

VORTEX PIPES LIMITED

ACN 096 870 978

PROSPECTUS

For an offer of up to 1,000,000 Offer Shares at an issue price of 0.1 cents per Offer Share to raise up to \$1,000.

This Prospectus has been prepared for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the future sale of Shares issued by the Company without disclosure prior to the date of this Prospectus.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Offer Shares offered by this Prospectus should be considered as highly speculative.

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CORPORATE DIRECTORY

Directors

Patrick Corr
Non-executive Chairman

Trevor Gosatti
Managing Director

Keith Bowker
Non-executive Director

Company Secretary

Keith Bowker

ASX Code

VTX

Auditor*

Pitcher Partners Corporate & Audit (WA)
Pty Ltd
Level 1, 914 Hay Street
Perth WA 6000

Registered Office

Suite 1, 56 Kings Park Road
West Perth WA 6005

Telephone: + 61 8 9481 0544
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Principal Place of Business

Unit 6, 110 Inspiration Drive
Wangara WA 6065

Website: <http://www.vortexpipes.com/>

Email: mail@somervillecorporate.com.au

Solicitors to the Company

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Share Registry*

Security Transfer Registrars Pty Ltd
Alexandra House
Suite 1, 770 Canning Highway
Applecross WA 6153

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus

IMPORTANT NOTES

This Prospectus is dated 18 January 2013. A copy of the Prospectus was lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus.

The expiry date of the Prospectus is 13 months after the date of the Prospectus (**Expiry Date**). No Offer Shares will be issued on the basis of this Prospectus after the Expiry Date.

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

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons in jurisdictions outside Australia into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not, and is not intended to, constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

RISK FACTORS

Potential investors should be aware that subscribing for Offer Shares involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Offer Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Offer Shares pursuant to this Prospectus.

1. DETAILS OF THE OFFER

1.1 Offer

The Offer is for up to 1,000,000 Offer Shares at an issue price of 0.1 cents per Offer Share to raise up to \$1,000.

All of the Offer Shares offered will rank equally with the Shares. Please refer to Section 3 for further information regarding the rights and liabilities attaching to the Shares.

1.2 Timetable

Lodgement of a copy of this Prospectus with ASIC and ASX	18 January 2013
Closing Date*	5.00pm (Perth time) 21 January 2013
Despatch of confirmation of issue of Offer Shares*	23 January 2013
Quotation of Offer Shares on ASX on a T+3 basis *	25 January 2013

** The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offer early without notice.*

1.3 Minimum subscription

There is no minimum subscription for the Offer.

1.4 Oversubscriptions

No oversubscriptions for the Offer will be accepted by the Company.

1.5 Not underwritten

The Offer is not underwritten.

1.6 Applications

The Offer will only be extended to specified parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

Applications for Offer Shares must be made using an Application Form.

Applications for Offer Shares must be for a minimum of 500,000 Offer Shares and include payment by cheque made payable to "**Vortex Pipes Limited – Share Issue Account**" and crossed "Not Negotiable" in respect of all Offer Shares applied for.

Complete Application Forms together with payment in full must be mailed or delivered to the address set out on the Application Form to be received by no later than the Closing Date.

1.7 ASX listing

Application for Official Quotation of the Offer Shares will be made within 7 days after the date of this Prospectus. If ASX does not admit the Offer Shares to

Official Quotation within 3 months after the date of the Prospectus, (or such period as varied by ASIC), the Company will not issue any Offer Shares and will repay all application monies for the Offer Shares within the time prescribed under the Corporations Act, without interest being paid to the applicants.

The fact that ASX may admit the Offer Shares to Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Offer Shares now offered for subscription.

1.8 Issue

Offer Shares will be issued as soon as practicable after the Closing Date.

Where the number of Offer Shares issued is less than the number applied for, or where no allotment is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Pending the allotment and issue of the Offer Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Offer Shares issued to the issuer sponsored subregister and confirmation of issue for CHESS holders will be mailed to Applicants being issued Offer Shares as soon as practicable after their issue.

1.9 Applicants outside Australia

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law.

This Prospectus does not, and is not intended to, constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

Persons in jurisdictions outside Australia into whose possession this Prospectus comes should consult their professional advisers as to whether any government or other consents are required, or whether any other formalities need to be observed should they wish to make an application for Offer Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

2. PURPOSE AND EFFECT OF THE OFFER

2.1 Purpose of the Offer

The primary purpose of the Offer is to remove any trading restrictions on the future sale of Shares issued by the Company without disclosure prior to the date of this Prospectus.

Relevantly, Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day of which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

All of the funds raised from the Offer will be applied towards the expenses of the Offer.

2.2 Estimated expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$12,000 primarily comprising ASIC fees and legal costs.

Costs incurred in excess of the funds raised from the Offer will be paid out of existing cash reserves.

2.3 Effect on capital structure¹

The effect of the Offer on the capital structure of the Company, assuming all Offer Shares are issued and no Options are exercised prior to the Closing Date is set out below.

Shares

	Number
Shares on issue as at the date of the Prospectus	2,516,972,236
Maximum number of Offer Shares	1,000,000
Total Shares on issue after completion of the Offer	2,517,972,236

Options

	Number
Options on issue as at the date of the Prospectus (unquoted, exercise price \$0.00125, expiry date 25 Oct. 2015)	1,500,000,000
Options to be issued pursuant to the Offer	NIL
Total Options on issue after completion of the Offer	1,500,000,000

2.4 Escrow arrangements

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

No Offer Shares to be issued will be subject to escrow restrictions, either voluntary or ASX imposed.

3. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to the Offer Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Offer Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

3.1 General meetings

Each shareholder is entitled to receive notice of, attend and vote at meetings of the shareholders of the Company subject to any restrictions imposed by the Corporations Act and the ASX Listing Rules.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

3.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

3.3 Dividend rights

The Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend. Subject to the rights of any preference Shareholders and to the rights of the holders of any shares credited or raised under any special arrangement as to dividend, the dividend as declared shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares in accordance with Part 2H.5 of Chapter 2H of the Corporations Act. The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution.

3.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit.

3.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

3.6 Transfer of Shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

3.7 Variation of rights

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

3.8 Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4. RISK FACTORS

4.1 Introduction

The Offer Shares are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Offer Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares. While most risk factors are largely beyond the control of the Company and its Directors, the Company will seek to mitigate the risks where possible and where the Directors consider it prudent to do so.

The following summary, which is not exhaustive, represents some of the principal risk factors which affect the Company.

4.2 Company specific

(a) Additional requirements for capital

As at the date of this Prospectus the Company's cash reserves are \$537,686.60.

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to existing cash reserves. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. There is no guarantee that the Company will be able to obtain funding on terms favourable to the Company or at all due to reasons such as general market conditions and investor sentiment and confidence.

If the Company is unable to obtain additional financing as needed, it may be required to scale back its operations.

Where the Company is unable to obtain additional funding it may be required to scale back its operations and it will adversely impact on its ability to operate as a going concern.

(b) Design, Construction, Research and Development Risks

The risks inherent in the proposed additional research and development of the ShieldLiner System and in the design and construction of additional production equipment can be summarised as follows:

- (i) The very nature of the type of research necessary to improve and enhance the ShieldLiner System and, in turn, the construction of the equipment is such that technical problems may be encountered which may be insurmountable;

- (ii) Problems may be encountered that may take time to solve and as such, the various research projects may not be completed within the budgeted timeframe or within budgeted cost;
- (iii) In specialised fields such as construction including research into the underground technologies of the type proposed, questions may arise for which it is not possible to locate and/or obtain the appropriate expertise. Design and construction of the ShieldLiner System equipment may be slower than expected, due to the novelty of the design and lack of experience in its construction; and
- (iv) The projected performance goals, reliability and time between service intervals may not be achieved within the time scale of the proposed testing program. It may require a number of incremental changes to be incorporated in a number of stages, or production series before targets can be achieved.

(c) **Operational Risks**

Although Vortex will endeavour to ensure the successful development and utilisation of the ShieldLiner System, there can be no guarantee of success or that, if technically successful, the ShieldLiner System will prove to be economically viable and provide a satisfactory return to investors.

In considering potential returns available from an investment in Vortex, investors also need to consider the risks associated with business operations. Assuming the continued successful development of the ShieldLiner System and the achievement of technical and performance targets, a number of risk factors remain, including the following:

- (i) The price of equipment and materials may change to the detriment of possible development and customer programmes;
- (ii) The costs of utilising the ShieldLiner System, associated plant and support staff may be greater than expected;
- (iii) The pipe lining process may not be approved by the relevant regulatory authorities;
- (iv) In field operations by end customers may not be successful due to materials, equipment and structural failure arising because of the novelty of the ShieldLiner System and the lack of experience and knowledge of its operation;
- (v) Competitive or technology factors may cause an adverse change in the ability to enter into joint ventures and other strategic alliances;
- (vi) New competitor technologies may prove to be more commercially acceptable;
- (vii) Government regulations in Australian or overseas markets may restrict development of the technologies;
- (viii) Vortex may be unable to negotiate or obtain suitable strategic partners, contracts or licensing arrangements;

- (ix) Damages may result from loss of services of key staff;
- (x) Vortex may be subject to litigation involving intellectual property, product liabilities or other consumer issues; and
- (xi) Patent infringement and challenges may affect Vortex.

In addition, external factors such as inflation, currency fluctuations, international taxation imposts, interest rates, supply and demand and industrial disruptions can have an influence on operating costs and revenues.

(d) **Intellectual Property Risks**

The ability of the Company to defend patents once granted, to obtain new patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties is an integral part of the Company's business. Competition in obtaining and sustaining protection of technology and the complex nature of technologies can lead to patent disputes. In addition, the granting of a patent does not guarantee that the rights of others are not infringed or that competitors will not develop technology to avoid the patented technology. There can be no assurance that any patents which the Company may own or control will afford the Company commercially significant protection of its technologies or its products or have commercial application. No guarantee can be given that the patents currently applied for or that may be sought in the future will be granted nor does the grant of a patent guarantee that the patent concerned is valid or that the technologies (patented or otherwise) does not infringe the rights of others.

(e) **Competitors and Dependence on Market Acceptance of the Company's Proposed Services**

The success of the Company's business will depend on the acceptance of its products and services by the market, as well as the Company's ability to enhance its products and services to meet the evolving needs of customers on a timely basis. There can be no assurance of the market's acceptance of the Company's products and services or the Company's ability to meet customers' needs.

(f) **Key Personnel**

The key personnel and contractors employed by the Vortex have a high degree of expertise and Vortex is reliant upon their continued service to maintain research and development of the Shieldliner System. The loss of key executives or staff or the inability to recruit and retain high calibre staff to manage future growth and maintain customer support to a high standard could adversely affect Shieldliner.

There can be no assurance that the Company will be able to attract or retain sufficiently qualified personnel on a timely basis, employ key management personnel, or establish relationships with key organisations.

(g) **Product & Environmental Liability**

The Company's business activities could result in claims against the Company including product and environmental liability claims from trials

and use of the Company's products. The Company will attempt to reduce this risk through disclaimers and liability limitation clauses. The Company will also seek to maintain adequate liability insurances, however, there can be no assurance that adequate or necessary insurance coverage will be available at an acceptable cost or in sufficient amounts. In the event of product liability claims, insufficient insurance coverage could have a material adverse effect on the Company's results of operations and financial condition. If there is a problem that is attributable to the Company's products or services, the market perception of the effectiveness of the Company's products and services could also be harmed.

(h) **Managing Rapid Growth**

Rapid growth of the Company will require preparedness for the deployment of management systems relating to financial monitoring and controls, human resources, corporate compliance, marketing, technical and creative production and changes in the competitive landscape. The Directors recognise the need to employ highly qualified people to fill expanding roles within the organisation and believe that such individuals can be attracted to the Company Competition for such personnel may be strong.

Should there be a delay in attracting suitably qualified individuals to participate in the roll out of the Company's business model or to integrate company acquisitions, or a loss of key personnel, the financial prospects and performance of the Company may be materially affected.

(i) **Risks Associated with Future Acquisitions**

The Company intends to investigate and consider selective acquisitions in the current business area and other industries. There are no assurances that the Company will be able to identify suitable acquisition candidates available for sale at reasonable prices, complete any acquisitions or successfully integrate any acquired business into the Company's operations.

Even in the event that future acquisition targets are identified by the Company, there are no assurances of completing these transactions and the due diligence costs and related costs could have a material effect on the profitability of the Company.

Further, future acquisitions may be outside the scope of the Company's current business model and accordingly if the Company may face the additional business risk of integrating disparate operations. Any acquisition will require financing which may create additional risks to the expansion of the Company's business if the allocation of the Company's limited cash resources is required to be varied.

(j) **No Profit to Date**

The Company has incurred losses and it is therefore not possible to evaluate the future prospects based on past performance.

Other factors that will determine the Company's profitability are its ability to manage its costs, to execute its development and growth

strategies, economic conditions in the markets the Company operates, competitive factors and regulatory developments.

The acquisition of any new business in the receivables management, finance and consumer services industries will, by its nature, incur one-off and other integration costs which may affect profitability. The Directors cannot guarantee the performance of the financial forecasts which are based on best estimate assumptions.

(k) **Policies and legislation**

Any material adverse changes in Federal, State or Territory government policies or legislation of Australia may affect the viability and profitability of the Company.

4.3 **General risks**

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

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 resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Investors may therefore realise less than, or lose all of, their investment.

(c) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(d) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

4.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Offer Shares offered under this Prospectus.

Therefore, the Offer Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or market value.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Offer Shares pursuant to this Prospectus.

5. ADDITIONAL INFORMATION

5.1 Litigation

As at the date of this Prospectus, the Company is not involved in any governmental legal or arbitration proceedings and the Directors are not aware of any governmental legal or arbitration proceedings pending or threatened against the Company.

5.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged with ASIC by the Company;
- (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in (i) and before the lodgement of a copy of this Prospectus with ASIC; and
- (iii) any continuous disclosure notices given by the Company to ASX in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of a copy of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of a copy of this Prospectus with ASIC are set out in the table below.

Date	Description of Announcement
09/01/2013	Ceasing to be a substantial holder
08/01/2013	Change in substantial holding
07/01/2013	Change in substantial holding
02/01/2013	Change in substantial holding
24/12/2012	Appendix 3B
07/12/2012	Director Appointment/Resignation
30/11/2012	Results of meeting
31/10/2012	Appendix 4C – quarterly
30/10/2012	Notice of Annual General Meeting/Proxy Form

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

5.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

During the three months immediately preceding the date of lodgement of a copy of this Prospectus with ASIC the market sale prices of Shares as traded on ASX have been 0.1 cents on 25 and 26 October 2012.

5.4 Interests and fees and benefits of Directors

Other than as set out in this Prospectus, no Director holds, or has held within the 2 years preceding lodgement of a copy of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Directors	Shares	Options
Patrick Corr	0	0
Trevor Gosatti	45,630,940	0
Keith Bowker	0	0

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors may only be varied by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$200,000 per annum.

A Director may receive a fixed sum as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

For the financial years ended 30 June 2011 and 30 June 2012 the Company paid (or has payable) by way of approved remuneration for services provided by all Directors or former directors of the Company (executive, non-executive and

alternate), companies associated with those Directors or former directors of the Company or their associates in their capacity as Directors or former directors of the Company, employees, consultants or advisers (inclusive of employer superannuation contributions) a total of \$283,334 and \$164,334 respectively.

The proposed annual remuneration (inclusive of superannuation contributions) of the Directors for the financial year ending 30 June 2013 is set out in the table below.

Director	Amount
Patrick Corr	\$21,800
Trevor Gosatti	\$Nil
Keith Bowker ¹	\$Nil

Notes:

1. A monthly fee of \$6,500 (exclusive of GST) is paid to Somerville Corporate Pty Ltd, a company related to Keith Bowker, for financial reporting, company secretarial services and director fees.

5.5 Fees and benefits of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, holds, or has held within the 2 years preceding lodgement of a copy of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the Australian solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 2 years preceding lodgement of a copy of this Prospectus with ASIC, Steinepreis Paganin has received, or is owed, fees of \$35,978.14 (excluding GST and disbursements) from the Company for legal services.

5.6 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the Australian solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of a copy of this Prospectus with ASIC.

5.7 Electronic Prospectus

Pursuant to Class Order 00/44, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

5.8 Clearing House Electronic Subregister System (CHES) and Issuer Sponsored holdings

The Company will not be issuing share certificates. The Company is a participant in CHES. Investors who do not wish to hold their securities through

CHESS will be issuer sponsored by the Company. Because the subregisters are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors whose holding changes in the course of a calendar month will be issued with a statement that sets out the changes in their Shareholding, including any Offer Shares issued to them under this Prospectus. On issue a notice will be despatched by post advising holders of their Holder Identification Number or Securityholder Reference Number and the number of Offer Shares issued.

A monthly statement for sponsored holders is despatched to holders if there has been any changes to the number of Shares held during the preceding month. That statement is despatched in the week following the relevant month end.

5.9 Privacy Act

If you complete an application for Offer Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Offer Shares, the Company may not be able to accept or process your application.

6. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of a copy of this Prospectus with ASIC.



Patrick Corr
Non-executive Chairman
For and on behalf of
VORTEX PIPES LIMITED

7. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means an investor who applies for Offer Shares.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at section 1.2 of this Prospectus (unless extended).

Company means Vortex Pipes Limited (ACN 096 870 978).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Offer means the offer to which this Prospectus relates as set out in section 1.1 of this Prospectus.

Offer Shares means the Shares to be issued pursuant to the Offer.

Official Quotation means official quotation on ASX.

Prospectus means this prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.