red Dragon, with only local procurement of fresh goods like milk, bread. Oliver's actively monitors COGS and wastage at store level through the OliVerse technology and manages the overall COGS through efficient supply chain management;
- **Labour expenses** – Labour expenses in the stores as a percentage of revenue are expected to decrease with increase in revenue, however, the forecast percentage for total labour cost in FY2018 has been marginally increased, mainly due to the additional labour required for the projected growth in kitchens and distribution centres and other associated facilities;
- **Rental expenses** – Whilst rental expense is relatively low as a percentage of sales when compared to traditional retail outlets in shopping centres and malls, total rental expense has been forecast to increase in FY2018 due to the number of leases entered into for the new stores; and
- **Other expenses including utilities** – Other expenses have only been marginally increased in

FY2017, reflecting Oliver's continuous effort to refine its operating model to optimize its cost base.

Corporate overheads

These expenses include costs directly associated with the head office including head office staff costs, Directors' remuneration, professional services fees and costs associated with the ASX listing of Oliver's. These costs increased in FY2017 in anticipation of the IPO and store expansion and have been further increased in FY2018 mainly due to the additional resources expected to be employed to manage the projected growth of Oliver's store network.

In addition, the cost of share based payments by way of Options issued to Directors and certain key management team have also been expensed in accordance with AASB2 in the period.

Full details of the Director's Options and the Oliver's Employee Incentive Plan are set out in Section 6.

4. Supply chain efficiencies

The supply chain includes the 3 industrial kitchens and distribution centres located in each of Sydney, Brisbane and Melbourne, the trucks that supply the stores along the arterial highways, the Red Dragon organic drinks company, farmgate markets and other Oliver's suppliers to the retail stores.

The Company is forecasting a circa 2% improvement in COGS margins from the supply chain in FY2018 over the prior year, based on the impact of procurement initiatives that were put in place during FY2017 and a range of new procurement initiatives identified to be implemented in FY2018, including volume discounts and direct ordering in bulk from suppliers, rather than through distributors.

5. Oliver's online marketplace

Oliver's online market place operates as separate "virtual" store at:

www.oliversrealfood.com.au/pages/olivers-market and sells some of the fresh and packaged goods on the Oliver's menu on-line, with delivery by a third party. In FY2018 the online marketplace is forecast to have sales of approximately \$200k with a gross margin contribution of \$50k.

4.7 Sources and use of proceeds

In conjunction with the Offer, Oliver's will issue new equity of \$9m under the Minimum Subscription scenario and \$15m under the Maximum Subscription scenario. Proceeds from the Offer will be used to pay for expansion of the Oliver's store network as set out below.

Table 9: Sources and Use of Proceeds

\$'000	Minimum Subscription	Maximum Subscription
Cash proceeds received for New Shares issued under the Offer (before costs)	9,000	15,000
Total sources	9,000	15,000
Uses		
New NSW kitchen	700	700
New stores – fitouts & capex	3,388	3,388
Buy back of two existing franchise businesses	2,800	2,800
Repayment of borrowings	-	3,484
Payment of Offer expenses	1,264	1,480
Additional working capital	848	3,148
Total uses	9,000	15,000

4.8 Capital expenditure

The Company expects to require capital expenditure over the next 12 months in operating the business and acquiring other operating assets as the Directors see fit. Such assets may include, inter alia, QSR related assets, operating technology and vehicles.

4.9 Acquisitions

The Company may investigate a range of strategic acquisition opportunities from time to time. The Directors will consider each opportunity on a case by case basis to evaluate the ability of the opportunity

to enhance the business prospects of Oliver's. Acquisition opportunities may be in operating sectors other than QSR.

4.10 Dividends

The Directors do not intend to pay dividends immediately, but will pay dividends in the future when the Company is considered by the Board to be sufficiently profitable and cash flow positive, and taking into account the capital required for the continued expansion of the Oliver's store network.

4.11 Sensitivity analysis

The forecast financial information is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Oliver's, its Directors and management, and upon assumptions with respect to future business developments, which are subject to change.

Investors should be aware that future events cannot be predicted with certainty and as a result, deviations from the figures forecast in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the forecasts, set out below is a summary of the sensitivity of certain Forecast Financial Information to changes in a number of key variables. The changes in the key variables as set out in the sensitivity analysis are not intended to be indicative of the complete range of variations that may be experienced. For the purposes of the analysis below, the effect of the changes in key assumptions in FY2018 forecast EBITDA of \$4.8 million is presented.

The sensitivity analysis is intended as a guide only and variations in actual performance could exceed the ranges shown.

Care should be taken in interpreting these sensitivities. The estimated impact of changes in each of the variables has been calculated in isolation from changes in other variables, in order to illustrate the likely impact on the forecast. In practice, changes in variables may offset each other or be additive, and it is likely that Oliver's management would respond to any adverse change in one variable by seeking to minimise the net effect on Oliver's EBITDA.

Table 10: Sensitivity analysis on forecast EBITDA for FY2018

Assumption	Variance	FY2018 forecast EBITDA Impact (\$'000)	FY2018 forecast NPAT Impact (\$'000)
Store sales growth	+5% / -5%	+305 / -305	+215 / -215
Store COGS	+1% / -1%	-335 / +335	-236 / +236
Store labour costs	+1% / -1%	-382 / +382	-269 / +269
FY18 new store openings	delay by one month	-365	-211
FY18 new store openings	delay by two months	-672	-381



5. Key Risks

Introduction

There are a number of risk factors associated with the Company and a number of general risk factors associated with an investment in Shares. These risks may individually or in combination materially and adversely affect the future operating and financial performance of the Company and accordingly the value of Shares. Many of these risks are outside the control and influence of the Directors and management. There can be no guarantee that the Company will achieve its stated objectives or that any of the forward looking statements or projections will eventuate.

This Section 5 describes potential risks associated with Oliver's business and an investment in Shares. It does not list every risk that may be associated with Oliver's and the occurrence or consequences of some of the risks described in this Section 5 are partially or completely outside the control of Oliver's and its Directors and Management. The risks have been separated into business risk factors specific to the Company and general risk factors associated with any investment in Shares.

All investors need to be aware that this is not an exhaustive list of risks associated with an investment with the Company and this information needs to be considered in conjunction with all the other information disclosed in the Prospectus. The selection of risks has been based on an assessment of a combination of the probability of the risk occurring and the impact of the risk if it did occur. The assessment is based on the knowledge of the Directors and management as at the Prospectus Date. The risks may change or other risks may emerge after that date.

Before applying for New Shares, you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in Oliver's and whether it is a suitable investment, having regard to your investment objectives, financial circumstances and taxation position. It is recommended that you seek professional guidance from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.

Prospective investors should be aware that the risks outlined in this Section 5 should be considered in conjunction with the other information disclosed in this Prospectus. There can be no guarantee that Oliver's will achieve its stated objectives or that any forward looking statements contained in this Prospectus will be realised or otherwise eventuate.

5.1 Risks specific to an investment in Oliver's Real Food Limited

Risk	Summary
Competition	<p>The Company operates in a competitive retail market which is subject to moderate barriers to entry and is subject to changing consumer preferences. The Company's competition includes fast food restaurants, cafes, fine dining, fuel station offerings, and home cooking. Competition is based on a variety of factors including food and beverage range, price, store locations, store presentation, customer service and technology to attract and retain customers.</p> <p>The Company's competitive position may be adversely impacted by an existing or new competitor who attempts to aggressively grow its market share through widespread promotion of a quality healthy food offering. If the Company is not successful in competing in such an environment, then this may impact the Company's competitive position resulting in loss of market share, sales and margins and have an adverse impact upon the Company's future financial performance.</p>
Product sourcing	<p>The Company's products are sourced and manufactured by a variety of third party suppliers of fresh food, coffee and packaged goods. The co-ordination and management of this product sourcing process is performed by a number of buying agents.</p> <p>The key risks associated with the Company's product sourcing include the loss or interruption to the business of fresh food sources, major factories, increased cost of materials, delays or failure in processing orders and the reduction in the quality of products</p> <p>While the Directors do not believe this is currently occurring in any material respect, if it were to occur, this could potentially result in a material increase in costs.</p>
Talent attraction and retention of key management	<p>The Company's success is dependent upon its ability to attract and retain key team members, including key management as detailed in this Prospectus. The key management have extensive experience in and knowledge of the Australian food and retail industry and of the Company's business. The loss of key management and other team members and the inability to recruit suitable replacements or additional personnel may adversely affect the Company's future financial performance.</p> <p>The Company's future performance depends, to a significant degree, on its key personnel, particularly the Founder and CEO Jason Gunn. Jason is deeply entrenched in all aspects of the Company, and serves as a Director of Oliver's and all of its subsidiaries.</p> <p>The loss of Jason as the CEO and leader of the Company would adversely affect the Company's ability to develop and implement its business and growth strategies, in which Jason plays a crucial role. This would result in an adverse impact on the Company's future operating and financial performance.</p>
Growth strategies	<p>The Company has a number of strategies to support future growth and earnings. There is a risk that the implementation of these strategies will be subject to delays or cost overruns and there is no guarantee that these strategies will generate the full benefits anticipated or result in future sales and earnings growth. Failure of these strategies would result in non-existent or negligible growth for the relevant Oliver's business.</p>
Landlord relationships	<p>The Company's growth prospects are based on its ability to open and operate new stores on a profitable basis. The store rollout program is dependent upon the ability of Oliver's to partner with landlords to secure suitable locations on acceptable terms. A significant increase in rental costs associated with new stores could impact upon margins and profitability of some stores. Similarly, the inability to source new locations in target areas or to renew and maintain existing leases could reduce the Company's ability to continue to expand its store footprint.</p>

Employment costs	<p>The Company has a number of enterprise agreements with team members which periodically require renegotiation and renewal. During renegotiation and renewal, any failure to reach agreement on acceptable terms could result in interruption to the business. In addition, negotiations could put upwards pressure on wages which could adversely affect the future financial performance of the Company.</p> <p>Further, the cost of hiring and retaining operational staff may rise. Oliver's operates in a retail sector that is dependent on employees to execute sales techniques, and contains a high proportion of entry-level positions. The Company's ability to simultaneously meet its labour needs and control the costs of hiring and training employees that are new to the workforce is crucial, and in many ways subject to external factors including unemployment rates, prevailing wage legislation, the industry relations landscape and changing demographics.</p> <p>Changes in these factors may inhibit the Company's ability to hire and retain employees, thereby constraining financial and operating performance.</p>
Investment concentration risk	<p>An entity controlled by Jason Gunn, Gunn-Arr Investments Pty Limited, will hold between 30% (under the Minimum Subscription) and 26% (under the Maximum Subscription) of the Shares on Completion of the Offer. Any sale of Shares in the future by Gunn-Arr Investments Pty Limited could adversely affect the market price of the Shares. Shares held by Gunn-Arr Investments Pty Limited are subject to a two year compulsory escrow period following listing.</p>
Traffic diversion and road repairs	<p>The Company's stores are located on arterial highways, and are accessible only via these roads. Future growth is predicated on the belief that these roads will continue to experience a high level of traffic, however risks such as traffic diversions (including the construction of new highways causing traffic to bypass Oliver's stores) and road repairs could affect throughput passing the Company's sites.</p> <p>This would adversely affect the number of potential customers and therefore the financial performance of the Company, leading to reduced or negative organic growth.</p>
Disruption to food delivery system	<p>The Company relies on a network of trucks to deliver freshly made food to its stores on a daily basis. Disruption to this delivery system for a single store or across all stores would have significant consequences, including an inability to service customer demand, reduction or halting of sales and potential injury to the Oliver's brand.</p>
Identification and acquisition of new sites and renewal of existing sites	<p>The Company envisages an aggressive growth strategy to grow to a total of 60 Oliver's stores over the next four years. This will necessarily involve identification and acquisition of many new sites to situate Oliver's stores. Unsuitable new sites, delays in opening new sites, reduced availability or excessive cost of real estate capable for use as new sites may impede the speed at which Oliver's growth strategy can be implemented.</p> <p>The affordability of opening new stores (including, among other things, fit-out costs, leasing costs, and costs of establishing new supply channels) may also exceed expectations. Protracted negotiations with landlords and lessors would also impede the timeline of the Company's growth strategy.</p> <p>Oliver's leases the majority of the sites at which its existing store network is located. These leases have remaining terms that vary from 2 years to 25 years.</p> <p>Oliver's cannot guarantee that the lease will be renewed at the end of the term in which case Oliver's may be forced to quit a particular site by the landlord. If this occurs, this could have an adverse impact on Oliver's operating and financial performance.</p>
Inability to employ adequate staff	<p>Oliver's seeks to establish a culture of passion and interest towards organic food in its staff, who must believe and embrace the Company's core principle of providing a healthy alternative to traditional fast food.</p> <p>There is a risk that Oliver's will be unable to commission sufficient numbers of staff who fit this criteria at each location.</p> <p>A deficiency of staff would lead to operational inefficiency, increased costs and diminished profitability. Alternatively, staff that lack passion and drive for Oliver's core principles will represent the Company's image poorly and may result in similar effects.</p>
Oliver's aggressive growth strategy may place significant demands on management and its infrastructure	<p>Oliver's is aiming to open approximately 40 stores in the next four years. The Company anticipates that this will result in an increased level of responsibility for key management, and require the integration of teams and recruitment of staff to support this expected growth.</p> <p>If Oliver's is unable to manage the demands placed on key management, this strategy may have a material adverse effect upon financial and operational performance in the future. As Oliver's progresses through this expansionary phase of its development, it must continue to upgrade and enhance its infrastructure and capacity to meet the forecasted growth of customer base and product offering.</p>

Revocation of ACO Certificate

Oliver's has qualified for a Australian Certified Organic (ACO) Organic Standard Certificate that allows it to label certain processes and products as 'Certified Organic'. This is a core part of the Company's branding, featuring prominently in its logos and marketing campaigns.

Qualifying for this certificate requires rigorous adherence to the ACO rules not only by Oliver's but also by its suppliers. Failure by either Oliver's or its suppliers to continue to adhere to the high standards required by the ACO rules could result in the certificate being revoked, which would have implications for Oliver's branding and marketing strategies, requiring redesigning of logos, artwork and signage that display the 'Certified Organic' language.

5.2 Risks specific to the industry in which Oliver's operates

Risk	Summary
Securing quality sites on arterial highways	<p>Although the Company has identified a series of sites through due diligence and lease options secured for the first year of rollout, there is a risk that sites identified for rollout in the mid term could involve protracted or unsuccessful negotiations. This may lead to alternate sites being pursued, higher rents than anticipated and potential delayed paybacks per site.</p>
Food safety and sanitation	<p>There is a risk that a serious food poisoning incident could occur in a commercial kitchen or store as a result of operational lapse in procedures or malicious tampering. The occurrence of a serious food poisoning incident is likely to have significant consequences for Oliver's stores. This may involve:</p> <ul style="list-style-type: none">• a loss of revenue and brand equity arising from reduced consumer trust;• closure of stores while food safety authorities satisfy themselves that the underlying issue has been resolved resulting in foregone revenues; and• the payment to affected individuals of compensation and to the food authorities of a penalty or fine, which would occur in circumstances other than malicious tampering.
Supply chain security	<p>There is a risk of material disruption to the supply of fresh food and other packaged goods due to a natural disaster such as flooding or widespread disease to crops or livestock.</p> <p>Such an event could potentially have significant consequences for all stores, including loss of revenue, potential brand damage and increased costs from alternative arrangements.</p>
Failure of growth drivers	<p>There is a risk Oliver's would be unable to deliver new store returns in accordance with its capital expenditure programme as a result of:</p> <ul style="list-style-type: none">• changes to landlord approvals or rental terms;• an inability to locate suitable sites for new stores;• insufficient availability of professional builders to construct and develop new stores;• loss of existing sites through non-renewal of leases; or• underperformance of stores due to changing highway routes, customer throughput or new retail offerings and market share changes. <p>The effect of such a failure would lead to reduced revenue and a protracted payback period.</p>
Reduced demand	<p>There is a risk that a deterioration of economic conditions in or consumer sentiment affecting healthy and/or organic produce could result in lower growth than projected. This would result in reduced revenues, increased costs or both.</p>
Seasonal demand factors more exaggerated in new sites	<p>The Company's sales are subject to seasonal patterns as consumer demand rises significantly during holiday periods in which traffic passing Oliver's stores increases. Although vehicle traffic counts and distribution modelling factors have been used to identify suitable locations for new sites, a 12 month cycle for trade may include low volume periods that extend beyond periods seen across 20 sites nationally to date. This could lead to unrealised benefits for the Company, greater advertising allocations to these sites and increased payback period per store.</p>
Change in regulation	<p>There is a general risk that laws and regulations pertaining to the sale and consumption of fast food may be imposed that could affect Oliver's stores. Potential regulations may impose restrictions on the location of stores, or introduce taxation measures that reference food content.</p> <p>While the Directors do not believe any specific proposals are being considered, that would affect Oliver's range of offerings, there is the possibility that such measures may materially reduce revenues or increase costs.</p>

Brand and reputation calamity

There is an ongoing risk that some incident beyond the control of Oliver's may occur that results in reduced consumer confidence or altered preferences for the Oliver's brand. Examples of events are widespread loss of consumer confidence in one or more of the products sold by Oliver's, or in the food safety procedures of the industry as a whole.

Such an incident could reduce revenues, deteriorate consumer trust, reduce the desirability of Oliver's, and reduce the prominence of the relevant brand to customers.

5.3 Risks associated with an investment in Oliver's Shares

Risk	Summary
Price of Shares may fluctuate	<p>There are pricing risks associated with any stock market investment on the ASX. The share prices on the ASX may rise or fall due to investor sentiments, general economic conditions and outlook, international and local stock markets, employment, inflation, interest rates, government policy, taxation and regulations.</p>
Trading and liquidity in Shares	<p>Development of an active market for the Shares is not guaranteed, and there may be only a small number of potential buyers or sellers of the Shares on the ASX at any given time.</p> <p>The result of there being only a small pool of buyers or sellers would impact Share liquidity and increase the volatility of the market price of the Shares. This may also impact the ability of Shareholders to sell their Shares at a price that is more or less than that paid by the Shareholder.</p> <p>Following Listing, it is expected that Escrowed Shareholders will hold up to 79.4% of the Shares, for periods of between 3 months and 24 months, following listing. Escrowed Shareholders are subject to escrow arrangements in relation to all of their Shares, as detailed in Sections 7.19 and 7.20. An inability to sell Shares by Escrowed Shareholders during the period stipulated in Sections 7.19 and 7.20 will contribute to limited liquidity in the market for the Shares, particularly given that the Offer comprises only a small percentage of the Company's ordinary Shares, resulting in a high portion of existing Shares being placed in escrow.</p> <p>Following release from escrow, Shares held by Escrowed Shareholders will be freely tradable on the ASX, and a significant sale of these Shares may place downward pressure on the price of the Shares.</p> <p>A further implication of the high proportion of Escrowed Shareholders' shareholding is the ability of these individuals to exert significant influence over corporate matters, including election or Directors and approval of transactions. This may result in the interests of the Escrowed Shareholders being disproportionately favoured over the interests of investors whose Shares are acquired under the Offer, which may create conflict where these interests differ.</p>
Taxation changes	<p>Any taxation changes (such as income tax) may impact upon Shareholder returns. In addition, personal tax changes may impact differently to Shareholders and may similarly impact upon Shareholder returns.</p>
Regulatory matters	<p>The Company complies with a wide range of laws, regulations and accounting standards. Future changes to these laws, regulations and accounting standards from time to time could adversely affect the Company's future financial performance and position.</p>
Macroeconomic risks	<p>Oliver's' business is exposed to changes in general global economic conditions. For example, adverse macroeconomic conditions such as economic recessions, downturns or extended periods of uncertainty or volatility, which may influence spending by the Company's customers to defer or cancel expenditure or lead to downward pricing pressure, may affect the Company's future financial performance and operating performance, the price of the Shares and the Company's ability to pay dividends.</p> <p>The effects of macroeconomic downturn are particularly pertinent to Oliver's which charges premium pricing for quality, healthy produce. Expensive luxury foods such as this often suffer the most during economic recessions as consumers opt for cheaper alternatives.</p>
Shareholders may suffer dilution	<p>In the future, Oliver's may elect to issue Shares or engage in fundraisings including to fund acquisitions that Oliver's may decide to make. While Oliver's will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period without Shareholder approval (other than where exceptions apply), Shareholders may be diluted as a result of such issues and fundraisings.</p>

Market conditions	<p>Stock market conditions can affect the value of Oliver's' quoted securities regardless of Oliver's operating performance. Stock market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> • general economic outlook; • introduction of tax reform or other new legislation; • interest rates and inflation rates; • change in investor sentiment toward particular market sectors; • the demand for, and supply of, capital; and • terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and industrial stocks in particular. Neither the Company nor its Directors warrant the future performance of Oliver's or any return on an investment in Oliver's.</p>
Reliance on key personnel	<p>There can be no assurance that Oliver's will be able to retain key personnel. The departure of key personnel may adversely affect Oliver's until suitable replacements are recruited.</p>
Adverse taxation changes may occur	<p>There is the potential for changes to tax laws. Any change to the current tax rates imposed on Oliver's (including in foreign jurisdictions in which Oliver's may operate in the future) is likely to affect returns to Shareholders.</p> <p>An interpretation of taxation laws by the relevant tax authority that is contrary to Oliver's view of those laws may increase the amount of tax to be paid or cause changes in the carrying value of tax assets in Oliver's financial statements. In addition, any change in tax rules and tax arrangements could have an adverse effect on the level of dividend franking and Shareholder returns.</p> <p>With operations in New South Wales, Victoria and Queensland, Oliver's is potentially exposed to changes in taxation law legislation or interpretation in each of those jurisdictions.</p>
Australian Accounting Standards may change	<p>Australian Accounting Standards are set by the AASB and are outside the control of both Oliver's and its Directors. The AASB is due to introduce new or refined Australian Accounting Standards during the period to 2018, which may affect future measurement and recognition of key income statement and balance sheet items, including revenue and receivables.</p> <p>There is also a risk that interpretation of existing Australian Accounting Standards, including those relating to the measurement and recognition of key income statement and balance sheet items, including revenue and receivables, may differ. Changes to Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in Oliver's financial statements.</p>
Force majeure events may occur	<p>Events may occur within or outside Australia that could impact upon the Australian economy, Oliver's operations and the price of the Shares. The events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for Oliver's services and its ability to conduct business. Oliver's has only a limited ability to insure against some of these risks.</p>
General investment risks	<p>The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the price at which the Shares are being offered under this Prospectus. There is no assurance that the price of the Shares will increase following the quotation on the ASX, even if Oliver's earnings increase. Some of the factors which may affect the price of the Shares include:</p> <ul style="list-style-type: none"> • fluctuations in the domestic and international market for listed stocks; • general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices or changes to government fiscal, monetary or regulatory policies, legislation or regulation; • inclusion in or removal from market indices; • the nature of the markets in which Oliver's operates; and • general operational and business risks. <p>Other factors which may negatively affect investor sentiment and influence Oliver's specifically or the stock market more generally, include acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events.</p>



6. Directors, Management & Corporate Governance

6.1 Board of Directors

The Directors bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance experience.



Mark Richardson

Chairman, Non-executive, Independent Director

Mark co-founded Wolseley Private Equity in 1999. Wolseley has invested over \$400 million of equity in Australian and New Zealand companies in Food Distribution, Day Hospitals, Logistics and Transport, Printing and Communication, Travel, Business Process Outsourcing, Franchising, Infrastructure Engineering and Childcare Centers ranging from \$25 million to \$400 million in scale. Prior to Wolseley Mark spent 11 years at Bain & Company where he was a Partner responsible for client work in a variety of sectors. Mark specialises in strategy development and implementation, organisational effectiveness and CEO mentoring. He started his career working for Shell International and Esso Exploration as an offshore exploration engineer in the South Atlantic, North Sea and Holland. Mark has a BSc (Hons) in Chemical Engineering and an MBA from Stanford Graduate School of Business. He is married with two adult children and is a Member of the Australian Institute of Company Directors.



Jason Gunn

Executive Director, Founder and Chief Executive Officer

Jason successfully anticipated the health food trend within the fast food market and leads the organisation with his passion and commitment to healthy nutrient dense food and sustainable business practices. His passion has resulted in Oliver's status as the world's first certified organic fast food chain. Before launching Oliver's, Jason created the Info-Link Building Information System Australia. Info-Link was successfully franchised internationally and sold to Reed Business Information Pty Ltd in 1997.

Jason has driven the Oliver's business growth since incorporation in 2003 and has been the brand, cause champion, food development lead, service, logistics, finance and operations steward since then. As Oliver's has developed, Jason has been able to attract an experienced and dedicated group of key management to manage the company's growth. Jason is a Graduate of the Australian Institute of Company Directors.



Kathy Hatzis

Non-executive Director

Kathy is a founder of Oliver's and board member since inception in 2003, committed to the acceleration of the Oliver's nutritional movement and its positive social impact. She has 25 years experience in strategic planning, mergers and joint venture operations, brand, customer marketing, retail store merchandising and digital media from senior roles held at Optus, St.George, Westpac, ANZ, and Citibank. Until recently, she was Deputy Chair of the Australian Marketing Institute (Marketing's peak professional body). Kathy has a BCom in Economics and Marketing, is a CPM and a Graduate of the Australian Institute of Company Directors.



John Diddams

Non-executive, Independent Director

John has over 35 years of senior management experience as CFO, CEO and for the past 20 years as a professional non-executive director and has extensive knowledge and practical experience in the application of Australian Corporations Law, ASX Listing Rules, international accounting standards, and corporate governance principals. John has managed the process to raise capital and seek ASX listing for a number of diverse enterprises, including IPO's for offerings such as oil and gas interests, food and retail, biotech, the internet and medical products. More recently, John managed the IPO and ASX listing process for Australia's first indoor skydiving wind tunnel (ASX: IDZ), and is currently a Non-Executive Director of ASX listed Skydive The Beach Limited ('SKB') and Volpara Health Technologies Ltd ('VHT'). John is also a Non-Executive Director and Deputy Chair of House With No Steps, a "not for profit" organisation that supports 3,000 people in eastern Australia to make the most of their abilities. John has a B.Com from UNSW, is a Fellow of CPA Australia and a Fellow of the Australian Institute of Company Directors.



Peter Rodwell

Non-executive, Independent Director

Peter has over 40 years experience in the Restaurant category. From 2003–2015, he was McDonald's Divisional President for Australia, Asia, Pacific, Middle East and Africa, creating, growing and regenerating businesses in developing and mature markets, with specialties in pricing, product development, store management, franchising and frontline staff engagement. Most recently he has been consulting to the industry across a range of companies and operational improvement programmes.

6.2 Management



Jason Gunn

See Section 6.1 above



Alan Lee

Chief Financial Officer

Alan Lee is responsible for strategic and operational aspects of financial planning and management. He is also responsible for risk management and governance of the Company.

Alan has over 25 years experience in private equity, corporate advisory, business valuation, transaction services and financial reporting across a wide range of industries and sectors in Australasia and Asia.

He was previously CFO of Wolseley Private Equity, a mid-market private equity firm in Australia, responsible for investor relations and reporting, stakeholder management, legal and compliance, ESG as well as investments and portfolio monitoring and management. Prior to Wolseley, Alan worked in the Financial Advisory division and Assurance division of KPMG, PwC and EY in Sydney and Hong Kong.

Alan is a CPA in Australia and Hong Kong. He holds a BCom (University of Wollongong) and a Graduate Diploma in Applied Finance & Investment from FINSIA. He is a Fellow of FINSIA, a member of the AICD and a NSW Justice of the Peace.



Peter Scicluna

Chief Operating Officer

Peter Scicluna is accountable for Oliver's supply chain. He has broad experience across leadership, strategy, logistics, WHS, project management, procurement, and finance, evidenced as Chief Operating Officer of Video Ezy, Operations Director roles and a 12-year consulting business.

Under Peter's leadership, Video Ezy's franchise grew from 110 stores to 550 stores in Australia, and another 1,000 locations in 6 international markets. Peter was responsible for purchasing, operations, IT and franchise relations. Peter has also consulted to large corporates and government through his career.

Peter holds an MBA, Post Graduate Certificate of Accounting, PMBOK and PRINCE2 certifications and is currently completing a Graduate Certificate in OHS and Sustainability.



Neil Temple

Chief Technology Officer

Neil Temple is responsible for managing Oliver's technology strategy and implementation. Key to Neil's role is the development of a proprietary retail platform that services the full supply chain, including a digitised customer experience in store, efficiencies for distribution centres, kitchens, head office technology, store support and our online marketplace.

Neil has over 20 years' technology design and implementation experience in the UK and Australia, working with the Retail Food Group, BPay and Airport Retail prior to joining Oliver's Real Food.

Neil holds a BSc (1st Class Hons) in Industrial Information Technology from the University of Central England (UK) and is a Certified PRINCE2 Practitioner.



Amanda Robson

Project Director

Amanda is responsible for delivery of the Store Rollout Plan, working with 2 external fit out companies, staff recruitment and staff training resources for each store opening. Amanda is also accountable for managing existing company store performance. Amanda joined Oliver's in 2010 and has been involved in store management, company operations and store rollout since then. Before joining Oliver's, Amanda worked with McDonalds before becoming a multi-store franchisee at Wendy's and also worked as a workplace trainer and assessor, delivering the franchisor's training programme to new franchisees. Amanda also represented the NSW franchisees as their council member to roll out local charity initiatives.



Mark Patterson

Business Development and Marketing Manager

Mark leads the marketing function to drive top line growth at Oliver's. Mark is also responsible for new site analysis and lease negotiations that underpin the expansion of the network.

Since joining Oliver's in 2015, Mark has overseen the site selection model development and is key in the identification, negotiation and administration of new site agreements.

Previously, Mark was General Manager, Universal Studios and led them to market leadership in Australia, before joining Video Ezy as National Marketing Director, where he worked to deliver growth acceleration plans.



Dena Hynes

Human Resources Manager

Dena is a Human Resources generalist with over 20 years experience. As Oliver's Real Food Human Resources Manager, Dena is responsible for providing HR and Recruitment solutions and assisting the Company to build its HR infrastructure through technology, compliance and people. Dena has also consulted with growing early stage ventures and non-profit organisations and has held several HR leadership positions in Retail, Hospitality and Aged Care organisations.

Dena holds a Professional Diploma in Human Resources, Diploma of Business, qualifications in Retail and many career enhancing qualifications in Training, Culture and Leadership Development Facilitation and WH&S. Dena is a member of the Australian Human Resources Institute (AHR).



Emma Lawler

Company Secretary

Emma has 20 years experience as a company secretary and governance professional. Emma is a Senior Governance Consultant for Company Matters Pty Ltd, a company providing company secretarial and governance services, having worked with Company Matters since 2008 providing services to a range of listed companies and to the public sector. Emma's prior experience includes Company Secretary at Westpac Banking Corporation, responsible for the management of all corporate governance and company secretarial matters within the Westpac Group and managing the regulatory affairs, risk and compliance function at BT Financial Group. Emma was also Company Secretary for the former NSW State Rail Authority. Emma is a Fellow of The Governance Institute of Australia and a guest lecturer.

6.3 Benefits and Interests

6.3.1 Board and key executive management remuneration

The Board is committed to ensuring that the remuneration practices and policies adopted by Oliver's drive a culture of performance to ensure executives are rewarded for the delivery of results and the achievement of Oliver's short-term financial objectives and long-term business strategy aimed at delivering sustainable growth in enterprise value for all Shareholders.

The following outlines Oliver's remuneration framework and should enable investors to understand:

- the costs and benefits associated with Oliver's remuneration practices and policies; and
- the link between Oliver's performance and the remuneration paid to the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO)

6.3.1.1 Remuneration policy & strategic direction

Oliver's remuneration strategy and policies aim to attract and retain talented people to run and manage Oliver's and to align their interests with that of Shareholders. The Board is committed to having a remuneration strategy and policy that rewards, and retains appropriately experienced and skilled employees and executives throughout all levels of the company.

In the case of all senior employees, this will be realised by providing a fixed remuneration component together with specific 'at risk' performance based short-term incentives and, where appropriate for selected executives, long-term equity incentives subject to market competitive service and performance conditions.

In the case of Non-executive Directors, remuneration will be market competitive and will not contain performance-based components. Non-executive Directors will receive fees (and statutory superannuation entitlements) commensurate with their role. All Non-executive Directors have received a pre-IPO equity interest in Oliver's in part as compensation for the significant time commitment expended by them in the pre-IPO period and to ensure levels of compensation were awarded commensurate with their skills. Full details of these interests are set out below in the Board remuneration structure. A minimum shareholding policy guideline has been adopted to further assist in aligning Non-executive Director's interests with all Shareholders.

The Board has committed to regularly reviewing all Board and key executive management remuneration and incentive arrangements (at least biennially) to ensure they remain competitive, in line with market expectations and guidelines and remain appropriate for Oliver's as it changes and grows.

6.3.1.2 Key executive management remuneration

The Total Fixed Remuneration (TFR) of the key executive management employed at date of the IPO is as follows:

Name	Position	Base Salary	Superannuation and other benefits	Total Fixed Remuneration
Jason Gunn	CEO	\$307,700	\$32,300	\$340,000
Alan Lee	CFO	\$226,250	\$23,750	\$250,000

Superannuation is provided up to the statutory maximum allowed. Other benefits may include phone allowance, 'packaged' motor vehicle, supplementary superannuation and other items determined on total employment cost basis.

TFR will be reviewed annually and any increases approved by the Remuneration and Nomination Committee and the Board based on market movements, promotion or above average performance appraisal scores.

Mr Gunn will not receive any additional payments for performance of his role as an Executive Director on the Board.

A summary of the key elements of the CEO and CFO contracts of employment are as follows:

Position	Notice Period ¹	Restraint Period ²
CEO	6 months	6 months
CFO	3 months	3 months

¹The Company may terminate employment without payment in lieu of notice in circumstances involving serious or wilful misconduct.

²Enforceability of such restraint is subject to all usual legal requirements.

In addition to TFR, each of the executive and management team are entitled to additional Short Term Incentives (STI) and Long Term Incentives (LTI), as outlined below, subject to achieving pre-determined milestones.

6.3.1.3 Short term incentive (STI) arrangements

Oliver's short-term incentive scheme is designed to reward employees and executives for performance against a pre-determined scorecard of measures linked to Oliver's short-term business performance for the relevant 12 month performance period (individual and team performance are also considered for selected roles).

The specific performance measures may vary from year to year depending on Oliver's evolving business and financial objectives. The measures are selected on the basis that they will lead to improved and sustainable financial performance and shareholder returns.

6.3.1.4 Long term incentive (LTI) arrangements

Oliver's will consider offers under LTI to selected executives on an annual basis that will be designed to provide both retention and incentive impact if the executive remains employed with Oliver's for a minimum term and Oliver's meets performance vesting conditions set.

An initial grant of LTI made prior to the IPO was awarded as Options under the Oliver's Employee Incentive Plan ("OEIP"). These Options will now be subject to the OEIP rules and other regulatory requirements, including the ASX Listing Rules.

Twenty senior executives (including the CEO and CFO) have received a pre-IPO grant of 3,700,000 Options in total. The accounting cost of the share based payment expense for these Options under AASB 2 was independently assessed as \$254,190 and will be expensed over the life of the Options.

A summary of the terms of Oliver's Employee Incentive Plan is set out in Section 10.6.

6.3.2 Director benefits

6.3.2.1 Non-executive Director remuneration

Under the Constitution, the Board may decide the remuneration from Oliver's to which each non-executive Director is entitled for their services as a Director. However, the total amount of fees paid to all Non-

executive Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Oliver's in general meeting. This amount has been fixed at \$500,000 per annum.

For its initial year post Listing, the annual base Non-executive Director fees currently agreed to be paid by Oliver's is \$120,000 to the Chairperson (including all committee fees), \$60,000 for each other non-executive Director and an additional \$20,000 to the respective chairs and \$10,000 for other members of the Audit and Risk Committee and the Remuneration and Nomination Committee. These amounts comprise fees to be paid in cash and are inclusive of any superannuation payments required to be made. In addition to ongoing Director's fees, Mr Diddams is entitled to a payment of \$50,000 for his advisory services in connection with the Offer, including chairing the Due Diligence Committee established for the Offer.

Non-Executive Director Options

Each Non-Executive Director has been offered and has accepted 'pre-IPO' Options subject to Oliver's listing on ASX before 31 December 2017 and subject to the Director remaining employed as a Non-Executive Director for the predetermined service period following the IPO.

Details of the pre-IPO Options granted are as follows:

Name	Position	Number of Options	Exercise Price	Estimated Cost ¹	Conditions and Expiry
Mark Richardson	Chairman	750,000	\$0.30	\$51,525	Service Only. (1/2 vesting on IPO; and 1/2 vesting at IPO + 24 months) All Options expire on 21 April 2021.
Kathy Hatzis	Non-executive Director	500,000	\$0.30	\$34,350	
John Diddams	Non-executive Director	500,000	\$0.30	\$34,350	
Peter Rodwell	Non-executive Director	500,000	\$0.30	\$34,350	

¹ AASB 2 (Accounting for Share based payment expense) was independently assessed as above and will be expensed over the life of the Options.

In addition, in consideration for Mr Diddams' role as adviser to Oliver's in the period from 11 August 2016, an entity associated with Mr Diddams received a grant of Options subject to a number of pre-conditions, including that Oliver's list on ASX on or before 30 September 2017, and that Mr Diddams remain a Director of Oliver's (or any of its subsidiaries) on the Option vesting dates.

Details of these Options is as follows:

Holder	Number of Options	Exercise Price	Estimated Cost ¹	Conditions
Whitfield Investments Pty Limited (a.t.f. the John F Diddams Family Trust)	3,000,000	\$0.0133	\$44,500	Service Only. (62.5% vesting on IPO; 18.75% vesting at IPO + 12 months and 18.75% vesting at IPO + 24 months.)

¹ AASB 2 (Accounting for Share based payment expense) was independently assessed at \$0.0728 per Option. Whitfield Investments Pty Ltd paid Oliver's \$0.0583 per Option as consideration. Accordingly, the net cost of these Options to Oliver's was assessed to be only \$0.0152 per Option.

Any future equity interests provided to Directors will only be considered subject to Shareholder approval in accordance with the ASX Listing Rules.

Minimum shareholding guidelines for Directors

The Board has adopted Minimum Shareholding Guidelines. It is expected that all Directors will hold a minimum shareholding equal to one (1) year's annual remuneration. Kathy Hatzis is an existing substantial Shareholder and therefore complies.

Each of the following Non-Executive Directors, or companies associated with each Non-Executive Director, have acquired Shares before the IPO at the Offer Price and are therefore compliant with the guidelines:

Name	Position	Number of Shares	Price	Cost
Mark Richardson	Chairman	1,233,333	\$0.30	\$370,000
John Diddams	Non-executive Director	400,000	\$0.30	\$120,000
Peter Rodwell	Non-executive Director	400,000	\$0.30	\$120,000

6.3.2.2 Deeds of access, indemnity and insurance

Oliver's has entered into deeds of access, indemnity and insurance with each Director that contains the rights of access to certain books and records of Oliver's on certain conditions for a period of seven years after the Director ceases to hold office. This seven year period can be extended where a claim arises within the seven year period.

Pursuant to the Constitution, Oliver's may indemnify Directors and officers, past and present, against liabilities that arise from their position as a Director or officer allowed under law. Under each deed of access, indemnity and insurance, Oliver's indemnifies the Directors to the maximum extent permitted by law against any liability incurred, including liability arising from negligence, breach of statutory duty or for any other reason, and reasonable legal costs on a solicitor/client basis in connection with any claim (on an after tax basis) that is due and payable by the Director, in connection with any alleged or actual act, omission or other conduct (including any misleading statement, misstatement, mistake, neglect or breach of duty) by the Director as a director of Oliver's.

This indemnity is subject to certain limitations:

- it only applies to the extent Oliver's is not precluded by law from indemnifying the Director;
- it does not apply to any liability connected with fraudulent, criminal or dishonest conduct, or a reckless or intentional breach of the Directors' duties as a director of Oliver's; and
- it will only apply to the extent approval of the members of Oliver's is not needed under any applicable legislation unless that approval has been obtained.

If the Director incurs legal costs in circumstances where, depending on the outcome of a claim, the Company may be obliged to indemnify the Director for those legal costs, the Company must on request of the Director providing documentary evidence of those legal costs, lend to the Director an amount equal to those legal costs. The loan is ultimately repayable by the Director on conclusion of the claim, and may be set-off against any indemnity payment due by the Company to the Director.

Pursuant to the Constitution, Oliver's may arrange and maintain directors' and officers' insurance for its Directors to the extent permitted by law. Under the deed of access, indemnity and insurance, Oliver's must obtain such insurance during each Director's period of office and for a period of seven years after a Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven year period expires.

6.3.3 Other agreements with Directors or related parties

The Company's policy in respect of related party arrangements is:

- a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

Other than the arrangements set out above the following arrangements or agreements are in place with related parties of the Company as at the Prospectus Date:

6.3.3.1 Loan agreement with Gunn-Arr Investments Pty Ltd

The Company's wholly-owned subsidiary, Gundagai Properties Pty Limited has entered into a loan agreement with Gunn-Arr Investments Pty Ltd, a company controlled by Jason Gunn, the CEO and an Executive Director of the Company. The principal amount drawn down under the loan is \$320,000 and interest is accruing on the loan at 20% per annum. The amount outstanding on the loan as at the Prospectus Date is \$382,470. The loan was used to allow Gundagai Properties Pty Limited to acquire the land on which the Gundagai store is located. The loan is to be repaid on 14 March 2018, unless varied by agreement between the parties. The loan may be repaid early at any time without penalty. Subject to the amount raised under the Offer, part of the proceeds may be used to extinguish this loan amount.

6.3.3.2 IP Assignment Deed

The Company has entered into an IP Assignment Deed with Taonga Nui Holdings NZ Limited, (**Taonga Nui**) a company associated with Jason Gunn and Kathy Hatzis, and of which they are both directors. The IP Assignment Deed assigns to the Company all registered and unregistered intellectual property rights to the Oliver's business owned by Taonga Nui. The relevant material terms of the IP Assignment Deed are summarised in Section 9.

6.3.4 Other information

Directors may be paid for travel and other expenses incurred in attending to Oliver's affairs. This includes attending and returning from Board or committee meetings and general meetings. Any Director who devotes special attention to the business of Oliver's or who performs services which, in the opinion of the Board, are outside the scope of ordinary duties of a Director, may be remunerated for the services (as determined by the Board) out of Oliver's funds.

There are no retirement benefit schemes for Directors other than statutory superannuation contributions.

6.3.5 Directors' interests in Shares

The Directors' interests in Shares are set out below:

Director	Shares before the Offer	Shareholding %	Post-IPO % Minimum Subscription	Post-IPO % Maximum Subscription
Jason Gunn	43,387,500	37.5%	29.8%	26.2%
Kathy Hatzis	23,362,500	20.2%	16.0%	14.1%
Mark Richardson	1,233,333	1.1%	0.9%	0.7%
John Diddams	400,000	0.4%	0.3%	0.2%
Peter Rodwell	400,000	0.4%	0.3%	0.2%
	68,783,333	59.6%	47.3%	41.4%

¹Assumes each of the Minimum Subscription scenario and Maximum Subscription scenario and that no existing Director or other connected person subscribes for additional Shares under the Offer.

²Shares may be held by Directors through entities associated with or controlled by the Director.

6.3.6 Interests of Directors, Advisers and Promoters

Section 6.3.6 outlines the nature and extent of the interests and fees of certain persons involved in the Offer.

Other than as set out in this Prospectus:

- no amount has been paid or agreed to be paid and no benefit has been given or agreed to be given to a Director, or proposed Director to induce them to become, or to qualify as, a Director;
- none of the following persons:
 - a Director or proposed Director;
 - each person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus;
 - a promoter of Oliver's; or
 - an underwriter to the issuer of the Shares,

holds or held at any time during the last two years an interest in:

- the formation or promotion of Oliver's; or
- property acquired or proposed to be acquired by Oliver's in connection with its formation or promotion or the Offer; or
- the Offer, or

was paid or given or agreed to be paid or given any amount or benefit for services provided by such persons in connection with the formation or promotion of Oliver's or the Offer.

6.3.7 Interests of advisers

Oliver's has engaged these service providers in relation to the Offer and paid, or agreed to pay, approximately the amounts shown below:

Service Provider	Role	Fees
Veritas Securities Limited	Lead Manager	Described in Section 9.1
Norton Rose Fulbright Australia	Australian Legal Adviser	\$300,000
RSM	Investigating Accountant	\$190,000
RSM Tax	Tax Adviser	\$100,000
Crichton Associates	Remuneration expert	\$50,000

Unless stated otherwise, all amounts exclude disbursements and GST and all payments have been paid or are payable in cash. The amounts payable to Norton Rose Fulbright Australia excludes fees payable for work not directly connected with the Offer, such as employment arrangements and preparatory and structuring work for the IPO.

Further amounts may be paid to Oliver's service providers in accordance with their normal time-based charges.

These amounts, and other expenses of the Offer, will be paid by Oliver's out of funds raised under the Offer or available cash. The total costs of the Offer (excluding GST) are estimated to be approximately \$1.26m to \$1.5m depending on whether the Minimum Subscription or Maximum Subscription scenario arises. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 7.

6.4 Corporate Governance

This Section 6.4 explains the main corporate governance policies and practices adopted by Oliver's. Details of Oliver's key policies and practices and the charters for the Board and each of its Committees are available at www.oliversrealfood.com.au/investors.

The Board plays a key role in overseeing the policies, performance and strategies of Oliver's. It is accountable to Oliver's members as a whole and must act in the best interests of Oliver's. The Board monitors the operational and financial position and performance of Oliver's and oversees its business strategy, including approving the strategic objectives, plans and budgets of Oliver's. The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of Oliver's. In conducting Oliver's business with these objectives, the Board seeks to ensure that Oliver's is properly managed to protect and enhance Shareholder interests and that Oliver's its Directors, officers and personnel operate in an appropriate environment of corporate governance.

The Board has created a framework for managing Oliver's including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for Oliver's business and which are designed to promote the responsible management and conduct of Oliver's. The Board sets the cultural and ethical tone for Oliver's.

The main policies and practices adopted by Oliver's are summarised below.

Each of the charters and policies referred to in this Section 6.4 will be made available on Oliver's website at www.oliversrealfood.com.au/investors.

6.4.1 ASX Corporate Governance Principles and Recommendations

The ASX Corporate Governance Council has developed and released its Corporate Governance Principles and Recommendations 3rd Edition (**ASX Recommendations**) for ASX listed entities in order to promote investor confidence and to assist listed entities in meeting stakeholder expectations. The ASX Recommendations are not prescriptions, but guidelines, designed to produce an outcome that is effective and of high quality and integrity. However, under the ASX Listing Rules, Oliver's will be required to provide a statement in its annual report, or the URL of the page on its website where the

statement is located, disclosing the extent to which it has followed the ASX Recommendations during each reporting period. Where Oliver's does not follow an ASX Recommendation, it must identify the recommendation that has not been followed and give reasons for not following it.

The Board does not anticipate that it will depart from the ASX Recommendations, however it may do so in the future if it considers such a departure would be reasonable.

6.4.2 The Board's View on Independence

The Board considers a Director to be independent where he or she is not a member of management and is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted materiality guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board.

The Board considers that Mark Richardson, John Diddams and Peter Rodwell are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the exercise of the Director's unfettered and independent judgement and is able to fulfil the role of independent Director for the purposes of the ASX Recommendations.

Jason Gunn and Kathy Hatzis are currently considered by the Board not to be independent by virtue of their substantial shareholding in the Company. Further, Jason Gunn is currently the CEO of Oliver's.

6.4.3 Board Charter

The Board has adopted a written charter to provide a framework for effective operation of the Board, which sets out:

- the Board's composition and processes;
- the Board's role and responsibilities;
- the relationship and interaction between the Board and management; and
- the authority delegated by the Board to management and Board committees.

The Board's role is to:

- represent and serve the interests of Shareholders by overseeing and appraising Oliver's strategies, policies and performance. This includes overseeing the financial and human resources Oliver's has in place to meet its objectives and reviewing Management performance;
- protect and optimise Oliver's performance and build sustainable value for Shareholders in accordance with any duties and obligations imposed on the Board by law and the Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- set, review and ensure compliance with Oliver's values and governance framework (including establishing and observing high ethical standards); and
- ensure that Shareholders are kept informed of Oliver's performance and major developments affecting its state of affairs.

Matters which are specifically reserved to the Board or its Committees include:

- appointment of the Chairperson of the Board;
- appointment and removal of the CEO;
- appointment of Directors to fill a vacancy or as an additional Director;
- establishment of Board committees, their membership and their delegated authorities;
- review of corporate codes of conduct;
- calling meetings of Shareholders; and
- any other specific matters nominated by the Board from time to time.

The management function is conducted by, or under the supervision of, the CEO, as directed by the Board. Management must supply the Board information in a form, timeframe and quality that will enable the Board to discharge its duties effectively.

Directors are entitled to request additional information at any time they consider appropriate. The Board collectively, and individual Directors, may seek independent professional advice at Oliver's expense, subject to the approval of the Chairperson and the advice being made available to the Board as a whole.

6.4.4 Board Committees

The Board may from time to time establish committees to assist in the discharge of its responsibilities. The Board has established the following Committees:

- Audit and Risk Committee; and
- Remuneration and Nomination Committee.

6.4.4.1 Audit and Risk Committee

The Audit and Risk Committee will assist the Board in fulfilling its accounting, auditing, financial reporting and risk management responsibilities, including to:

- oversee Oliver's relationship with the external auditor and the external audit function generally;
- oversee the preparation of the financial statements and reports;
- oversee Oliver's financial controls and systems; and
- manage the process of identification and management of financial risk.

The Committee's charter provides for the Committee to oversee the internal programs to evaluate risk management and internal control processes for managing risk and to review whether the appointment of an internal auditor is recommended.

The Committee's charter provides that the Committee must comprise only Non-executive Directors, a majority of independent Directors, and a minimum of three Directors.

From Listing, the Audit and Risk Committee will comprise:

- John Diddams (Chair);
- Mark Richardson; and
- Kathy Hatzis

Non-committee members, including members of management and the external auditor, may attend meetings of the Audit and Risk Committee by invitation of the Committee chair.

6.4.4.2 Remuneration and Nomination Committee

The Remuneration and Nomination Committee will assist the Board with fulfilling its responsibilities to Shareholders and other stakeholders to ensure that Oliver's:

- has coherent and appropriate remuneration policies and practices which enable Oliver's to attract and retain Directors and executives who will create value for Shareholders;
- fairly and responsibly remunerates Directors and executives having regard to Oliver's performance, the performance of the executives and the general market environment;
- has policies to evaluate the performance and composition of the Board, individual Directors and executives on (at least) an annual basis with a view to ensuring that Oliver's has a Board of effective composition, size and diversity, expertise and commitment to adequately discharge its responsibilities and duties;
- has adequate succession plans in place (including for the recruitment or appointment of Directors and Management); and
- has policies and procedures that are effective to attract, motivate and retain appropriately skilled and diverse people that meet Oliver's needs and that are consistent with Oliver's strategic goals and human resource objectives.

The Committee's charter provides that the Remuneration and Nomination Committee must comprise only Non-executive Directors, a majority of independent Directors, and a minimum of three Directors.

From Listing, the Remuneration and Nomination Committee will comprise:

- Mark Richardson (Chair);
- Kathy Hatzis; and
- John Diddams.

Non-committee members, including members of management and the external auditor, may attend meetings of the Remuneration and Nomination Committee by invitation of the Committee chair.

6.4.5 Corporate Governance Policies

The Board has adopted the following corporate governance policies (to take effect upon commencement of trading on the ASX), each having been prepared having regard to the ASX Recommendations.

6.4.5.1 Securities Trading Policy

Oliver's has adopted a Securities Trading Policy which is intended to explain the types of dealings in securities that are prohibited under the Corporations Act and establish a best practice procedure for the buying and selling of securities that protects Oliver's and its Directors and employees against the misuse of unpublished information which could materially affect the value of securities. The policy applies to all Directors, officers, senior executives and employees of Oliver's and its related bodies corporate and their connected persons (**Relevant Persons**).

The policy provides that Relevant Persons must not deal in Oliver's securities:

- when they are in possession of price-sensitive or 'inside' information or Oliver's is in possession of price-sensitive or 'inside' information and has notified them they must not deal in Oliver's securities;
- on a short-term trading basis (which excludes exercising rights under an equity plan and electing to immediately sell those Shares issued on exercise of the rights); or
- during closed periods, being between 1 January and one business day after the announcement by the Company of its half year results and between 1 July and one business day after its announcement by the Company of its annual results (except in exceptional circumstances).

Otherwise, trading by Relevant Persons will only be permitted in trading windows (subject to advance notification) or in all other periods by:

- Directors (including the CEO) with prior written approval from the Chairperson; and
- the Chairperson with prior written approval from the chair of the Audit and Risk Committee.

6.4.5.2 Continuous Disclosure Policy

Oliver's places a high priority on communication with Shareholders and is aware of the obligations it will have, once listed, under the Corporations Act and the ASX Listing Rules, to keep the market fully informed of any information Oliver's becomes aware of concerning itself that a reasonable person would expect to have a material effect on the price or value of Shares.

Oliver's has adopted a Continuous Disclosure Policy which establishes procedures to ensure that Directors and employees are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information.

6.4.5.3 Code of Conduct

Oliver's is committed to a high level of integrity and ethical standards in all business practices. The Board has adopted a formal Code of Conduct which outlines how Oliver's expects its representatives to behave and conduct business in the workplace and includes legal compliance and guidelines on appropriate ethical standards. All Oliver's employees (including temporary employees, contractors and Directors) must comply with the Code of Conduct.

The Code is designed to:

- provide a benchmark for professional behaviour throughout Oliver's;
- support Oliver's business reputation and corporate image within the community; and
- make Directors and employees aware of the consequences if they breach the policy.

6.4.5.4 Risk Management Policy

The identification and proper management of the Oliver's risks are an important priority of the Board. The Board has adopted a risk management policy appropriate for its business. This policy highlights the risks relevant to the Oliver's operations and Oliver's commitment to designing and implementing systems and methods appropriate to minimise and control its risks.

The Board is responsible for risk management and for setting the organisation's risk appetite. However, strategic oversight of the organisation's approach to risk management is vested in the Audit and Risk Committee, which must report to the Board at least annually on the adequacy of the Risk Management Policy.

The Audit and Risk Committee is responsible for overseeing and approving risk management strategy and policies, monitoring risk management, and establishing procedures which seek to provide assurance that major business risks are identified, consistently assessed and appropriately addressed.

The Audit and Risk Committee will regularly undertake reviews of its risk management procedures to ensure that it complies with its legal obligations.

The Company has in place a system whereby management is required to report as to its adherence to policies and guidelines approved by the Audit and Risk Committee for the management of risks.

6.4.5.5 Shareholder Communications Policy

Oliver's aim is to ensure that Shareholders are kept informed of all major developments affecting Oliver's. In addition to Oliver's continuous disclosure obligations, Oliver's recognises that potential investors and other interested stakeholders may wish to obtain information about Oliver's from time to time and Oliver's will communicate this information regularly to Shareholders and other stakeholders through a range of forums and publications.

All ASX announcements made to the market, including annual and half year financial results, will be posted on Oliver's website at www.oliversrealfood.com.au/investors as soon they have been released by the ASX. The full text of all notices of meetings and explanatory material, Oliver's annual report and copies of all media releases made by Oliver's and copies of all investor presentations made to analysts and media briefings will be posted on Oliver's website. The website will also contain a facility for the Shareholders to direct queries to Oliver's and to elect to receive communications from Oliver's via email.

6.4.5.6 Diversity Policy

The Board has formally approved a Diversity Policy in order to address the representation of women in management and on the Board, and to actively facilitate a more diverse and representative management and leadership structure.

The Board will include in the annual report each year a summary of Oliver's progress towards achieving the measurable objectives set under the Diversity Policy for the year to which the annual report relates and details of the measurable objectives set under the diversity policy for the subsequent financial year.

A woman with long brown hair, wearing a light pink shirt, is smiling and looking towards the left. She is seated at a wooden table. In front of her is a clear plastic container filled with a salad of green beans, chickpeas, and shredded green cabbage. She is holding a white plastic fork. To her left, another person's hand is visible, holding a sandwich wrapped in a clear plastic bag. The sandwich is filled with chicken, lettuce, and other ingredients. On the table, there are two green and white containers of Oliver's Real Food products. One is a tub of 'Organic Sea Salt - The King of the Hill' and the other is a cup of coffee with the Oliver's logo. In the background, there are other people and a green banner with the Oliver's logo. The scene is set in a well-lit indoor space, likely a trade show or exhibition.

7. Details of the Offer

7.1 What is the Offer?

The Offer is made on the terms set out in this Prospectus.

Key terms of the Offer are set out in the Key Offer Information section on page 5. These terms are operative and are summarised as follows:

- The Company is offering New Shares to raise a minimum of \$9 million and up to a maximum of \$15 million.
- The Offer is open to investors who have a registered address in Australia and in certain other eligible jurisdictions agreed between the Company and the Lead Manager.
- Applicants under the Offer will be required to pay \$0.30 per New Share for each New Share they apply for.

The Offer will open and is expected to close as set out in the Key Offer Information section. Without notice, Oliver's and the Lead Manager may close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications either generally or in particular cases. **Applicants are therefore encouraged to submit their Applications as early as possible.**

7.2 The Offer

The Offer comprises:

- the **Public Offer** – open to all investors including Oliver's customers who have pre-registered to receive a copy of the Prospectus (see Section 7.12.1);
- the **Broker Firm Offer** – open to clients of Brokers who have received a firm allocation from their Broker (see Section 7.12.2);
- the **Institutional Offer** – an invitation to bid for New Shares made to Institutional Investors (see Section 7.12.3); and
- the **Employee Offer** – open to Eligible Employees (see Section 7.13).

7.3 The Offer is not underwritten

The Offer is not underwritten.

7.4 Minimum and Maximum Subscription

The Offer is conditional on the Company raising a minimum amount of \$9 million. If the Minimum Subscription is not obtained within 4 months after the Prospectus Date (or any longer period permitted by law), the Company will repay all Application Monies in full without interest as soon as practicable.

The Company will raise a maximum of \$15 million under the Offer. The Company will not accept any over-subscriptions. Any investors who miss out on an allocation of New Shares in the Offer will be able to purchase Shares on ASX following the Company's Admission to the Official List.

7.5 Purpose of the Offer

The purpose of the Offer is to:

- provide funding for future growth, namely the store roll out plans;
- retain and attract talent – employees participate in equity for future growth;
- provide access to capital markets and achieve a listing on ASX to broaden the Shareholder base;
- to retire debt and fund capital expenditure as required; and
- provide working capital for the Company.

7.6 Use of funds

\$'000	Minimum Subscription	Maximum Subscription
Cash proceeds received for New Shares issued under the Offer (before costs)	9,000	15,000
Total sources	9,000	15,000
Uses		
New NSW Kitchen	700	700
New stores – fitouts & capex	3,388	3,388
Buy back of two existing franchise businesses	2,800	2,800
Repayment of borrowings	-	3,484
Payment of Offer expenses	1,264	1,480
Additional working capital	848	3,148
Total uses	9,000	15,000

7.7 Proforma capital structure

Oliver's proforma capital structure at Completion will be:

	Minimum Subscription	Maximum Subscription
Current issued capital before the Offer	115,796,664	115,796,664
New Shares issued under the Offer	30,000,000	50,000,000
Total Shares after the Offer*	145,796,664	165,796,664

**In addition, subject to the Lead Manager raising at least \$7 million under the Offer, Oliver's will have 10,950,000 Options on issue. If the Lead Manager does not raise \$7 million, then only 8,950,000 Options will be on issue. The above capital structure assumes no Options are exercised before Completion and it does not include any bonus Shares to be issued by the Company under the Employee Offer.*

7.8 Control implications of the Offer

An entity controlled by Jason Gunn, the CEO of the Company, will hold approximately 30% of the issued capital if the Minimum Subscription is raised and approximately 26% of the issued capital if the Maximum Subscription is raised. However such a shareholding is not in itself sufficient to pass ordinary resolutions of the Company and Mr Gunn will only be one Director out of five on the Board. Accordingly, the Directors do not expect any individual Shareholder to control Oliver's on Completion of the Offer.

7.9 Potential effect of the fundraising on the future of Oliver's

The Directors believe that, on Completion of the Offer, Oliver's will have sufficient funds available from the cash proceeds of the Offer to fulfil the purposes of the Offer and enough working capital to carry out Oliver's stated business objectives under both the Minimum Subscription scenario and the Maximum Subscription scenario.

7.10 Who is eligible to participate in the Offer?

The Offer is open to investors who have a registered address in Australia and in certain other eligible jurisdictions agreed between the Lead Manager and the Company. The Company reserves the right in its absolute discretion to issue no New Shares to Applicants under the Offer. All Applicants under the Public Offer must have an eligible residential address in Australia.

7.11 What is the minimum and maximum application amount under the Offer?

Applications under the Public Offer, Broker Firm Offer and Institutional Offer must be for a minimum of

10,000 New Shares (i.e. \$3,000). Applications in excess of the minimum number of Shares must be in multiples of 1,000 New Shares (i.e. \$300).

Applications under the Employee Offer must be for 2,000 New Shares (i.e. \$600). The amount subscribed by the Eligible Employee will be matched by an equivalent number of New Shares at no cost to the Eligible Employee. Eligible Employees may subscribe for further New Shares under the Public Offer at their discretion.

There is no maximum amount that may be applied for under the Offer. The Company reserves the right to aggregate any Applications under the Offer which it believes may be multiple Applications from the same person.

The Company, reserves the right to reject any Application or to allocate a lesser number of Shares than that which is applied for.

7.12 How do I apply under the Offer?

Applications for New Shares under the Offer (excluding the Employee Offer) must be made either:

- through the Public Offer;
- through the Broker Firm Offer; or
- through an Institutional Offer.

7.12.1 Applications under the Public Offer

In order to apply for New Shares under the Public Offer, please complete the Application Form that is included in or accompanies this Prospectus (or a printed copy of the Application Form attached to the electronic version of the Prospectus) or apply online at www.boardroomlimited.com.au/Olivers or www.oliversrealfood.com.au/investors. Application Forms must be completed in accordance with the accompanying instructions.

All Oliver's customers who pre-registered will have received an email advising them of the availability of the Prospectus and have to apply for New Shares under the Public Offer. They should complete the green Public Offer Application Form and follow instructions for the Applications under the Public Offer.

For printed Applications, once completed, please lodge your Application Form and Application Monies so that it is received at the address of the Registry set out below by the Closing Date.

Postal address:

Boardroom Pty Limited
GPO Box 3933
Sydney NSW 2001

Delivery address:

Boardroom Pty Limited
Level 12, Grosvenor Place
225 George St, Sydney

How to complete and attach your cheque for the Application Monies

Application Monies may be provided by BPAY® (see below), cheque(s) or bank draft(s).

Your Application Monies must be for New Shares in Australian dollars.

Please choose only one of the following payment methods on the Application Form:

- ***Paying your Application Monies by Cheque(s) or bank draft(s):***
 1. In Australian currency;
 2. Drawn on an Australian branch of a financial institution;
 3. Not post-dated as cheques will be banked on the day of receipt
 4. Crossed 'Not Negotiable'; and made payable to 'Oliver's Real Food Limited'.

Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s) or bank draft(s). If the amount of your cheque(s) or bank draft(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

- ***Paying your Application Monies by BPAY®***

Investors may apply for New Shares via the Application Form included in or accompanying this Prospectus or online and pay their Application Monies by BPAY®. Investors wishing to pay by BPAY® should complete the online Application Form accompanying the electronic version of this Prospectus which is available at www.oliversrealfood.com.au/investors or www.boardroomlimited.com.au/Olivers and follow the instructions on the online Application Form which includes the Biller Code and your unique Customer Reference Number (CRN).

Any Applicants applying online must personally complete the online Application Form and pay the Application Monies. Application Forms completed online must not be completed by third parties, including authorised third parties (e.g. the Applicant's Broker).

You should be aware that you will only be able to make a payment via BPAY® if you are the holder of an account with an Australian financial institution which supports BPAY® transactions.

When completing your BPAY® payment, please make sure you use the specific Biller Code and your unique CRN provided on the online Application Form. If you do not use the correct CRN, your Application will not be recognised as valid.

It is your responsibility to ensure that payments are received by 5.00pm (Sydney time) on the Closing Date.

Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY®, and policies with respect to processing BPAY® transactions may vary between banks, credit unions or building societies.

The Company accepts no responsibility for any failure to receive Application Monies or payments by BPAY® before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

- ***Allocation Policy***

For Applicants in the Public Offer, the Company and the Lead Manager has absolute discretion regarding the allocation of New Shares and may reject an Application, or allocate fewer New Shares than applied for, in their absolute discretion.

Applicants under the Public Offer are advised that New Shares will generally be allocated on a "first come, first served" basis, and Applications may be scaled back, depending on demand.

7.12.2 Applications under the Broker Firm Offer

- ***Who can apply?***

The Broker Firm Offer is open to persons who receive a firm allocation of New Shares from their Broker. If you receive a firm allocation of New Shares from your Broker, you will be treated as a Broker Firm Offer Applicant in respect of that allocation.

- ***How to apply***

The Broker Firm Offer is open to Australian resident retail investors who have received a firm allocation from their Broker and who have a registered address in Australia. If you have been offered a firm allocation by a Broker, you will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. You should contact your Broker to determine whether they may allocate New Shares to you under the Broker Firm Offer.

If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Application Form with the Broker from whom you received your firm allocation. Application Forms for the Broker Firm Offer must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

- ***Allocation Policy***

The allocation of New Shares will be determined by the Company in consultation with the Lead Manager. New Shares that have been allocated to Brokers for allocation to their clients will be issued to the Applicants who have received a valid allocation of New Shares from those Brokers.

It will be a matter for the Brokers how they allocate New Shares among their clients, and they (and not the Company nor the Lead Manager) will be responsible for ensuring that clients have received an allocation from them, receive the relevant New Shares.

The Company, the Registry and the Lead Manager take no responsibility for any acts or omissions

by your Broker in connection with your Application, Application Form and Application Amount (including, without limitation, failure to submit Application Forms in accordance with the deadlines set by your Broker).

- ***How to pay your application monies by DvP***

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions from their Broker. Delivery versus Payment (DvP) settlement is available for Applicants under the Broker Firm Offer.

7.12.3 Institutional Offer

The Institutional Offer consists of an invitation to certain Institutional Investors in Australia and a number of other eligible jurisdictions to apply for New Shares. The Lead Manager has advised Institutional Investors of the application procedures for the Institutional Offer.

- ***Allocation Policy***

The allocation of New Shares between the Institutional Offer, the Broker Firm Offer and the Public Offer will be determined by the Lead Manager in consultation with the Company. The Lead Manager in consultation with the Company has absolute discretion regarding the basis of allocation of New Shares among Institutional Investors.

Participants in the Institutional Offer will be advised of their allocation of New Shares, if any, by the Lead Manager. The allocation policy will be influenced by the following factors:

- Number of New Shares bid for by particular Applicants;
- The timeliness of the bid by particular Applicants;
- The Company's desire for an informed and active trading market following Listing;
- The Company's desire to establish a wide spread of institutional Shareholders;
- Overall level of demand under the Broker Firm Offer, Institutional Offer, and Public Offer;
- The size and type of funds under management of particular Applicants;
- The likelihood that particular Applicants will be long-term Shareholders; and
- Any other factors that the Company and the Lead Manager considered appropriate.

- ***How to pay your application monies by DvP***

Applicants under the Institutional Offer must pay their Application Monies in accordance with instructions from the Lead Manager. Delivery versus Payment (DvP) settlement is available for Applicants under the Institutional Offer.

7.13 Employee Offer

Under the Employee Offer, Eligible Employees will be offered the opportunity to acquire \$600 worth of New Shares which will be matched by an additional \$600 worth of New Shares from the Company at no cost to the Eligible Employee.

For the purposes of AASB2, the Directors have estimated that approximately two thirds of Oliver's employees will avail themselves of the Employee Offer and have included an expense of \$100,000 as the estimated cost of the share based payment under AASB2 in the FY2017 forecast, and also the normalisation adjustment.

Eligible Employees will be sent a personal invitation to participate in the Employee Offer and will be asked to complete and return a separate Employee Offer Application Form. Instructions on how to complete the Employee Offer Application Form and payment of Application Monies will be advised as part of the invitation.

7.14 What are the fees, costs and timing for Applications?

- ***When does the Offer open?***

The Offer is expected to open for Applications on 22 May 2017.

- ***What is the deadline to submit an Application under the Offer?***

It is your responsibility to ensure that your Application Form and Application Monies are received by the Registry before 5.00pm (Sydney time) on the Closing Date for the Offer which is 2 June 2017.

The Company and the Registry take no responsibility in respect of an Application Form or Application Monies which are delivered to your Broker in connection with your Application until such time as your Application Form and Application Monies are received by the Registry.

- *Is there any brokerage, commission or stamp duty payable by Applicants?*

No stamp duty is payable by Applicants on the acquisition of New Shares under the Offer.

7.15 Confirmation of your Application and trading on ASX

- *When will I receive confirmation whether my Application has been successful?*

The Applicants under the Offer will be able to call the Oliver's Offer information line on 1300 737 760 (toll free within Australia), or +61 9290 9600 (outside Australia) from 8.30am until 5.30pm (Sydney time) Monday to Friday, from 8 June 2017 to confirm their allocation.

Holding statements confirming Applicant's allocations under the Offer are expected to be sent to successful Applicants on or around 8 June 2017.

- *When will I receive my New Shares and when can I trade my securities?*

Subject to ASX granting approval for the Company to be admitted to the Official List, the Company will issue the New Shares to successful Applicants as soon as practicable after the Closing Date. Allotment is expected to occur on 8 June 2017.

Trading of the New Shares on ASX is expected to commence on 14 June 2017 on a normal T + 2 settlement basis.

If you sell your Shares before receiving an initial holding statement, you do so at your own risk, even if you have obtained details of your holding from your Broker or the Company's Offer Information Line. Oliver's, the Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise if you sell Shares before receiving a holding statement, even if you obtained details of your holding through the Lead Manager or your Broker.

- *Who do I contact if I have further queries?*

If you have queries about investing under the Offer, you should contact your accountant, financial advisor, stockbroker, lawyer or other professional adviser.

If you have queries about how to apply under the Offer or would like additional copies of this Prospectus, please call the Company Offer information line on 1300 737 760 (toll free within Australia), or +61 9290 9600 (outside Australia) from 8.30am until 5.30pm (Sydney time) Monday to Friday (business days only).

7.16 Nature of Applications and requirements

Applications must comply with this Prospectus and the instructions on the Application Form. An Application is an offer by the Applicant to Oliver's to apply for all or any of the amount of New Shares specified in the Application Form, at the Offer Price on the terms set out in this Prospectus. To the extent permitted by law, an Application is irrevocable. Acceptance of an Application will give rise to a binding contract on allocation of New Shares to successful Applicants.

7.17 Powers of the Company in relation to Applications

There is no assurance that any Applicant will be allocated any New Shares, or the number of New Shares for which the Applicant has applied. Oliver's may in its absolute discretion, without notice to any Applicant and without giving any reason:

- withdraw the Offer at any time before the issue or transfer of New Shares to successful Applicants;
- decline an Application;
- accept an Application for its full amount or any lower amount;
- determine a person to be eligible or ineligible to participate in any part of the Offer;
- waive or correct any errors made by an Applicant in completing their Application Form;
- amend or waive the Offer Application procedures or requirements in compliance with applicable laws; or
- aggregate any Applications that they believe may be multiple Applications from the same person.

7.18 Application Monies

Oliver's will hold Application Monies received in a special purpose bank account until New Shares are issued or transferred to successful Applicants. Applicants whose Applications are not accepted, or who are allocated a lesser number of New Shares than the amount applied for, will be mailed a refund of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by Oliver's.

7.19 Restricted Shares

The Company has been notified by ASX that certain Shares in the Company are likely to be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the time of Listing. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The securities likely to be subject to escrow will be the Shares and Options issued to the Directors and to any promoter of the Company (as defined in the ASX Listing Rules) as well as Shares issued to certain vendors of franchise stores.

In aggregate, it is expected that 68,783,333 Shares and 6,250,000 Options will be the subject of 24 month escrow arrangements and 14,617,498 Shares will be the subject of 12 month escrow arrangements. However it is possible that ASX may also require the consideration paid to Taonga Nui Holdings NZ Limited under the IP Assignment Deed (as summarised in Section 9.2) to be settled in restricted securities. This will not be known until Completion. The Company will announce to the ASX full details (quantity and duration) of the total number of Shares and Options required by ASX to be held in escrow prior to the Shares commencing trading on ASX.

The Company does not anticipate that any New Shares being offered under the Offer will be treated by ASX as restricted securities.

7.20 Voluntary escrow arrangements

Existing Shares acquired in a pre-IPO share allotment by investors will be subject to a voluntary escrow arrangement.

Each investor agreed when they applied for the pre-IPO Shares to subject their pre-IPO Shares to voluntary escrow arrangements for a period of three months from the date of Listing.

The Registry will prevent each of the investors from disposing of their escrowed Shares for the relevant period by transferring them to a separate class of share and placing an electronic lock on the Shares. The restriction on 'disposing' is broadly defined and includes, among other things, selling, or agreeing to sell or otherwise disposing of the escrowed Shares or encumbering or granting a security interest over the escrowed Shares.

In aggregate, it is expected that 32,395,833 Shares may be the subject of these voluntary escrow arrangements. The Company will agree to release the escrowed Shares early from the escrow to enable:

- the investors to accept an offer under a takeover bid in relation to their escrowed Shares;
- the escrowed Shares held by the investors to be transferred or cancelled as part of a merger or acquisition by scheme of arrangement under Part 5.1 of the Corporations Act; and
- the escrowed Shares to be transferred to a related party provided that the transferee agrees to similar restrictions.

A summary of the expected outcome of the restricted shares and voluntary escrow Shares and the percentage of the total issued capital after the Offer is as follows:

	Total	24 months	12 months	3 months	
ASX Listing Rules	68,783,333	68,783,333			
Voluntary	47,013,331		14,617,498	32,395,833	
Total Escrow	115,796,664	68,783,333	14,617,498	32,395,833	
IPO Shares – Minimum Subscription	30,000,000				
	145,796,664	47.2%	10.0%	22.2%	79.4%
IPO Shares – Maximum Subscription	20,000,000				
	165,796,664	41.5%	8.8%	19.5%	69.8%

Note: The capital structure assumes that no Options are exercised before Completion and it does not include any bonus Shares to be issued by the Company under the Employee Offer.

The arrangements above will be finalised following final review by ASX of the Company's Listing Application.

7.21 Restrictions on distribution

No action has been taken to register or qualify this Prospectus, the Shares or the Offer or otherwise to permit a public offering of the New Shares in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to subscribe for New Shares in any jurisdiction in which, or to any person to whom it would not be lawful to make such an offer or invitation or issue under this Prospectus.

This Prospectus may not be released or distributed in the United States or elsewhere outside Australia, unless it has attached to it the selling restrictions applicable in the jurisdictions outside Australia, and may only be distributed to persons to whom the Institutional Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

The Shares have not been and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States.

7.22 ASX Listing

7.22.1 Application to the ASX for Listing of Oliver's and quotation of Shares

Oliver's has applied for admission to the Official List and quotation of the Shares on the ASX within 7 days of the Original Prospectus Date.

The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit Oliver's to the Official List is not to be taken as an indication of the merits of Oliver's or the New Shares offered for subscription.

If the Shares are not admitted to quotation on the ASX within three months after the Prospectus Date (or any later date permitted by law), the Offer will be withdrawn and all Application Monies received by Oliver's will be refunded (without interest) in accordance with the requirements of the Corporations Act.

Subject to certain conditions (including any waivers obtained by Oliver's from time to time), Oliver's will be required to comply with the ASX Listing Rules.

7.22.2 CHESS and issuer sponsored holdings

Oliver's will apply to participate in the Clearing House Electronic Subregister System (CHESS) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in electronic form.

When the Shares become approved financial products (defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, an electronic CHESS sub-register or an issuer-sponsored sub-register. For all successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Shares will be registered on the issuer-sponsored sub-register.

Following Completion, Shareholders will be sent a holding statement that sets out the number of New Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Shareholder Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their Shareholding. Certificates will not be issued.

Shareholders will receive subsequent statements at the end of each month or if there has been a change to their shareholding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring Broker (in the case of a holding on the CHESS sub-register) or through the Registry (in the case of a holding on the issuer sponsored sub-register). The Registry may charge a fee for these additional statements.

8. Investigating Accountant's Report



17 May 2017

The Directors
Oliver's Australia Holdings Limited
10 Amsterdam Circuit
WYONG NSW 2259

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT ON OLIVER'S REAL FOOD LIMITED (OLIVER'S OR THE COMPANY) HISTORICAL, PRO FORMA HISTORICAL AND FORECAST FINANCIAL INFORMATION (THE IAR)

We have been engaged by Oliver's to report on certain historical, pro forma historical and forecast financial information for inclusion in a Replacement Prospectus dated on or about 17 May 2017 relating to the proposed initial public offer of shares (the Offer) in the Company (the Replacement Prospectus).

We understand the purpose of the Offer is, inter alia, to raise funds for the continued roll out of new Oliver's stores and the acquisition of existing franchise stores.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence (AFSL) under the *Corporations Act 2001*. RSM Corporate Australia Pty Ltd (RSM Corporate) holds the appropriate AFSL (No 255847) under the *Corporations Act 2001*.

Expressions and terms defined in the Replacement Prospectus have the same meaning in this report.

Scope

Historical financial information

You have requested RSM Corporate to review the following historical financial information of Oliver's included in the Replacement Prospectus:

- the audited consolidated statutory historical income statement for the years ended 30 June 2015 (FY2015) and 30 June 2016 (FY2016), together with the reviewed consolidated historical income statement for the six months ended 31 December 2016 (1H2017) including comparatives;
- the audited consolidated statutory statement of cash flows for FY2015 and FY2016, together with the reviewed consolidated statutory statement of cash flows for 1H2017; and
- the reviewed consolidated statement of financial position as at 31 December 2016.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

The historical financial information relating to FY2015 and FY2016 has been extracted from the financial report of Oliver's for FY2016 which was audited by RSM Australia Partners (RSM) in accordance with the Australian Auditing Standards.

RSM issued a qualified audit opinion in relation to the financial report for FY2016, noting they were unable to confirm the balance of inventory held as at 30 June 2015, as follows:

"Basis for Qualified Opinion

We were appointed as auditors of the entity on 5 October 2016 and thus did not observe the counting of the physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at 30 June 2015. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the income for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Oliver's Australia Holdings Ltd is in accordance with the Corporations Act 2001, including:

- i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and*
- ii) complying with Australian Accounting Standards and the Corporations Regulations 2001."*

The historical financial information relating to 1H2017 has been extracted from the interim financial report of the Company for 1H2017 which was reviewed by RSM. RSM issued an unmodified review opinion in relation to the interim financial report for 1H2017.

The historical financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The historical financial information is presented in the Replacement Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro forma historical financial information

You have requested RSM Corporate to review the pro forma consolidated statement of financial position as at 31 December 2016 referred to as "the pro forma historical financial information".

The pro forma historical financial information has been derived from certain historical financial information of Oliver's after adjusting for the effects of the Directors pro forma adjustments described in Section 4 of the Replacement Prospectus.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in Section 4 of the Replacement Prospectus, as if those events or transactions had occurred as at the date of the historical financial information.

Due to its nature, the pro forma historical financial information does not represent the Company's actual or prospective financial position.

Forecast financial information

You have requested RSM Corporate to review certain consolidated statements of forecast financial performance for the year ending 30 June 2017 (FY2017) and the year ending 30 June 2018 (FY2018) as set out in Section 4 of the Replacement Prospectus and referred to as 'the forecast financial information'.

The Oliver's forecast financial information has been derived from:

- the Oliver's statement of financial performance for 1H2017, extracted from the reviewed financial statements of Oliver's for the six months ended 31 December 2016 together with the directors' best estimate forecasts for the financial performance of Oliver's for the six months ending 30 June 2017 as adjusted for directors normalisations (the normalised FY2017 forecast);
- the directors' best estimate forecasts for financial performance for FY2018.

The directors' best-estimate assumptions underlying the forecast financial information is described in Section 4 of the Replacement Prospectus.

The stated basis of preparation used in the preparation of the Oliver's forecast financial information is the recognition and measurement principles contained in Australian Auditing Standards applied to the forecast, and, to the extent described in Section 4, the events and transactions to which the normalisation adjustments relate as if those events and transactions had occurred as outlined.

The forecast financial information is presented in the Replacement Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Directors' responsibility

The Directors of Oliver's are responsible for:

- the preparation and presentation of the historical financial information;
- the preparation and presentation of the pro forma historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information and included in the pro forma historical financial information; and
- the preparation of the forecast financial information, including the best estimate assumptions underlying the forecast and the selection and determination of normalisation adjustments made in the preparation of the normalised FY2017 forecast and included in the Oliver's forecast financial information.

The directors are responsible for such internal controls as the directors determine are necessary to enable the preparation of historical financial information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the historical financial information, the pro forma historical financial information and the forecast financial information (together, the Oliver's financial information) based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and / or Prospective Financial Information*.

We made such enquiries, primarily of persons responsible for financial and accounting matters, and performed such procedures as we, in our professional judgment, considered reasonable in the circumstances including:

- a consistency check of the application of the stated basis of preparation, to the historical and pro forma historical financial information;
- a review of RSM audit work papers, accounting records and other documents;
- made enquiry of directors, management personnel and advisors;
- consideration of the pro forma historical and forecast adjustments described in Section 4 of the Replacement Prospectus;
- the performance of analytical procedures applied to the historical and pro forma historical financial information; and
- consideration of the reasonableness of the forecast financial information and the underlying assumptions as set out in Section 4 of the Replacement Prospectus.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information, as described in Section 4 of the Replacement Prospectus, and comprising:

- the audited consolidated statutory historical income statements for FY2015 and FY2016, together with the reviewed consolidated historical income statement for 1H2017;
- the audited consolidated statutory statement of cash flows for FY2015 and FY2016, together with the reviewed consolidated statutory statement of cash flows for 1H2017; and
- the reviewed consolidated statement of financial position as at 31 December 2016.

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 4 of the Replacement Prospectus.

Pro forma historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma historical financial information being the pro forma statement of financial position as at 31 December 2016 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in Section 4 of the Replacement Prospectus.

Forecast financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

- the directors' best estimate assumptions used in the preparation of Oliver's forecast information for FY2017 and FY2018 do not provide reasonable grounds for the Oliver's forecast financial information; and
- in all material respects, the Oliver's forecast financial information:
 - is not prepared on the basis of the directors best estimate assumptions, as described in Section 4 of the Replacement Prospectus; and
 - is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Auditing Standards and the Company's adopted accounting policies, applied to the forecast normalisation adjustments; and
 - is unreasonable.

Important information in relation to Oliver's forecast financial information

The Oliver's forecast financial information has been prepared by management and adopted by the directors of Oliver's in order to provide prospective investors with a guide to the potential financial performance of Oliver's for FY2017 and FY2018.

There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Oliver's forecast financial information since anticipated events or transactions frequently do not occur as expected and the variation may be material.

The directors' best-estimate assumptions on which the Oliver's forecast financial information is based relates to future events and/or transactions which management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of Oliver's.

Evidence may be available to support the directors' best-estimate assumptions on which the Oliver's forecast financial information is based however such evidence is generally future-oriented and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the directors' best-estimate assumptions. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in Oliver's, which are detailed at Section 5 of the Replacement Prospectus, and the inherent uncertainty relating to the Oliver's forecast financial information. Accordingly, prospective investors should have regard to the investment risks and sensitivities as described in the Replacement Prospectus. The sensitivity analysis described in Section 4 of the Replacement Prospectus demonstrates the impact on the Oliver's forecast financial information of changes in certain, but not all, best-estimate assumptions.

We express no opinion as to whether Oliver's forecasts for FY2017 and FY2018 will be achieved.

The Oliver's forecast financial information has been prepared by the directors for the purpose of providing prospective investors with a guide to the potential financial performance of Oliver's for FY2017 and FY2018.

We disclaim any assumption of responsibility for any reliance on this report, or on the Oliver's forecast financial information to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from the directors and certain members of management of Oliver's, that all material information concerning the prospects and proposed operations of Oliver's has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Restriction on use

Without modifying our conclusions, we draw attention to Section 4 of the Replacement Prospectus, which describes the purpose of the financial information, being for inclusion in the Replacement Prospectus. As a result, the financial information may not be suitable for use for another purpose.

Responsibility

RSM Corporate has consented to the inclusion of this assurance report in the Replacement Prospectus in the form and context in which it is included. RSM Corporate has not authorised the issue of the Replacement Prospectus. Accordingly, RSM Corporate makes no representation regarding, and takes no responsibility for, any other documents or material in, or omissions from, the Replacement Prospectus.

Declaration of interest

RSM is the independent auditor of the Company and RSM Australia Pty Limited has provided certain taxation advice to the Company in relation to the proposed offer.

RSM Corporate does not have any interest in the outcome of this Offer other than the preparation of IAR for which normal professional fees will be received.

Financial Services Guide (FSG)

We have attached our FSG at appendix A to this IAR. The FSG is designed to assist retail clients in their use of any general financial product advice in our IAR.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ian Douglas', written in a cursive style.

Ian Douglas
Director
RSM Corporate Australia Pty Ltd

APPENDIX A - FINANCIAL SERVICES GUIDE

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 AFSL 255 847 (RSM Corporate or we or us or ours as appropriate) has been engaged to issue general financial product advice in the form of an independent limited assurance report (the IAR) to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (FSG). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purpose of our report and this FSG, the financial service which we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing various different financial services. However in respect of the financial services being provided to you by us, fees will be agreed with, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; the Company will pay our fees. These fees are disclosed in the Replacement Prospectus to which this FSG.

Except for the fees referred to above, neither RSM Corporate, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All of our employees who provide or provided services in relation to the financial services being provided to you receive a salary. However, other employees of RSM Corporate may be remunerated in other ways, such as salaries with the entitlement to earn a bonus, depending on meeting revenue, compliance and marketing targets throughout any given financial year. Such other remuneration structures are not relevant to the financial services being provided to you.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate is wholly owned by the partners of RSM Australia Pty Limited (RSP Australia), a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate, RSM Australia Partners, RSM Australia and / or RSM related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA, 6844, +61 (0) 8 9261 9100.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to external dispute resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website or by contacting them directly via the details set out below.

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001

Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au

Contact details

You may contact us using the details set out in our letterhead on the first page of the report to which this FSG is attached.



9. Material Contracts

9.1 Lead Manager mandate letter

The Company has appointed Veritas Securities Limited (**Lead Manager**) pursuant to an engagement agreement (**Engagement Agreement**) under which the Lead Manager has agreed to co-ordinate the management and selling of the Offer.

9.1.1 Fees

The Company must pay the Lead Manager a management fee equal to 2% of the total capital raised under the Offer (**Management Fee**), together with a further sales fee of up to 3% of the capital raised by the Lead Manager under the Offer (**Sales Fee**). In addition to the Management Fee and Sales Fee, the Lead Manager will also receive 2 million Options if it raises at least \$7 million under the Offer. The Company has agreed to reimburse the Lead Manager for certain costs and expenses incurred in respect of the Offer, including legal costs, travel and other out-of-pocket expenses.

9.1.2 Release and Indemnity

Under the Engagement Agreement, the Lead Manager is not liable for any act or omission in connection with the performance of its functions under the Engagement Agreement, except to the extent of any loss that directly results from the fraud, recklessness, wilful misconduct or gross negligence of Lead Manager, or a breach of the Engagement Agreement by the Lead Manager.

The Company has agreed to indemnify the Lead Manager from and against any and all direct losses, claims by third parties, damages or liability (excluding legal fees and expenses) arising directly out of its appointment under the Engagement Agreement except to the extent of any loss that directly results from the fraud, recklessness, wilful misconduct or gross negligence of Lead Manager, or a breach of the Engagement Agreement by the Lead Manager.

The Company takes full responsibility for the contents and issue of the Prospectus and related offer materials (collectively and individually, the **Offering Document**) to the extent that the Offering Document is in the form issued by the Company. The Company indemnifies the Lead Manager and each of their officers, employees, agents and advisers (each an **Indemnified Party**), and must keep each Indemnified Party indemnified against all liability, damages, claims and loss directly arising from, and all costs, charges and expenses in connection with:

- the issue of the Offering Document or the proposed allotment or issue of securities by the Company;
- any statement in the Prospectus that is or becomes misleading or deceptive, or any omission from the Offering Document;
- any conduct by a person (other than an Indemnified Party) in connection with the issue of the Offering Document or proposed allotment or issue of securities by the Company that is misleading or deceptive or likely to mislead or deceive; or
- any conduct by a person (other than an Indemnified Party) that was in contravention of a provision of Part 7.11 or Chapter 6D of the Corporations Act or any other applicable law in connection with the Prospectus or the proposed allotment or issue of securities by the Company.

This indemnity is subject to certain exceptions, including fraud, recklessness, gross negligence, wilful misconduct and a breach of the Engagement Agreement by the Lead Manager.

9.1.3 Termination Events

The Lead Manager may terminate the Engagement Agreement at any time if certain events occur including the Company:

- entering into any arrangement with any adviser or party other than the Lead Manager to advise it in relation to any transaction or matter which is within the scope of the Lead Manager's engagement without the consent of the Lead Manager prior to date the Engagement Agreement is validly terminated or 30 September 2017, whichever is earliest;
- persistently failing to provide reasonable assistance to the Lead Manager in connection with the performance of the Lead Manager's functions under the Engagement Agreement;
- breaching or defaulting in its obligations under the Engagement Agreement, and, if such breach or default is remediable, the Company has not remedied the breach or default within ten business days of the Lead Manager giving notice of the breach or default to the Company; or
- going into liquidation, becoming insolvent, or ceasing to carry on its business.

The Company may terminate the Engagement Agreement at any time if certain events occur including the Lead Manager:

- using any information confidential to the Company which would place the Lead Manager in a position of conflict in relation to its appointment as Lead Manager and the interests of the Company without the prior consent of the Company;

- accepting an appointment prior to a date when the Engagement Agreement is validly terminated or 30 September 2017, whichever is earliest, which would place the Lead Manager in a position of conflict in relation to its appointment as Lead Manager and the interests of the Company without the prior consent of the Company;
- failing to take reasonable and appropriate steps directed to ensure that any inside, or price-sensitive, information obtained will not be communicated to any person within the Lead Manager who might be in a position to make a decision to enter into an agreement or transaction on the basis of that information;
- breaching or defaulting in its obligations under the Engagement Agreement, and, if such breach or default is remediable, the Lead Manager has not remedied the breach or default within ten business days on the Company giving notice of the breach or default to the Lead Manager; or
- going into liquidation, becoming insolvent, or ceasing to carry on its business

9.2 IP Assignment Deed

Taonga Nui Holdings NZ Limited (**Taonga Nui**) has entered into an Intellectual Property (IP) Assignment Deed (**IP Deed**) with Oliver's Real Food Limited (**Oliver's**).

The IP Deed assigns to Oliver's all registered and unregistered intellectual property rights to the Oliver's business owned by Taonga Nui. The total consideration to be paid for the assignment is \$500,000, payable in instalments, \$200,000 of which has been paid. The remaining \$300,000 will be paid in two equal instalments of \$150,000 payable on or before 30 June 2018 and 30 June 2019 respectively (each **Deferred Consideration**).

The terms of the IP Deed provide for an option on behalf of Taonga Nui to purchase back all the rights assigned under the IP Deed for a price equal to 50% of the sum Oliver's has paid at the date of the exercise of the option. The right to exercise arises only if the Company breaches its obligation to pay any part of the Deferred Consideration, and may be exercised within six months of the relevant breach.

9.3 Franchising arrangements

As at the Prospectus Date, the Company has one existing franchise operation.

The term of the franchise agreement is 10 years from 11 May 2015, with an additional renewal option of 5 years exercisable by the franchisee at its discretion requiring payment of a renewal option fee of \$25,000. In consideration for its benefits under the franchise agreement the franchisee pays an ongoing royalty fee equal to 7% of annual gross revenue earned.

Oliver's is responsible for determining the range of services and products the franchisee may offer at the restaurant, and must supply all such goods as necessary for the operations. Oliver's is also responsible for establishing a marketing fund on behalf of the franchisee to cover the costs of production, advertising, promotion and marketing, funded by an additional contribution of 2% of gross revenue contributed by the franchisee into a marketing fund. Further to this payment the franchisee is also obliged to set aside 1.5% of its gross revenue to fund local marketing campaigns and promotion.

The franchisee is not entitled to assign its rights without the written consent of Oliver's and payment of an Assignment Fee of \$25,000.

The franchisee's obligations are fully guaranteed by the principal of the franchisee to ensure due performance of all obligations and to indemnify Oliver's in relation to any cost or expense incurred as a result of a breach of default. Oliver's is entitled to terminate the franchise agreement immediately upon delivery of written notice in the event that the franchisee:

- no longer holds a license that the franchisee must hold to operate the business;
- becomes bankrupt, insolvent under administration or externally administered;
- becomes deregistered by ASIC;
- voluntarily abandons the business or franchise relationship;
- is convicted of a serious offence;
- operates the business in a way that endangers public health or safety;
- acts fraudulently in connection with the operation of the business; or
- mutually agrees with Oliver's to the termination of the Agreement.

Upon termination or expiration, the franchisee must cease exercising all rights granted under the franchise agreement and pay any and all outstanding amounts due. Oliver's is also entitled to exercise an option to purchase any assets held by the franchisee in relation to the business for their market value upon termination of the franchise agreement.

9.4 Wyong Southbound acquisition agreement

Oliver's has entered into a business sale agreement (**Agreement**) on 9 April 2017 with an existing franchisee of Oliver's, Acers Healthy Food Pty Limited (**Acers**). Under the terms of the Agreement Acers agrees to sell the business and assets situated at Shop 1, Souvenir Building, Southbound Service Centre, F3, Wyong, to Oliver's.

The acquisition is scheduled for completion on 30 June 2017 (**Completion**) conditional on financing. The Agreement is governed by the laws of New South Wales. The purchase price for the business and assets is \$1,900,000. The Company has paid a deposit of \$190,000 to date.

Conditions precedent to the sale include Acers paying all outstanding turnover rent and other amounts due pursuant to the premises' lease and licence to occupy, and entering into a Deed of Termination and Release with Oliver's in respect to their existing Franchise Agreement.

Acers has provided standard seller warranties to Oliver's with regard to its incorporation, solvency, liquidity, ownership of assets, notice of litigation, and authority to enter into the agreement. Oliver's has provided standard purchaser warranties to Acers with regard to its solvency and liquidity.

Acers indemnifies Oliver's against any claim or liability for any action arising from the trading or conduct of the business up to and including Completion.

Fifteen days prior to completion Oliver's will provide Acers with a list of employees it will offer to employ and by accepting that offer those employees will be taken to resign from employment with Acers effective as of Completion. Acers retains liability for the entitlements owed to employees and has indemnified Oliver's to this effect.

9.5 Wallan Northbound acquisition agreement

Oliver's has entered into a business sale agreement (**Agreement**) on 26 April 2017 with an existing franchisee of Oliver's, Keer Group Pty Ltd (**Keer**). Under the terms of the Agreement Keer agrees to sell the business and assets situated at BP Freeway Service Wallan Northbound, Hume Freeway (**Premises**), to Oliver's.

The acquisition is scheduled for completion on 30 June 2017 (**Completion**). The Agreement is governed by the laws of Victoria. The purchase price for the business and assets is \$900,000. The Company has paid a deposit of \$90,000 to date. On Completion, Oliver's may pay the balance, any stock value and any rental adjustments in favour of Keer in respect to rent and outgoings paid in advance on a pro-rata basis.

Conditions precedent to the sale include Keer paying all outstanding rent, outgoings and any applicable turnover rent, to Oliver's or the landlord of the Premises and entering into a Deed of Termination and Release with Oliver's in respect to their existing Franchise Agreement.

Keer has provided standard seller warranties to Oliver's with regard to its incorporation, solvency, liquidity, ownership of assets, notice of litigation, and authority to enter into the agreement. Oliver's has provided standard purchaser warranties to Keer with regard to its solvency and liquidity.

Keer indemnifies Oliver's against any claim or liability, for any action arising from the trading or conduct of the business up to and including Completion.

Fifteen days prior to completion Oliver's will provide Keer with a list of employees it will offer to employ on comparable or superior terms and by accepting that offer those employees will be taken to resign from employment with Keer effective as of Completion. Keer retains liability for the entitlements owed to employees and has indemnified Oliver's to this effect.

Oliver's agrees to accept the assignment of any existing contracts pertaining to the business that Keer is party to as at the Completion Date, subject to those existing contracts being with an Oliver's Nominated Supplier.

Oliver's agrees to provide a replacement bank guarantee to the landlord of the Premises on or before Completion and procure the return of Keer's bank guarantee held with the landlord following Completion.

10.
Additional
Information

10.1 Registration

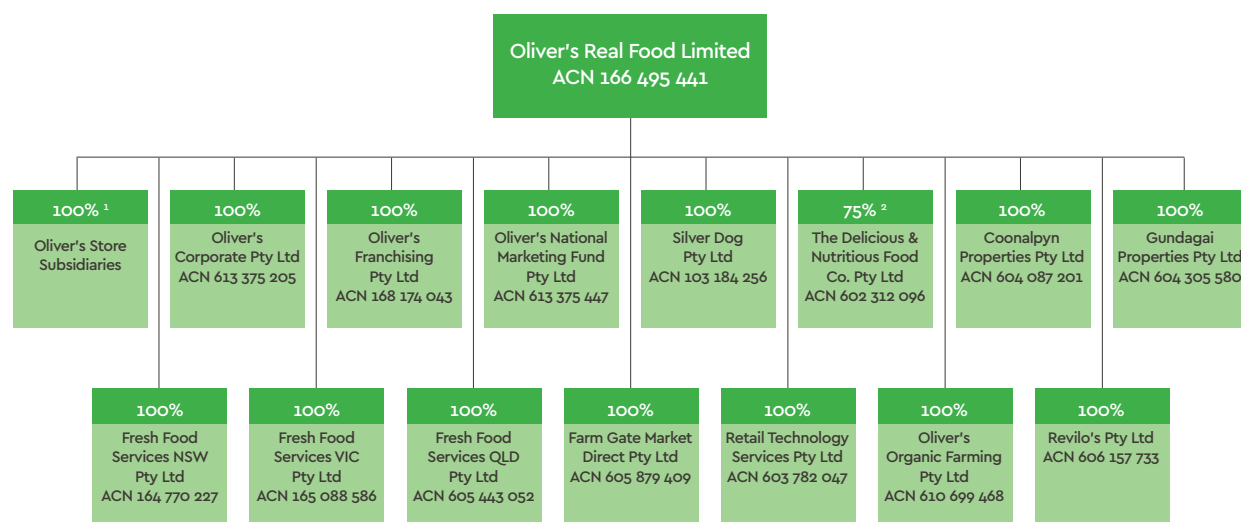
Oliver's was registered in New South Wales on 29 October 2013 as a private company and converted to a public company on 13 January, 2017.

10.2 Oliver's tax status

Oliver's is and will be subject to tax at the Australian corporate tax rate, currently being 30%.

10.3 Corporate structure

The corporate structure of Oliver's and its subsidiaries is:



¹ Oliver's Store Subsidiaries all 100% owned

Oliver's Albury North Pty Ltd

Oliver's Bulahdelah Pty Ltd

Oliver's Chinderah Franchise Pty Ltd

Oliver's Chinderah Pty Ltd

Oliver's Coffs Pty Ltd

Oliver's Dubbo Pty Ltd

Oliver's Dubbo West Franchise Pty Ltd

Oliver's Aratula Pty Ltd

Oliver's Haighslea Pty Ltd

Oliver's Roma Street Pty Ltd

Oliver's Gundagai Pty Ltd

Oliver's Hexham Pty Ltd

Oliver's Horsham Pty Ltd

Oliver's Lithgow Pty Ltd

Oliver's Westgate Pty Ltd

Oliver's Slacks Creek Pty Ltd

Oliver's Coonalpyn Pty Ltd

Oliver's Ballarat Pty Ltd

Oliver's East-link Inbound Pty Ltd

Oliver's East-link Outbound Pty Ltd

Oliver's Geelong Northbound Pty Ltd

Oliver's Boggabilla Pty Ltd

Oliver's Merino Pty Ltd

Oliver's Sutton Forest Pty Ltd

Oliver's Wyong Northbound Pty Ltd

Oliver's Officer Outbound Pty Ltd

Oliver's Wallan Northbound Pty Ltd

Oliver's Wallan Southbound Pty Ltd

Oliver's Geelong Southbound Pty Ltd

Oliver's Officer Inbound Pty Ltd

² The remaining 25% is owned by Graham Andrew Darroch. The Company has entered into a non-binding heads of agreement with Mr Darroch to acquire his 25% shareholding in The Delicious and Nutritious Food Company Pty Ltd subject to, amongst other things, Admission. In consideration for the acquisition the Company proposes to issue Mr Darroch 1,250,000 New Shares at \$0.30 per New Share, the same price as the Offer Price. It is proposed that the New Shares will be subject to an escrow arrangement for 12 months following their issue.

10.4 Summary of rights and liabilities of Shares and other key terms of the Constitution

10.4.1 Introduction

The rights and liabilities attaching to ownership of Shares arise from a combination of the Constitution, statute, the ASX Listing Rules and general law.

Summaries of the significant rights and liabilities attaching to the Shares and of the other material provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that Oliver's is admitted to the Official List.

10.4.2 Rights attaching to Shares

The rights attaching to the Shares are set out in the Constitution and are, in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the general law.

The principal rights, liabilities and obligations of the Shareholders are summarised below.

10.4.3 Voting

At a general meeting, every Shareholder present in person or by proxy, attorney or representative has one vote on a show of hands (unless a Shareholder has appointed more than one proxy) and one

vote on a poll for each Share held (with adjusted voting rights for partly paid Shares). If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, in addition to any deliberative vote.

10.4.4 Dividends

The Board may pay any interim and final dividends that, in its judgement, the financial position of Oliver's justifies. The Board may also pay any dividend required to be paid under the terms of issue of a Share, and fix a record date for a dividend and the timing and method of payment.

See Section 4.10 for the Company's dividend policy.

10.4.5 Issue of further Shares

The Board may (subject to the Constitution, the ASX Listing Rules and the Corporations Act) issue or grant options for, or otherwise dispose of, Shares on such terms as the Board decides.

10.4.6 Variation of class rights

The procedure set out in the Constitution must be followed for any variation of rights attached to the Shares. The rights attached to a class of Shares may be varied or cancelled by:

- the holders of at least 75% of the issued Shares in the class consenting in writing; or
- a special resolution passed at a separate meeting of the holders of Shares in that class.

10.4.7 Transfer of Shares

Subject to the Constitution and to any restrictions attached to a Share, Shares may be transferred in accordance with the ASX Settlement Operating Rules, any other ASX requirements and the Corporations Act or via a written transfer in any usual form or in any other form approved by the Board and permitted by the relevant laws and ASX requirements. The Board may refuse to register a transfer of Shares or apply a holding lock to prevent a transfer in accordance with the Corporations Act, ASX Listing Rules or ASX Settlement Operating Rules.

10.4.8 General meeting and notices

Each Shareholder is entitled to receive notice of, attend and vote, at general meetings of Oliver's and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act and ASX Listing Rules. Oliver's must give at least 28 days' written notice of a general meeting.

10.4.9 Winding up

Subject to the Constitution, the Corporations Act and any preferential rights attaching to any class or classes of Shares, Shareholders will be entitled on a winding up to a share in any surplus assets of Oliver's in proportion to the Shares held by them. If Oliver's is wound up, the liquidator may, with the sanction of a special resolution, divide the whole or part of Oliver's property among Shareholders and decide how the division is to be carried out as between Shareholders or different classes of Shareholders.

10.4.10 Unmarketable parcels

In accordance with the ASX Listing Rules, the Board may sell Shares which constitute less than a marketable parcel by following the procedures set out in the Constitution.

10.4.11 Proportional takeover provisions

The Constitution requires Shareholder approval in relation to any proportional takeover bid. These provisions will cease to apply unless they are renewed by Shareholders passing a special resolution by the third anniversary of either the date that those rules were adopted or the date those rules were last renewed.

10.4.12 Directors – appointment and removal

Under the Constitution, the Board is comprised of a minimum of three Directors and a maximum of nine, unless the Shareholders pass a resolution varying that number at a general meeting. Directors are elected or re-elected at general meetings of Oliver's.

No Director (excluding any managing director) may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. The Board may also appoint a Director in addition to the existing Directors or to fill a casual vacancy on the Board, and that Director (apart from the managing director) will then hold office until the conclusion of the next annual general meeting of Oliver's.

10.4.13 Directors – voting

Questions arising at a meeting of the Board must be decided by a majority of votes cast by the Directors present at the meeting and entitled to vote on the matter. If the votes are equal on a proposed resolution, the chairperson of the meeting doesn't have a casting vote in addition to his or her deliberative vote.

10.4.14 Directors – remuneration

Under the Constitution, the Board may decide the remuneration from Oliver's to which each Director is entitled for his or her services as a Director. However the total amount provided to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Oliver's in general meeting. As at the Prospectus Date, this amount is \$500,000. The remuneration of a Director (who is not a managing director or an executive director) must not include a commission on, or a percentage of, profits or operating revenue.

Directors may be paid for travel and other expenses incurred in attending to Oliver's affairs, including attending and returning from meetings of Directors or committees or general meetings. Any Director who devotes special attention to the business of Oliver's or who performs services which, in the opinion of the Board, are outside the scope of ordinary duties of a Director, may be remunerated for the services (as determined by the Board) out of the funds of Oliver's.

Details of the remuneration of the Directors' is set out in Section 6.

10.4.15 Powers and duties of Directors

The business and affairs of Oliver's are to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by the Constitution) may exercise all powers and do all things that are within Oliver's power and the powers that are not required by law or by the Constitution to be exercised by Oliver's in general meeting.

10.4.16 Preference Shares

Oliver's may issue preference Shares including preference Shares which are, or at the option of Oliver's or holders are, liable to be redeemed or convertible to ordinary Shares. The rights attaching to preference Shares are those set out in the Constitution unless other rights have been approved by special resolution of OLI.

10.4.17 Amendment

The Constitution may be amended only by a special resolution passed by Shareholders.

10.5 Summary of rights and liabilities of the Whitfield Options

The Company has granted 3,000,000 Options to Whitfield Investments Pty Ltd (**Whitfield**), a company controlled by a Director of the Company, John Diddams, on the following terms:

10.5.1 Exercise and Expiry

Whitfield must give 10 working days written notice to the Company stating the whole number of vested Options to be exercised and payment in full, of the exercise price within 20 working days of the date on which the notice was given. Any Option not exercised, or that has not vested by the date that is the earlier of (i) 13 October 2019; and (ii) 60 days after John Diddams ceases to be a Director of the Company, will lapse and Whitfield will cease to have any rights in connection with the Options.

10.5.2 Termination and Lapse

If John Diddams ceases to be engaged as a Director with the Company or its subsidiaries due to a material breach of John Diddams' agreement, retainer, consulting or services agreement, restraint of trade, or under and law, then the company may: terminate all Options previously granted to Whitfield and not exercised by Whitfield (whether or not vested); and cancel all other benefits Whitfield may be entitled to receive under the agreement to receive these Options.

10.5.3 Reorganisation of capital

Subject to the ASX Listing Rules, if, at any time after the issue of Options:

- a. the Shares are consolidated, the numbers of Options immediately prior to such consolidation are consolidated in the same ratio as the ordinary capital of the Company and the Option exercise price will be amended in inverse proportion to that ratio;
- b. the Shares are subdivided, the number of Options must be subdivided in the same ratio as the ordinary capital of the Company and the Option exercise price will be amended to that ratio;

- c. the Company reduces the share capital by a pro rata return to holders of part of the share capital in respect of each Share, the number of Options shall remain the same but the Option exercise price will be reduced by the same amount of share capital returned in respect of each Share;
- d. the Company reduces its paid up share capital by a cancellation of capital that is either lost or not represented by available assets where no securities are cancelled, the number of Options and the Option exercise price in respect to such Options will remain unchanged;
- e. the Company cancels its capital proportionately, the number of Options must be reduced in the same ratio as the ordinary capital and Option exercise price for such Options must be amended in inverse proportion to that ratio; and
- f. there is any other reorganisation or change to the capital of the Company, the number of Options, the Option exercise price, or both, must be reorganised so the holder of Shares will not receive a benefit that holders of Options do not receive.

Subject to the ASX Listing Rules, if, after the issue of the Options, there is a pro rata issue of Shares to all holders of Shares for which no consideration is payable, then the number of Options shall be increased by that same proportion as if the Options were Shares.

The ASX Listing Rules may require the Board to make further adjustments to the terms of the Options, in addition to, or instead of, those listed above in the event of any reconstruction or reorganisation of capital affecting the Shares.

10.5.4 No transfer or dealing with interests

An Option is not transferable without the Company's approval.

10.5.5 Change of control

If:

- a. the Board and Shareholders recommend a takeover bid or approve a scheme or arrangement of the Company where such transaction will not result in the Shareholders holding more than 25% of the voting rights of the Company;
- b. Oliver's resolves to amalgamate with any other company where such amalgamation will not result in the Shareholders holding more than 25% of the voting rights of the amalgamated company;
- c. the Shareholders approve the disposition of assets comprising 75% of the value of Oliver's assets to an entity not controlled by, controlling or under common control with Oliver's or to an entity in which Shareholders do not hold at least 25% of that entity's voting rights; or
- d. a change in the management or control of Oliver's occurs as a result of the acquisition by any party of more than 75% of the total issued Shares carrying voting rights in Oliver's;

the Board must determine that all unvested Options will immediately vest and all the vested Options must be exercised on or before 30 days from the date of one of these events occurring notwithstanding any later date in the terms of issue of the Options, and any vested Options not so exercised shall automatically lapse at the end of that period.

10.6 Summary of terms of the Oliver's Employee Incentive Plan (OEIP)

The Company has approved the terms of the Oliver's Employee Incentive Plan (OEIP) as a means of encouraging employees to share in the ownership of the Company and promote its long-term success as a common goal. The Board will make offers to persons to participate in the OEIP based on their contribution to the Company. Under the terms of the OEIP the Board may make awards of Options, performance rights, service rights, deferred share awards, exempt share awards, cash rights or stock appreciation rights. No offer of an award may be made to the extent it breaches the Constitution, the Listing Rules, the Corporations Act or any other applicable law.

Other than grants of Options outlined in Section 6.3.1.4, there are no other grants under the OEIP at this time. Future grants will be made by the Company as part of its normal remuneration practices. The Options issued under the OEIP will not be listed on ASX.

The key terms of the OEIP are as follows:

10.6.1 Eligibility

Participants must be persons who are in full-time or part-time employment of an Oliver's Group company and include any director of an Oliver's Group company (**Participant**).

10.6.2 Administration

The OEIP will be administered by a committee of the Board (**Plan Committee**), or if no committee has been selected, by the Board.

The Company may appoint a trustee to acquire and hold Shares on behalf of the Company for the purposes of satisfying the Company's obligations under the OEIP.

10.6.3 Options

The Company may offer or issue Options which entitle the Participant to subscribe for one share in the Company subject to payment of the exercise price and satisfaction of any vesting conditions.

Any exercise price or vesting conditions are determined at the discretion of the Plan Committee and are set out in the written offer documentation to the relevant Participant.

10.6.4 Award

The Plan Committee has the discretion to set the terms and conditions to which it will offer Options under the OEIP including any vesting conditions. Vesting conditions may be waived at the absolute discretion of the Board where such waiver is not excluded by the terms of the Award.

Vesting conditions may include conditions relating to continuous employment, performance of the Participant or the Group, or the occurrence of specified events.

10.6.5 Exercise

A Participant is entitled to exercise an Award on or after the exercise date defined in the offer, provided they have satisfied any vesting conditions. Upon exercise, the Participant must pay the applicable exercise price.

The vesting of an Award on the satisfaction of any vesting conditions will not automatically trigger the exercise of the award unless otherwise specified in the written offer.

At the election of the Board it may elect to settle any award in cash.

10.6.6 Shares

Any Shares issued under, or in accordance with, the OEIP will, upon allotment, rank equally with the existing issued Shares at that time. Depending on the terms of the offer, the Shares may be subject to disposal or sale restrictions meaning they may not be disposed or dealt with for a defined period of time.

Shares allocated to Participants under the OEIP may be issued by the Company or acquired on or off market by the Company or its nominees.

10.6.7 Quotation

As soon as practicable after the date of the allotment of Shares, the Company will, unless the Board resolves otherwise, apply for official quotation of such Shares on the ASX.

10.6.8 Cessation of employment

If a Participant enters into a deferred share award whereby they elect to receive Shares in lieu of, or in addition to, remuneration, a restriction period will apply. However, if a Participant ceases employment the restriction period will expire. Similarly, a restriction period attached to exempt share awards will expire upon cessation of employment.

The Plan Committee may elect to accelerate vesting of any awards if a Participant has died, suffers a total and permanent disablement or been made redundant.

10.6.9 Change of control

On the occurrence of a change of control the Board will determine in its sole and absolute discretion the manner in which all unvested and vested awards will be dealt with.

If a takeover bid is made to acquire all the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for Shares in the Company, then Participants are entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their awards other than Exempt Share Awards notwithstanding that the restriction period in respect of such Awards has not expired. The Board may, in its discretion, waive unsatisfied vesting conditions in relation to some or all awards in the event of such a takeover or other transaction.

10.6.10 Restrictions

Participants are not permitted to sell, transfer, mortgage or otherwise dispose of any award during the restriction period defined in the written offer. The Board, however, may at any time in its discretion waive or shorten the applicable restriction period.

10.6.11 Adjustments

If, prior to the exercise of an Award, the Company makes a pro-rata bonus issue and the award is not exercised prior to the record date in respect of that bonus issue, the Award will, when exercised, entitle the holder to one Share plus the number of bonus shares which would have been issued to the holder of the award had been exercised prior to the record date.

If, prior to the exercise of an award, the Company undergoes a reorganisation of capital (other than by bonus issue or issue of cash) the terms of the Awards will be changed to the extent necessary to comply with the applicable Listing Rules.

Unless otherwise permitted by the Listing Rules, the number of shares a Participant is entitled to receive upon exercise will only be adjusted in accordance with these terms.

10.6.12 Dilution limit

If the number of Shares under an offer plus any underlying Shares issued or that may be issued under any offers made in the previous 3-year period in reliance on relief granted by ASIC exceeds 5% of the number of Shares issued at the time of the offer, the offer must not be made.

Under no circumstances will awards be granted under the OEIP if it is an issue of securities that, combined with all other employee share scheme interests outstanding, would exceed 15% of the Company's then outstanding issued capital.

The OEIP also contains customary and usual terms having regard to Australian law for dealing with administration, variation, suspension and termination of the Incentive Plan.

10.7 Litigation and claims

The Directors are not aware of any litigation of a material nature instituted, pending or threatened involving Oliver's.

10.8 Taxation considerations

10.8.1 Summary of tax issues for Australian tax resident investors

The comments in this Section 10.8 provide a general outline of Australian tax issues for Australian tax resident Shareholders who acquire Shares under this Prospectus and that hold Shares in Oliver's on capital account for Australian income tax purposes. The categories of Shareholders considered in this summary are limited to individuals, companies (other than life insurance companies), trusts, partnerships and complying superannuation funds that hold their Shares on capital account.

This summary does not consider the consequences for foreign resident Shareholders, insurance companies, banks, Shareholders that hold their Shares on revenue account or carry on a business of trading in Shares, Shareholders who are exempt from Australian tax, or Shareholders who are subject to the Taxation of Financial Arrangements rules contained in Division 230 of the Income Tax Assessment Act 1997.

The summary in this Section is general in nature and is not exhaustive of all Australian tax consequences that could apply in all circumstances of any given Shareholder. The individual circumstances of each Shareholder may affect the taxation implications of the investment of the Shareholder.

It is recommended that all Shareholders consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.

The summary in this Section is based on the relevant Australian tax law in force, established interpretations of that law and understanding of the practice of the relevant tax authority at the time of issue of this Prospectus. The summary does not take into account the tax law of countries other than Australia.

Tax laws are complex and subject to ongoing change. The tax consequences discussed in these summaries do not take into account or anticipate any changes in law (by legislation or judicial decision) or any changes in the administrative practice or interpretation by the relevant authorities. If there is a change, including a change having retrospective effect, the income tax, stamp duty and GST

consequences should be reconsidered by Shareholders in light of the changes. The precise implications of ownership or disposal of the Shares will depend upon each Shareholder's specific circumstances.

This summary does not constitute financial product advice as defined in the Corporations Act.

10.8.2 Dividends: Australian resident individuals and complying superannuation entities

Where dividends on a Share are paid by Oliver's those dividends will constitute assessable income of an Australian tax resident Shareholder. Australian tax resident Shareholders who are individuals or complying superannuation entities should include the dividend in their assessable income in the year the dividend is paid, together with any franking credits attached to that dividend.

The rate of tax payable by each Australian Shareholder that is an individual will depend on the individual circumstances of the Shareholder and his/her prevailing marginal rate of income tax.

Shareholders who are individuals or complying superannuation entities should be entitled to a tax offset equal to the franking credits attached to the dividend subject to being a qualified person (refer further comments below). The tax offset can be applied to reduce the tax payable on the Shareholder's taxable income. Where the tax offset exceeds the tax payable on the Shareholder's taxable income, such Shareholders should be entitled to a tax refund.

Where a dividend paid by Oliver's is unfranked, the Shareholder will generally be taxed at his or her prevailing marginal rate on the dividend received with no tax offset.

10.8.3 Dividends: Corporate Shareholders

Corporate Shareholders are also required to include both the dividend and associated franking credits in their assessable income. A tax offset is then allowed up to the amount of the franking credits on the dividend.

An Australian resident corporate Shareholder should be entitled to a credit in its own franking account to the extent of the franking credits attached to the dividend received. Such corporate Shareholders can then pass on the benefit of the franking credits to their own shareholder(s) on the payment of franked dividends.

Excess franking credits received by a corporate Shareholder cannot give rise to a refund, but may in certain circumstances be converted into carry forward tax losses.

10.8.4 Dividends: Trusts and partnerships

Australian tax resident Shareholders who are trustees (other than trustees of complying superannuation entities) or partnerships should include the dividend and franking credits in determining the net income of the trust or partnership. A beneficiary, trustee or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership as the case may be.

10.8.5 Shares held at risk

To be eligible for the benefit of franking credits and tax offset a Shareholder must satisfy both the holding period and related payment rules. This requires that a Shareholder hold the Shares in Oliver's "at risk" for more than 45 days continuously (not including the date of acquisition and disposal).

Any day on which a Shareholder has a materially diminished risk of loss or opportunity for gain in respect of the Shares (for example through transactions such as granting options or warrants over Shares or entering into a contract to sell the Shares) will not be counted as a day on which the Shareholder held the Shares "at risk". In addition, a Shareholder must not be obliged to make a related payment in respect of any dividend, unless they hold the Shares "at risk" for the required holding period around the dividend dates.

Where these rules are not satisfied the Shareholder will not be able to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset.

This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed \$5,000. Special rules apply to trusts and beneficiaries. Shareholders should obtain their own professional tax advice to determine if these requirements, as they apply to them, have been satisfied.

A specific integrity rule also prevents taxpayers from obtaining a tax benefit from additional franking credits where dividends are received as a result of "dividend washing". Dividend washing is a practice through which taxpayers seek to claim two sets of franking credits by selling shares held on the ASX and then effectively repurchasing the same parcel of shares on a special ASX trading market. Shareholders should consider the impact of these provisions (and other dividend tax integrity provisions) having

regard to their own personal circumstances

10.8.6 Capital gains tax (CGT) implications for Australian tax residents on disposal

The disposal of a share by a Shareholder will be a CGT event. A capital gain will arise where the capital proceeds on disposal exceed the cost base of the share (broadly, the amount paid to acquire the share plus any transaction costs incurred in relation to the acquisition or disposal of the Shares). In the case of an arm's length on-market sale, the capital proceeds will generally be the cash proceeds received from the sale of the Shares.

A CGT discount may be applied against the net capital gain where the Shareholder is an individual, complying superannuation entity or trustee, and the Shares have been held for more than 12 months prior to the CGT event. Where the CGT discount applies, any capital gain arising to individuals and entities acting as Trustees (other than a trust that is a complying superannuation entity) may be reduced by one-half after offsetting current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by one-third, after offsetting current year or prior year capital losses.

Where the Shareholder is the trustee of a trust that has held the Shares for more than 12 months before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are not companies. Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

A capital loss will be realised where the reduced cost base of the share exceeds the capital proceeds from disposal. Capital losses may only be offset against capital gains realised by the Shareholder in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other forms of assessable income.

10.8.7 Tax File Numbers

Shareholders are not required to quote their tax file number (**TFN**), or where relevant their ABN, to Oliver's. However, if a valid TFN, ABN or exemption details are not provided, Australian tax may be required to be deducted by Oliver's from distributions and/or unfranked dividends at the maximum marginal tax rate plus the Medicare levy. Australian tax should not be required to be deducted by Oliver's in respect of fully franked dividends.

A Shareholder that holds Shares as part of an enterprise may quote their ABN instead of their TFN. Non-residents are exempt from this requirement.

10.8.8 GST implications

No GST should be payable by Shareholders in respect of the acquisition or disposal of their Shares in Oliver's regardless of whether or not the Shareholder is registered for GST.

Shareholders may not be entitled to claim full input tax credits in respect of any GST included in the costs they have incurred in connection with their acquisition of the Shares. Separate GST advice should be sought by Shareholders in this respect relevant to their particular circumstances.

No GST should be payable by Shareholders on receiving dividends distributed by Oliver's.

10.8.9 Stamp duty

Shareholders should not be liable for stamp duty in respect of the acquisition of their Shares, unless they acquire, either alone or with an associated/related person, an interest of 90% or more in Oliver's. Under current stamp duty legislation, no stamp duty would ordinarily be payable by Shareholders on any subsequent transfer of their Shares whilst Oliver's remains listed.

10.9 Consents

Each of the following entities has consented, and as at the Prospectus Date has not withdrawn its consent, to:

- be named in this Prospectus in the form and context in which it is named; and
- the inclusion of the following statements in this Prospectus, in the form and context in which they are included (and all other references to those statements):

Entity	Statement included
RSM Corporate Australia Pty Ltd	RSM's Investigating Accountant's Report
RSM Australia Partners	Statements specifically attributed to it in the text of this Prospectus
RSM Australia Pty Ltd	Section 10.8 Taxation considerations
Lead Manager	None
Norton Rose Fulbright Australia	None
Boardroom	None

No entity or person referred to above has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as stated above. Each of the persons and entities referred to above has not authorised or caused the issue of this Prospectus, does not make any offer of Shares and to maximum permitted by law, expressly disclaims and takes no responsibility for any statements or omissions in this Prospectus except as stated above.

In this regard it is noted that Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, persons named in the Prospectus with their consent as having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading or deceptive statements made in the Prospectus. Although the Company bears the primary responsibility for the Prospectus, other parties involved in the preparation of the Prospectus can also be responsible for certain statements in it.

10.10 ASIC relief and modifications and ASX waivers

10.10.1 ASIC exemption and relief

The Company has applied for relief from ASIC so that the takeover provisions and the substantial shareholding provisions of the Corporations Act will not apply to certain relevant interests that the Company would otherwise acquire in the Escrowed Shareholders escrowed Shares by reason of the voluntary escrow arrangements in relation to the Shares described in Section 7.20. Such relief is relatively common in this circumstance. If ASIC does not grant the relief for any reason, or the relief is not obtained for any other reason, the Company may scale back the voluntary escrow arrangements such that it is in compliance with applicable law.

10.10.2 ASX waivers

The Company has applied for and obtained an in-principle waiver from ASX Listing Rule 1.1 (Condition 12) to allow the existing Whitfield Options to continue on issue following the Company's admission to the Official List despite those Options having an exercise price lower than \$0.20.

10.11 Ownership restrictions

The sale and purchase of Shares in Oliver's is regulated by Australian laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This section contains a general description of these laws.

10.11.1 Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of Shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply.

The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in Oliver's.

10.11.2 Foreign Acquisitions and Takeovers Act

Generally, the Foreign Acquisitions and Takeovers Act applies to acquisitions of Shares and voting power in a company of 20% or more by a single foreign person and its associates (substantial interest), or 40% or more by two or more unassociated foreign persons and their associates (aggregate substantial interest). Where an acquisition of a substantial interest meets certain criteria, the acquisition may

not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either stated that there is no objection to the proposed acquisition in terms of the Australian Federal Government's Foreign Investment Policy or a statutory period has expired without the Federal Treasurer objecting. An acquisition of a substantial interest or an aggregate substantial interest meeting certain criteria may also lead to divestment orders unless a process of notification, and either a statement of non-objection or expiry of a statutory period without objection, has occurred.

10.12 Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications under this Prospectus are governed by the law applicable in New South Wales and each Applicant under this Prospectus submits to the exclusive jurisdiction of the courts of New South Wales and of the Commonwealth.

10.13 Authorisation of this Prospectus

Each Director of Oliver's has authorised the issue of this Prospectus and has consented to its lodgement with ASIC.

11. Glossary



Term	Meaning
AASB	Australian Accounting Standards Board
ABN	Australian Business Number
Admission	Admission of the Company to the Official List
ACN	Australian Company Number
AIFRS	Australian International Financial Reporting Standards
Applicant(s)	A person who submits an Application
Application	An application made to subscribe for New Shares under the Offer
Application Form	The application form attached to or accompanying this Prospectus (including an electronic form provided by an online application facility)
Application Monies	The amount for subscription for New Shares under the Offer accompanying an Application Form submitted by an Applicant
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ACN 008 624 691, or the financial market operated by it, as the context requires
ASX Listing Rules or Listing Rules	The listing rules of the ASX, as may be amended or supplemented from time to time
ASX Recommendations	The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition)
ASX Settlement Operating Rules	The operating rules of ASX Settlement Pty Ltd ACN 008 504 532
AUD or \$	Australian dollars
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the AASB and Urgent Issues Group Interpretations
Board or Board of Directors	The board of Directors
Broker	Any ASX participating organisation selected by the Lead Manager and Oliver's to act as a broker for the Offer
Broker Firm Offer	The part of the Offer described in Section 7
CGT	Capital gains tax
Chairperson or Chairman	The Chairperson of the Board
CHESS	The ASX's Clearing House Electronic Subregister System
Closing Date	The closing date of the Offer, indicatively proposed to be the date stated in the Key Offer Information table on page 5 and subject to the change as explained on that page
Company or Oliver's	Oliver's Real Food Limited ACN 166 495 441
Completion	Completion in respect of the issue of New Shares pursuant to the Offer
Constitution	The constitution of Oliver's, as amended or replaced from time to time
Corporations Act	<i>Corporations Act 2001</i> (Cth)
D&N	The Delicious & Nutritious Food Company Pty Ltd ACN 602 312 096
Director	A director of Oliver's
Eligible Employees	In respect of the Employee Offer, individuals that were employed by the Company on 17 May 2017 and who remain employed at Completion
Employee Offer	The offer of New Shares to Eligible Employees under this Prospectus

Term	Meaning
Existing Shareholders	Shareholders of Oliver's as at the Prospectus Date
Existing Shares	The Shares of Existing Shareholders
Exposure Period	The seven day period after the Original Prospectus Date, during which no Applications may be accepted by Oliver's. This period may be extended by ASIC by up to a further seven days
Financial Information	Together the historical financial information and the forecast financial information
forecast financial information	See definition in Section 4
FY	Financial year
FY 2015 or FY15	Financial year ending 30 June 2015
FY 2016 or FY16	Financial year ending 30 June 2016
FY 2017 or FY17	Financial year ending 30 June 2017
FY 2018 or FY18	Financial year ending 30 June 2018
GST	Goods and Services Tax as defined in <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth)
historical financial information	See definition in Section 4
H1 FY 2016	Financial period for the six months ending 31 December 2015
H1 FY 2017	Financial period for the six months ending 31 December 2016
H2 FY 2017	Financial period for the six months ending 30 June 2017
IAR	The Investigating Accountant's Report in Section 8
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
Institutional Investor	<p>An investor:</p> <ol style="list-style-type: none"> in Australia who is either a 'professional investor' or 'sophisticated investor' under sections 708(11) and 708(8) of the Corporations Act; or in certain other jurisdictions, as agreed between Oliver's and the Lead Manager, an investor to whom offers or invitations in respect of securities can be made without the need for lodged or registered Prospectus or other form of disclosure document or filing with, or approval by, any governmental agency, <p>and in each case an investor who is not a US Person and who is not acting for the account or benefit of US Persons</p>
Institutional Offer	The part of the Offer described in Section 7.12.3
Lead Manager	Veritas Securities Limited ACN 117 124 535
Listing	The admission of Oliver's to the Official List
Management	The executives of Oliver's identified in Section 6.2
Minimum Subscription	The minimum subscription amount of \$9million to be raised under the Offer
Maximum Subscription	The maximum subscription amount of \$15million to be raised under the Offer
New Shares	Shares offered under this Prospectus and issued on Completion
Non-executive Director	A Non-executive Director of Oliver's
NSW	New South Wales
NPAT	Net Profit After Tax
OEIP	Oliver's Employee Incentive Plan

Term	Meaning
Offer	The offer of New Shares by Oliver's under this Prospectus
Offer Period	The period during which investors may apply for Shares under the Offer, opening on the date stated in the Key Offer Information table on page 5 and ending on the Closing Time
Offer Price	\$0.30 per New Share
Official List	The official list of ASX
Oliver's Group	Oliver's and each of its subsidiaries
Original Prospectus	The prospectus dated 5 May 2017 and lodged with ASIC on that date, and which this Prospectus replaces
Original Prospectus Date	5 May 2017
Option	An option to subscribe for a Share
Public Offer	The part of the Offer described in Section 7.12.1
Prospectus	This document and any replacement or supplementary prospectus in relation to this document
Prospectus Date	The date on which this Prospectus was lodged with ASIC
QLD	Queensland
QSR	Quick Service Restaurants, also known as fast food restaurants
Registry	Boardroom Pty Limited ABN 14 003 209 836
RSM	RSM Corporate Australia Pty Limited ABN 22 009 176 354
RSMAP	RSM Australia Partners
RSM's Investigating Accountant's Report	The report prepared by RSM set out in Section 8
Section	A section of this Prospectus, unless otherwise specified
Shares	A fully paid ordinary share in the capital of Oliver's
Shareholder	A registered holder of Shares
TFN	Tax File Number as defined in the <i>Income Tax Assessment Act 1936</i> (Cth)
United States	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
US Person	Has the meaning given to it in Regulation S of the US Securities Act
US Securities Act	United States Securities Act 1933, as amended
VIC	Victoria
Whitfield Options	The 3,000,000 Options granted to Whitfield Investments Pty Ltd



Appendix A Key Accounting Policies

Key Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements are the first set of financial statements produced for the company and the group under Australian Accounting Standards. No previous financial statements have been prepared for the company or the group.

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

New, revised or amending Accounting Standards and Interpretations adopted

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the AASB and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Oliver's Real Food Limited ('company' or 'parent entity') and the results of all subsidiaries for the period presented. Oliver's Real Food Limited and its subsidiaries together are referred to in the financial statements as the 'consolidated entity' or 'Oliver's Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

For business combinations involving entities or businesses under common control, the pooling-of-interest method are used. Under the pooling-of-interest method of accounting, the results of entities or businesses under common control are presented as if the merger had been effected throughout the current and previous years.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Oliver's Groups functional and presentation currency

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Franchise fee revenue

Revenue from franchise operations includes initial franchise, documentation and training fees generated from sales of franchises to franchisees. These are recognised directly in the accounting period in which the franchise is sold.

Ongoing franchise fees consist of franchise fees and royalty fees. These ongoing fees are recognised in the accounting period in which they are generated.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.
- When the taxable temporary difference is associated with interests in subsidiaries, associates

or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Oliver's Australia Holdings Pty Ltd (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the

trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Land and buildings are shown at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

<i>Buildings</i>	<i>40 years</i>
<i>Leasehold improvements</i>	<i>3-15 years</i>
<i>Plant and equipment</i>	<i>3-7 years</i>
<i>Plant and equipment under lease</i>	<i>2-5 years</i>

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the de-recognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Brands

Brands are not amortised. Instead, brands are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Customer contracts

Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability

on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in Shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Superannuation expense

Contributions to made by the consolidated group to employee superannuation funds in accordance with The Superannuation Guarantee (Administration) Act (1992) are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary Shares are classified as equity.

Incremental costs directly attributable to the issue of new Shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but

are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be

replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flow.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates.

The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Business combinations

As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity operates exclusively in the Quick Service Restaurant ("QSR") segment in Australia.



Application Forms

Declaration By submitting this Application Form with your Application Monies, I/we declare that I/we:

- ✓ have read the Prospectus in full;
- ✓ have read the Privacy Policy (available at www.oliversrealfood.com.au) in full;
- ✓ have received either a paper or electronic copy of the Prospectus;
- ✓ have completed this Application Form in accordance with the instructions contained in the Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at www.oliversrealfood.com.au);
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our application may be accepted or rejected by the Company in its absolute discretion;
- ✓ authorise the Lead Manager and the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received the Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia unless the Shares may be offered in my/our jurisdiction without contravention of the security laws of the jurisdiction or any need to register the Prospectus, the Shares or the Offer.

Guide to the Broker Firm Offer Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A** If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares and then in multiples of 1,000 Shares). Multiply by A\$0.30 to calculate the total Application Monies for Shares and enter the **A\$amount** at Item **B**.
- C** Write your **full name**. Initials are not acceptable for first names.
- D** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- F** Enter your Australian **tax file number** (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- G** Complete **cheque details** as requested by your broker, or contact your broker to arrange payment for these Shares. Cheques must be in Australian currency, and cheques must be drawn on an Australian bank.
- H** Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.
- I** Enter your **email address** so we may contact you regarding your Application Form or Application Amount or other correspondence.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Logdment

Mail your completed Application Form with your cheque(s) or bank draft attached to your Broker.

Broker Contact Number	Broker Name													
<table border="1" style="width: 100%; height: 30px;"> <tr> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>													<table border="1" style="width: 100%; height: 30px;"> <tr> <td style="width: 100%;"></td> </tr> </table>	

The Offer closes at 5.00pm (Sydney time) 2 June 2017, unless varied in accordance with the terms of the Prospectus.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and + 61 2 9290 9600 outside Australia.

Privacy Statement

Oliver's Real Food Limited advises that Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form. Our privacy policy is available on our website (<http://www.oliversrealfood.com.au>)

The Corporations Act requires some of this information to be included in the Company's Shareholder register, which will be accessible by the public. The Company will collect, use, hold, and disclose your personal information in accordance with the Privacy Policy. For more detail on how the Company collects, stores, uses and discloses your information, please refer to our Privacy Policy. Alternatively contact the Company and the Company will send you a copy. It is recommended that you obtain a copy of the Privacy Policy and read it carefully.



Oliver's Real Food Limited

ACN 166 495 441

Public Offer Application Form

This is an Application Form for Shares in Oliver's Real Food Limited (**Company**) on the terms set out in the prospectus dated 17 May 2017 (**Prospectus**). Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares and multiples of 1,000 Shares thereafter. This Application Form and your cheque or bank draft must be received by the Company by **5.00pm (Sydney time) on 2 June 2017, unless varied in accordance with the terms of the Prospectus (Closing Date)**. Alternatively you can apply online at www.boardroomlimited.com.au/Olivers and pay by BPAY. Completed Application Forms and Application Monies must be received by the Company by 5.00pm (Sydney time) on the Closing Date.

This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus contains information relevant to a decision to invest in the Shares of the Company and you should read the entire Prospectus carefully before applying for Shares.

The Company's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on the Company's website: www.oliversrealfood.com.au

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in, or accompanied by the Prospectus. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

A Number of Shares you are applying for

x \$0.30 per Share =

Minimum of 10,000 Shares to be applied for and thereafter in multiples of 1,000 Shares

B Total amount payable

\$

C Write the name(s) you wish to register the Shares in (*see reverse for instructions*)

Applicant #1

Name of Applicant #2 or <Account Designation>

Name of Applicant #3 or <Account Designation>

D Write your postal address here

Number/Street

Suburb/Town

State

Postcode

E CHESS participant – Holder Identification Number (HIN)

Important please note if the name and address details above in sections C and D do not match exactly with your registration details held at CHESS, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.

F Enter your Tax File Number(s), ABN, or exemption category

Applicant #1

Applicant #2

Applicant #3

G

Cheque payment details – PIN CHEQUE(S) HERE. Cheque to be made payable to "Oliver's Real Food Limited" and crossed Not Negotiable. Enter cheque details below. *Please enter details of the cheque(s) that accompany this Application Form.*

¹ Alternatively you can apply online at www.boardroomlimited.com.au/Olivers and pay by BPAY. If you apply online, you do not need to complete a paper Application Form. See details on reverse.

Name of drawer of cheque

Cheque no.

BSB no.

Account no.

Cheque Amount A\$

H Contact telephone number (daytime/work/mobile)

Contact Name

E-mail Address



Declaration

By submitting this Application Form with your Application Monies, I/we declare that I/we:

- ✓ have read the Prospectus in full;
- ✓ have read the Privacy Policy (available at www.oliversrealfood.com.au) in full;
- ✓ have received either a paper or electronic copy of the Prospectus;
- ✓ have completed this Application Form in accordance with the instructions contained in the Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at www.oliversrealfood.com.au);
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our Application may be accepted or rejected by the Company in its absolute discretion;
- ✓ authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia or New Zealand and am/are not acting on behalf of a person resident outside Australia or New Zealand.

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A** If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares representing a minimum investment of \$3,000.00). Multiply by A\$0.30 to calculate the total Application Monies for Shares and enter the **A\$amount** at Item **B**.
- C** Write your **full name**. Initials are not acceptable for first names.
- D** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- G** Complete **cheque details** as requested. Make your cheque payable to "Oliver's Real Food Limited". Cross it and mark it 'Not negotiable'. Cheques must be in Australian currency, and must be drawn on a bank or financial institution in Australia. **Alternatively you can apply online at www.boardroomlimited.com.au/Olivers and pay by BPAY. If you apply online, you do not need to complete a paper Application Form. See below.**
- H** Enter your **contact details**, including name, phone number and e-mail address, so we may contact you regarding your Application Form or Application Monies. By providing an e-mail address you are electing to receive notices of meetings, annual reports and other communications from the Company electronically to the provided e-mail address.

Payment by BPAY

You may apply for shares online and pay your Application Monies by BPAY. Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of the Prospectus available at www.boardroomlimited.com.au/Olivers and follow the instructions on the online Application Form. When completing your BPAY payment please ensure you use the specific Biller Code and Unique CRN provided in the online Application Form and confirmation e-mail. If you do not use the correct Biller Code and CRN, your Application will not be recognised as valid. It is your responsibility to ensure payment is received by 5:00pm (Sydney time) on the Closing Date. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and should therefore take this into consideration when making payment. Neither Boardroom Pty Limited nor Oliver's Real Food Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail or deliver your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

Mailing address:

Oliver's Real Food Limited
C/-Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

Oliver's Real Food Limited
C/-Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

The Offer closes at 5:00 p.m. (Sydney time) on 2 June 2017, unless varied in accordance with the terms of the Prospectus.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Privacy Statement

Oliver's Real Food Limited advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of shares held) to be included in the Company's share register. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and discloses your information please contact the Company at the address or telephone number shown in the Prospectus.



Declaration

By submitting this Application Form with your Application Monies, I/we declare that I/we:

- ✓ have read the Prospectus in full;
- ✓ have read the Privacy Policy (available at www.oliversrealfood.com.au) in full;
- ✓ have received either a paper or electronic copy of the Prospectus;
- ✓ have completed this Application Form in accordance with the instructions contained in the Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at www.oliversrealfood.com.au);
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our Application may be accepted or rejected by the Company in its absolute discretion;
- ✓ authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia or New Zealand and am/are not acting on behalf of a person resident outside Australia or New Zealand.

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A** If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares representing a minimum investment of \$3,000.00). Multiply by A\$0.30 to calculate the total Application Monies for Shares and enter the **A\$amount** at Item **B**.
- C** Write your **full name**. Initials are not acceptable for first names.
- D** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- G** Complete **cheque details** as requested. Make your cheque payable to "Oliver's Real Food Limited". Cross it and mark it 'Not negotiable'. Cheques must be in Australian currency, and must be drawn on a bank or financial institution in Australia. **Alternatively you can apply online at www.boardroomlimited.com.au/Olivers and pay by BPAY. If you apply online, you do not need to complete a paper Application Form. See below.**
- H** Enter your **contact details**, including name, phone number and e-mail address, so we may contact you regarding your Application Form or Application Monies. By providing an e-mail address you are electing to receive notices of meetings, annual reports and other communications from the Company electronically to the provided e-mail address.

Payment by BPAY

You may apply for shares online and pay your Application Monies by BPAY. Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of the Prospectus available at www.boardroomlimited.com.au/Olivers and follow the instructions on the online Application Form. When completing your BPAY payment please ensure you use the specific Biller Code and Unique CRN provided in the online Application Form and confirmation e-mail. If you do not use the correct Biller Code and CRN, your Application will not be recognised as valid. It is your responsibility to ensure payment is received by 5:00pm (Sydney time) on the Closing Date. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and should therefore take this into consideration when making payment. Neither Boardroom Pty Limited nor Oliver's Real Food Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail or deliver your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

Mailing address:

Oliver's Real Food Limited
C/-Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

Oliver's Real Food Limited
C/-Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

The Offer closes at 5:00 p.m. (Sydney time) on 2 June 2017, unless varied in accordance with the terms of the Prospectus.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Privacy Statement

Oliver's Real Food Limited advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of shares held) to be included in the Company's share register. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and discloses your information please contact the Company at the address or telephone number shown in the Prospectus.



Corporate Directory

Issuer's Registered Office

Oliver's Real Food Limited
10 Amsterdam Circuit, Wyong NSW 2259

Directors

Mark Richardson, independent Non-executive Chairman
Jason Gunn, Executive Director and Chief Executive Officer
Kathy Hatzis, Non-executive Director
John Diddams, independent Non-executive Director
Peter Rodwell, independent Non-executive Director

Company Secretary

Emma Lawler

Lead Manager

Veritas Securities Limited
Level 4
175 Macquarie Street
Sydney NSW 2000

Legal Advisor

Norton Rose Fulbright Australia
Level 18, Grosvenor Place
225 George Street,
Sydney NSW 2000

Investigating Accountant

RSM Corporate Australia Pty Limited
Level 13, 60 Castlereagh Street
Sydney NSW 2000

Auditor

RSM Australia Partners
Level 13, 60 Castlereagh Street
Sydney NSW 2000

Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Website

www.boardroomlimited.com.au/Olivers and www.oliversrealfood.com.au/investors

Offer Information Line

1300 737 760 (toll free within Australia),
or +61 9290 9600 (outside Australia)
Between 8.30am and 5.30pm (Sydney time) Monday to Friday (business days only) during the Offer Period

Fresh. Natural. Organic.