

Village
National



REPLACEMENT PROSPECTUS

Village National Holdings Limited
ACN 158 332 284

Replacement Prospectus for a pro rata renounceable rights issue of 37 New Shares for every 10 existing Shares held at the Record Date, at an issue price of \$0.08 per New Share

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IMPORTANT NOTICES

Key terms used in this Replacement Prospectus are defined in the Glossary.

This Replacement Prospectus replaces a prospectus dated and lodged with ASIC on 4 July 2014. For the purposes of this document, this Replacement Prospectus will be referred to as either **Replacement** Prospectus or this Prospectus. This Prospectus is dated 18 July 2014 and was lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus expires 13 months after the date on which this Prospectus was lodged with ASIC. No New Shares will be allotted or issued on the basis of this Prospectus after the expiry date. New Shares allotted or issued pursuant to this Prospectus will be allotted or issued on the terms and conditions set out in this Prospectus.

The Offer is available to Australian residents in each state and territory of Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. Seek advice on and observe any restrictions. This Prospectus is not an Offer in any place where, or to any person to whom, it would not be lawful to make the Offer.

No person is authorised to give any information or make representations about the Offer, which is not contained in this Prospectus. Information or representations not contained in this Prospectus must not be relied on as authorised by the Company, or any other person, in connection with the Offer.

This Prospectus provides information for Eligible Shareholders to decide if they wish to apply for New Shares pursuant to this Prospectus. Read this document in its entirety. Consider all risk factors carefully in light of your personal financial circumstances. Seek professional advice from your accountant, lawyer or other professional adviser before deciding whether to invest. The Offer does not take into account the investment objectives, financial situation or needs of particular investors.

Overseas Shareholders

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. No action has been taken to register or qualify the New Shares the subject of this Prospectus or otherwise permit a public offering of the New Shares the subject of this Prospectus in any jurisdiction outside Australia or New Zealand.

This Offer is only open to Eligible Shareholders. No offer of New Shares will be made to Shareholders resident outside Australia or New Zealand.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders).

Note

Monetary amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated. Diagrams used in this Prospectus may not be drawn to scale. The assets depicted in photographs in this Prospectus are not assets of Village National unless otherwise stated.

THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY.

Event	Date
Record Date	30 June 2014
Offer opens	18 July 2014
Offer closes	25 July 2014
Anticipated date of allotment	26 July 2014
Shareholding statements expected to be dispatched	26 July 2014
Shortfall allotment	27 July 2014

All dates and times are subject to change and are indicative only. Village National reserves the right to vary these dates and times without prior notice. It may close the Offer early, withdraw the Offer, or accept late Applications. Applicants are encouraged to submit their Entitlement and Acceptance Forms as soon as possible.

1. CORPORATE DIRECTORY

Directors

Jennifer Hutson, Chairperson
David Franklyn, Managing Director
Noel Griffin, Non-executive Director

Share Registry

Armstrong Registry Services Pty Ltd
GPO Box 897
Brisbane Qld 4001

Company Secretary

Mary-Anne Greaves

Auditor

Pitcher Partners
Level 30
Central Plaza 1
345 Queen Street
Brisbane Qld 4000

Registered Office

Level 22
307 Queen Street
Brisbane QLD 4000

Solicitors to Village National

Mills Oakley Lawyers
Level 14
145 Ann Street
Brisbane Qld 4001

Website

www.villagenational.com.au

- Village National offers a vertically integrated solution to the mining accommodation sector in Queensland.
- Our goal is to build, manage and service outstanding mining accommodation villages.



2. CHAIRPERSON'S LETTER

Dear Shareholder

On behalf of the Board, it gives me great pleasure to offer you this opportunity to share in the ownership and the future growth of Village National Holdings Limited, by participating in the Rights Issue made via this Prospectus to raise approximately \$17.6 million.

Eligible Shareholders as at the Record Date will be offered 37 New Shares at an issue price of \$0.08 per New Share, for every 10 Shares held at the Record Date. The full terms of the Offer are contained in this Prospectus.

The funds raised by this Offer will be used to:

- reduce bank debt from \$20.6 million to \$10 million;
- enable the finalization capital works involving a 60 room expansion at the Coal Country Caravan Park site which Village National owns in Moranbah; and
- for working capital.

Village National offers a quality service offering to miners and contractors in the mining and resources industry using a highly differentiated form of regional accommodation solution with a comprehensive range of services.

Following implementation of the transactions approved at the extraordinary general meeting of the Company held on 19 December 2013, the Village National Group now has three existing sites with 439 existing rooms and the potential to build out to in excess of 1,000 rooms on the land within those sites. The sites are located in Queensland in the townships of Moranbah and Emerald which are close to multiple significant world class mines.

A significant capital raising was undertaken in May 2012. The opportunity is now offered to current Shareholders to increase their shareholding in Village National through this Rights Issue. The funds from this capital raising will be used to decrease debt, restructure business operations, and finalise the installation of an additional 60 rooms at Moranbah.

This Prospectus contains detailed information about the Village National Group's operations, financial performance, experienced management team and future plans. It also outlines the potential risks associated with taking up this Rights Issue.

This offer is an opportunity for existing Shareholders to make a further investment in the Company, as well as having the ability to sell or transfer all or any part of their Entitlement.

I encourage you to read this document carefully and seek appropriate independent advice before making your investment decision.

Yours sincerely

A handwritten signature in blue ink that reads "Jenny Hutson."

Jenny Hutson
Chairperson
Village National Holdings Limited

3. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$	an Australian dollar.
Applicant	an Eligible Shareholder who applies for New Shares.
Application	an application for New Shares.
Application Money	money received by the Company in respect of Applications.
ASIC	the Australian Securities and Investments Commission.
Board	the board of Directors as constituted from time to time.
Closing Date	25 July 2014, the closing date of the Offer (subject to the Company reserving the right to extend the Closing Date or close the Offer early).
Company or Village National	Village National Holdings Limited ACN 158 332 284
Constitution	the constitution of the Company.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Directors	the directors of the Company at the date of this Prospectus.
Eligible Shareholders	a Shareholder whose registered address is in Australia or New Zealand and who is a Shareholder at 5.00 pm (AEST) on the Record Date
Entitlement or Right	the entitlement of Eligible Shareholders to subscribe for 37 New Share for every 10 Shares held by them as at the Record Date, and Rights has a corresponding meaning.
Entitlement and Acceptance Form	the personalised entitlement and acceptance form accompanying this Prospectus
New Shares	the Shares to be issued in the Company under this Prospectus.
Offer	the offer of New Shares pursuant to this Prospectus.
Prospectus	this prospectus.
Record Date	30 June 2014
Right or Entitlement	refer to the definition of Entitlement
Rights Issue and Rights Issue Offer	a pro rata renounceable rights issue by the Company of 37 New Shares for every 10 existing Shares held at the Record Date, at an issue price of \$0.08 per New Share
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a holder of Shares.
Shortfall	the difference between the total number of New Shares offered to Eligible Shareholders under the Offer and the number of New Shares applied for on a pro rata basis in exercising the Entitlements.
Shortfall Offer	the offer of the Shortfall to Eligible Shareholders or other third parties at the invitation of the Company located and receiving this Prospectus in Australia
Shortfall Shares	the number of New Shares comprising the Shortfall.
Village National Group	means Village National Holdings Limited ACN 158 332 284 and its wholly owned subsidiaries.

4. QUESTIONS AND ANSWERS

Question	Answer
What is the Rights Issue Offer?	<p>The Rights Issue is an offer by the Company of approximately 220,098,170 New Shares. Shareholders who are registered holders as at 5.00pm EST on the Record Date (30 June 2014) and whose address on the register is in Australia or New Zealand will receive an entitlement allocation (Eligible Shareholder).</p> <p>If you are an Eligible Shareholder, your Entitlement is to an allocation of 37 New Shares for every 10 Shares you hold on the Record Date.</p> <p>Rights are renounceable and accordingly, Rights will be able to be transferred or sold to a third party.</p> <p>New Shares not subscribed for under the Offer will be made available under the Shortfall Offer and can be subscribed for by, among others, Eligible Shareholders who wish to acquire more than their Entitlement or third parties at the invitation of the Company.</p>
What is the purpose of this Offer?	<p>The purpose of the Rights Issue Offer and the Shortfall Offer is to decrease debt, finalise a 60 room expansion at Coal Country in Moranbah and for working capital.</p>
What are the benefits of the Offer?	<p>The funds raised under the Offer will enable the Company to reduce bank debt, restructure business operations, and to finalise the installation of an additional 60 rooms at the Company's site in Moranbah.</p>
Why is the Company undertaking the Rights Issue?	<p>The Board believes that the Rights Issue is the preferred form of equity raising, as it provides existing Shareholders with the opportunity to maintain their current percentage shareholding in the Company by taking up their Entitlement. If existing Shareholders do not wish to participate, they are able to transfer their Entitlements under the Offer.</p>
What effect will the Offer have on the control of the Company?	<p>The impact of the Offer on control of the Company will depend on the number of current Shareholders who take up their Entitlement. If current Shareholders renounce their Entitlement, other Shareholders or third parties may acquire their Entitlement under the Shortfall Offer. This may affect the respective percentage of Shares held by Shareholders as at the date of this Prospectus.</p>
Can foreign Shareholders participate in the Rights Issue?	<p>Only Eligible Shareholders will receive an allocation under the Rights Issue Offer. All Shareholders of the Company at the Record Date are Eligible Shareholders.</p>
Can Eligible Shareholders apply for more than their Entitlement?	<p>Each Eligible Shareholder will receive an entitlement to subscribe for 37 New Shares for every 10 Shares held by them at the Record Date.</p> <p>Eligible Shareholders (other than Shareholders from New Zealand) who subscribe for their full Entitlement may also apply for additional New Shares under the Shortfall Offer.</p>
What is the Shortfall Offer?	<p>Shortfall means the number of New Shares comprising the difference between the number of New Shares the subject of the Rights Issue and the number of New Shares for which valid Entitlement and Acceptance Forms have been received and accepted by the Company by the Closing Date.</p> <p>The Shortfall Offer is the offer of the Shortfall to Eligible Shareholders and any other</p>

Question	Answer
	<p>persons located and receiving this Prospectus in Australia or third parties at the invitation of the Company.</p> <p>The offer of New Shares under the Shortfall Offer is a separate offer independent from the Rights Issue Offer.</p> <p>The issue price of any New Shares issued under the Shortfall Offer will be the same as the issue price under the Rights Issue, being \$0.08 per New Share.</p>
<p>What rights and liabilities attach to the Shares?</p>	<p>New Shares have the same rights as existing Shares and will rank equally in all respects with the Shares held by the existing Shareholders. The rights and liabilities attaching to all Shares are detailed in the Company's constitution. See section 11 of this Prospectus.</p>
<p>What are the risks associated with accepting or not accepting your Entitlement?</p>	<p>If you choose not to accept your Entitlement in full under this Prospectus, your shareholding in the Company may be diluted. You should also be aware that subscribing for New Shares involves a number of risks. Section 10 sets out the key risk factors you should consider in determining whether to take up your Entitlement.</p> <p>In particular, some of the key risks identified in section 10 include the following:</p> <ul style="list-style-type: none"> ○ tightening of economic conditions and changes in the demand for mining accommodation; ○ limited history of the Company; and ○ government and regulatory changes to the mining industry, impacting on the demand for accommodation services. <p>Please carefully consider whether to accept your Entitlement and, if you are in doubt as to whether to accept, you should consult your independent professional investment advisor.</p>
<p>What is the Company's financial position?</p>	<p>The Company's financial position is set out in the most recent Annual Report for the year ended 31 December 2013 of the Company, dated 25 March 2014. Information contained in the Annual Report is incorporated by reference into this Prospectus.</p> <p>A copy of the Annual Report may be obtained free of charge at www.villagenational.com.au or by contacting the Company at its registered office during normal business hours on (07) 3229 7900.</p>
<p>Is the Offer underwritten?</p>	<p>The Offer is not underwritten.</p>
<p>How do I participate in the Offer?</p>	<p>To participate in the Offer, please complete the Entitlement and Acceptance Form accompanying this Prospectus and return it with payment of the Application Money before 25 July 2014.</p>
<p>Further questions</p>	<p>If you have questions in relation to the Offer, please contact Village National on (07) 3229 7900.</p>

5. DETAILS OF THE OFFER

5.1 Investment highlights

- Board members and management with extensive experience in commercial negotiations, corporate restructuring, acquiring and developing projects in different sectors, and managing medium to longer term goals;
- Consolidation of assets and debt reduction to enable better utilisation of resources of the Company;
- Focussed expansion of key assets with the aim of improving financial performance;
- Opportunity to increase current shareholding or transfer Entitlements to third parties.

5.2 The Offer

By this Prospectus, the Company is making a renounceable offer of New Shares on the basis that for every 10 Shares held by Eligible Shareholders at the Record Date, Eligible Shareholders will have the right (but not the obligation) to subscribe for 37 New Shares at an issue price of \$0.08 (8 cents) per New Share (Rights Issue).

The Rights Issue is renounceable and Eligible Shareholders may sell or transfer all or any part of their Entitlement to other Shareholders or third parties.

As at the date of this Prospectus, the Company currently has 59,485,992 Shares on issue. The number of New Shares offered under this Prospectus is 220,098,170.

There is no minimum subscription for the Offer.

Eligible Shareholders may accept their Entitlement in whole or in part, or may decide not to accept their Entitlement at all. Shareholders who do not accept their Entitlement in full will, as a result of the Rights Issue, have their percentage shareholding in the Company diluted. Eligible Shareholders wishing to take up all or part of their Entitlement under the Rights Issue can only do so by completing the Entitlement and Acceptance Form which accompanies this Prospectus.

Offer Price per Share	\$0.08 per Share
No. of Shares offered under this Prospectus	220,098,170
Total number of Shares on issue following the Offer	279,584,162
Amount to be raised under the Offer	\$17.6 million
Offer price per Share x 279,584,162 Shares on issue following the close of the Offer	\$22.37 million

Any Entitlements not taken up pursuant to the Offer will form the Shortfall Offer which is a separate offer made pursuant to this Prospectus. Refer section 6.7 for further information.

5.3 Opening and Closing Dates of the Rights Issue Offer

The Opening Date of the Rights Issue Offer will be 18 July 2014 at 9.00am EST and the Closing Date will be 25 July 2014 at 5.00pm EST. The Directors reserve the right to close the Rights Issue Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so. Entitlement and Acceptance Forms received after the Closing Date will be rejected and Application Money will be returned without interest.

Indicative timetable*

Event	Date
Record Date	30 June 2014
Offer opens	18 July 2014
Offer closes	25 July 2014
Anticipated date of allotment	26 July 2014
Shareholding statements expected to be dispatched	26 July 2014
Shortfall allotment	27 July 2014

*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.

5.4 The Purpose of the Offer

Village National's main objectives on completion of the Offer are:

- to reduce bank debt;
- to enable capital works being the finalization of a 60 room expansion at Coal Country in Moranbah, and
- to restructure business operations and provide working capital.

5.5 The effect of the Offer on the Company's capital structure and control position

The issue of New Shares under this Prospectus will raise approximately \$17.6 million.

The effect of the Offer on the capital structure of the Company, assuming all Eligible Shareholders take up their Entitlement, is set out below:

Description	Number of Shares
Shares currently on issue	59,485,992
New Shares offered pursuant to the Offer	220,098,170
Total Shares on issue after the Closing Date (assuming full subscription)	279,584,162

If an Eligible Shareholder exercises their full Entitlement under the Rights Issue Offer, they will not be diluted. If an Eligible Shareholder does not exercise their full Entitlement under the Rights Issue Offer they will be diluted. Ineligible Shareholders will have their holdings diluted by the Rights Issue Offer. The extent of any dilution will depend on the level of participation in the Rights Issue Offer and the Shortfall Offer.

The effect of the offer on the control of Village National will depend upon a number of factors including:

- the level of shareholder participation (including both the taking up of Entitlements and applications for additional New Shares);
- the level of participation in the Shortfall Offer by Shareholders; and
- the level of application for Shortfall Shares (if any) by third parties.

If every Eligible Shareholder was to take up their full Entitlement, there would be no effect on the control of Village National, as the Rights Issue Offer is made pro-rata and in that case there would not be any scope for any Shareholder to apply for additional New Shares under the Shortfall Offer.

The following table sets out the effect on the Top 10 Shareholders assuming they take up their fully entitlement and separately showing the change in shareholding if only \$10 million is raised but the top 10 take up their fully entitlement. Depending on the final amount raised AET (Esplanade Property Fund) may

have significant voting power in Village National Holdings Limited in the Company in the event that the full amount of \$17.6 million is raised and in the event that total amount is not raised.

Shareholder	No. of Shares	% of total Shares on issue as at 18 July 2014	% of total Shares on issue if \$10 million is raised	% of total Shares on issue if \$17.6 million is raised
AET (Esplanade Property Fund)	13,250,000	22.3%	33.8%	22.3%
Simgar Pty Ltd	5,500,000	9.3%	14.0%	9.2%
Gaffwick Pty Ltd	5,000,000	8.4%	12.7%	8.4%
Worcester Pty Ltd	4,000,000	6.7%	10.2%	6.7%
Geju Pty Ltd	2,500,000	4.2%	6.4%	4.2%
Fibora Pty Ltd	2,500,000	4.2%	6.4%	4.2%
Monto Holdings Pty Ltd	1,875,000	3.2%	4.8%	3.2%
Pennington Investments Pty Ltd	1,511,250	2.5%	3.8%	2.5%
Southport Investments Pty Ltd	1,500,000	2.5%	3.8%	2.5%
Amgur Pty Ltd	1,000,000	1.7%	2.6%	1.7%

Interests of Directors

The Directors intend to apply for their full entitlement of New Shares under the Offer. The effect on their shareholdings in taking up the full entitlement for each Director is set out below:

Director	Shareholder	No. of Shares held at date of Prospectus	No of Shares to be held upon closure of the Offer taking up full entitlement
Jennifer Hutson		Nil	Nil
David Franklyn	Australian Executor Trustees Limited <Esplanade Property Fund>	13,250,000	62,275,000
	David John & Lucille Corinne Franklyn	62,500	293,750
Noel Griffin	Griffin Fund Management Pty Ltd <The Noel Griffin No. 2 Superannuation Fund>	875,000	4,112,500
	Griffin Fund Management Pty Ltd	375,000	1,762,500

If only the Directors take up the Offer than Australian executor Trustees Limited <Esplanade Property Fund> would emerge with a 49.47% shareholding, Griffin Fund Management Pty Ltd <The Noel Griffin No. 2 Superannuation Fund> would emerge with a 3.22% shareholding and Griffin Fund Management Pty Ltd would emerge with a 1.38% shareholding.

5.6 Financial effect

Set out below is the statement of financial position of the Company as at 31 December 2013 and the unaudited statement of financial position which has been adjusted for the impact of the transactions approved at the extraordinary general meeting of the company on 19 December 2013 and the proposed Rights Issue:

Consolidated Statement of Financial Position

	31 December 2013 \$	Completion of transactions 19 December 2013	\$17.6 million capital raising	Pro-forma as at 31 December 2013 \$
Assets				
Cash and cash equivalents	666,231	0	1,081,181	1,747,412
Trade and other receivables	326,420	0	0	326,420
Inventories	24,587	0	0	24,587
Other assets	3,670,054	(2,750,000)	100,000	1,020,054
Assets held for sale	22,294,459	(22,294,459)	0	0
Total current assets	26,981,751	(25,044,459)	1,181,181	3,118,473
Property, plant and equipment	43,506,981	(1,226,151)	4,000,000	46,280,830
Intangible assets	1,200	0	0	1,200
Deferred tax assets	1,376,315	0	0	1,376,315
Other non-current assets	37,700	0	0	37,700
Total non-current assets	44,922,196	(1,226,151)	4,000,000	47,696,045
Total assets	71,903,947	(26,270,610)	5,181,181	50,814,518
Liabilities				
Trade and other payables	842,520	0	0	842,520
Borrowings	33,200,182	(10,781,363)	(12,418,819)	10,000,000
Provisions	156,735	0	0	156,735
Tax liabilities	338,743	0	0	338,743
Other liabilities	10,045	0	0	10,045
Liabilities associated with assets held for sale	387,203	0	0	387,203
Total current liabilities	34,935,428	(10,781,363)	(12,418,819)	11,735,246
Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred tax liabilities	0	0	0	0
Total non-current liabilities	0	0	0	0
Total liabilities	34,935,428	(10,781,363)	(12,418,819)	11,735,246
Net assets	36,968,519	(15,489,247)	17,600,000	39,079,272

	31 December 2013 \$	Completion of transactions 19 December 2013	\$17.6 million capital raising	Pro-forma as at 31 December 2013 \$
Equity				
Issued capital	44,724,071	(13,807,304)	17,600,000	48,516,767
Reserves	1,452,680	0	0	1,452,680
Accumulated losses	(9,208,232)	(1,681,943)	0	(10,890,175)
Total equity	36,968,519	(15,489,247)	17,600,000	39,079,272

The pro-forma as at 31 December 2013 assumes:

- (a) Capital raised by issuing 220,098,170 shares at \$0.08 totalling \$17,600,000
- (b) Bank debt is reduced to \$10,000,000
- (c) Issue costs are \$100,000
- (d) Capital works \$4,000,000
- (e) The following transactions approved at the EGM on 19 December 2013 were completed on 31 December 2013:
 - Share buy-back and cancellation of 23,816,708 Shares in the Company held by Wellington Villages Pty Ltd;
 - Share buy-back and cancellation of 7,789,565 Shares in the Company held by GBC Housing Pty Ltd and Creek Street Holdings Pty Ltd; and
 - Share buy-back and cancellation of 3,818,344 Shares in the Company held by Creek Street Holdings Pty Ltd.

The above Statement of Financial Position should be read in conjunction with the accompanying notes set out in the most recent Annual Report of the Company for the financial year ended 31 December 2013, dated 25 March 2014. All Shareholders have recently been provided with a copy of the Annual Report a further copy is available at no cost by contacting Village National on (07) 3229 7900.

5.7 Rights and Liabilities attaching to New Shares

New Shares will, once issued, rank *pari passu* with existing Shares.

The following is a summary of the more significant rights attaching to 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.

Section 11.2 of this Prospectus sets out a greater summary of the terms of the Constitution.

Full details of the rights attaching to 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.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

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

(b) 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:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) 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
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any Shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which 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.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. 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.

Subject to the *Corporations Act*, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, 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 of the Company, 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, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

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

(f) **Transfer of Shares**

Generally, Shares 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*.

(g) **Variation of rights**

Pursuant to 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.

(h) **Alteration of Constitution**

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.

5.8 Rights Trading

Entitlements to New Shares pursuant to the Rights Issue Offer are renounceable and accordingly, Entitlements will be able to be transferred or sold. Details on how to sell Entitlements are set out in Sections 6.2 and 6.3 below.

5.9 Ineligible Shareholders

The Company has decided that it is unreasonable to make offers under the Rights Issue Offer to Shareholders with registered addresses outside Australia and New Zealand having regard to:

- (a) the number of Shareholders in those places;
- (b) the number and value of the New Shares they would be offered; and
- (c) the cost of complying with the legal and regulatory requirements in those places.

Accordingly, the Rights Issue Offer is not being extended to, and does not qualify for distribution or sale, and no New Shares will be issued under the Rights Issue Offer to Shareholders having registered addresses outside Australia and New Zealand. This Prospectus is sent to those Shareholders for information purposes only.

5.10 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences connected with an investment in the Shares in the Company.

6. HOW TO APPLY

6.1 If you want to take up your Entitlement

If you are an Eligible Shareholder, the number of New Shares to which you are entitled (your Entitlement) is shown on the accompanying Entitlement and Acceptance Form. Fractional entitlements will be rounded down to the nearest whole number.

If you are an Eligible Shareholder and you wish to take up all or part of your Entitlements, you must accept the Rights Issue Offer by completing the personalised Entitlement and Acceptance Form mailed to you with this Prospectus. Your personalised Entitlement and Acceptance Form will detail your entitlement to New Shares under the Rights Issue Offer. You should complete the form in accordance with the instructions set out on the reverse side of the form.

Your completed Entitlement and Acceptance Form must be accompanied by the requisite Application Money calculated at \$0.08 for each New Share or payment must be made by following the instructions on your personalised Entitlement and Acceptance Form, by the Closing Date (or such later date as the Directors advise).

6.2 If you wish to sell your Rights in full

The issue has been structured as a renounceable issue so that if Shareholders have other entities that they would like to nominate to transfer their entitlements to they have that opportunity. For example superannuation fund trustee may transfer their entitlement to a related party. There is no market mechanism for selling or transferring entitlements.

If you wish to sell all of your Entitlements, follow the instructions on the back of the accompanying Entitlement and Acceptance Form.

The sale of your Entitlement does not mean that you must sell your existing Shares. The right to subscribe for New Shares may be sold or transferred without selling the Shares currently held.

6.3 If you wish to sell part of your Entitlements and take up the balance

If you wish to sell part of your Entitlements and take up the balance, follow the instructions on the back of the accompanying Entitlement and Acceptance Form. You will need to forward a completed renunciation form signed by you (as the seller) and the buyer, together with the Entitlement and Acceptance Form completed by the buyer and the buyer's cheque for the appropriate Application Money to reach the Company by no later than the Closing Date (or such later date as the Directors advise).

To take up the remaining part of your Entitlements, you will need to ensure that the completed Entitlement and Acceptance Form reaches the Company by the Closing Date (or such later date as the Directors advise).

If the Company receives both a completed renunciation form and a completed Entitlement and Acceptance Form in favour of the same Shareholder in respect of the same Entitlements, the renunciation will be given effect in priority of the acceptance.

6.4 If you do nothing

If you are an Eligible Shareholder and you do nothing by the Closing Date, your Entitlements will lapse and form part of the Shortfall which will be dealt with in accordance with Section 6.7.

6.5 Form of payment

All cheques must be drawn on an Australian Bank and made payable in Australian currency to 'Village National - Rights Issue Account' and crossed 'not negotiable'.

Your completed Entitlement and Acceptance Form, together with your cheque must be forwarded to:

By Mail:

Armstrong Registry Services
GPO Box 897
Brisbane Qld 4001

In Person:

Village National Holdings Limited
Level 22
307 Queen Street
Brisbane QLD 4000

Completed Entitlement and Acceptance Forms must be received by no later than 5.00pm EST on the Closing Date.

6.6 Minimum subscription

There is no minimum subscription for the Rights Issue Offer.

6.7 Shortfall Offer

If you do not wish to take up any part of your Entitlement or sell or transfer your Rights under the Rights Issue Offer, you are not required to take any action. However, your percentage shareholding in the Company will be diluted. That part of your Entitlement not taken up or sold to a third party will form part of the Shortfall and be offered under the Shortfall Offer.

The offer of the Shortfall is a separate offer pursuant to this Prospectus and will remain open after the Rights Issue Offer has closed. The issue price of any New Shares allocated pursuant to the Shortfall shall be \$0.08, being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus.

Shortfall Shares will only be issued if the Rights Issue Offer is undersubscribed and will only be issued to the extent necessary to make up any Shortfall. If the Company receives applications for Shortfall Shares that would result in the Rights Issue Offer being oversubscribed then the Company will not accept such oversubscriptions and will reject applications in its absolute discretion.

The Directors reserve the right to reject any application for Shortfall Shares or to allot a lesser number of Shortfall Shares than applied for. Application Money received but not applied towards subscriptions for Shortfall Shares will be refunded as soon as practicable. No interest will be paid on Application Money held and returned. Furthermore, the Company will not issue Shortfall Shares where to do so would result in a breach of the Corporations Act.

In addition to being able to apply for New Shares pursuant to the Rights Issue Offer, Eligible Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for New Shares pursuant to the Shortfall Offer. The Directors will at their discretion allot additional New Shares to Eligible Shareholders who apply for New Shares in excess of their full Entitlement under the Shortfall Offer if there is a Shortfall. The Directors retain the right to place any other part of the Shortfall to professional and sophisticated investors or third parties at the invitation of the Company, at their discretion.

6.8 Allotment of New Shares

New Shares issued pursuant to the Rights Issue Offer will be allotted as soon as practicable after the Closing Date. Where the number of New Shares issued is less than the number applied for, or where no allotment is made under the Shortfall, surplus Application Money will be refunded without any interest to the Eligible Shareholders as soon as practicable after the Closing Date.

Until allotment and issue of the New Shares or payment of refunds pursuant to this Prospectus, the Application Money will be held in trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the Application Money will be for the benefit of the Company and will be retained by it irrespective of whether allotment and issue of the New Shares takes place.

7. VILLAGE NATIONAL – THE BUSINESS

7.1 Industry Overview

Village National is focused on building a profitable, differentiated mining accommodation solution in Queensland's most active mining areas.

The current environment for mining accommodation is supportive of this endeavour:

Weaknesses in traditional mining camps

Many operators in the mining services accommodation sector offer 1,000-2,000 men camps, which require a large upfront investment to complete build-outs and associated permits and approvals. A significant lead time is required in these instances to complete construction and town planning approvals of approximately two years. During this two year period, often no income is received.

In addition, these camps are located in remote areas close to mine sites and are exposed to significant health and safety issues due to their proximity to the mine site location. They are seen as less desirable for workers in remote locations.

These camps require significant administration and maintenance due to the operation of additional peripheral services for their occupants.

How Village National camps provide a solution

The Village National model addresses these weaknesses by focusing on the following:

- the aggregation and build-out of Queensland caravan parks/hotels located in key towns servicing high demand mining locations with multiple world class mines in close proximity;
- the purchase of existing businesses with cash flows, which fund holding costs through the expansion period;
- speed-to-market as locations have existing development approvals and council support for further expansion;
- efficient build out of additional rooms due to in-house construction expertise;
- sites currently enjoy relationships with multiple local mines through existing relationships;
- locations in existing townships to ensure sites hold their land value, and enjoy an additional value as the value of the underlying land increases through future development;
- provision of highly competitive quality accommodation, in better lifestyle locations within towns creating a better experience for occupants;
- by securing and developing accommodation sites across Queensland's key mining areas, Village National aims to be one of the few accommodation providers that can offer a regional accommodation solution. This will create an asset of strategic importance to both labour and mining services businesses seeking to leverage their position with mining companies and associated contractors.

Current Sites and Rooms

Property	Current Rooms	Development Application Held	Rooms Currently Being Negotiated with ULDA / Council	Rooms to be demolished	Total Rooms
Roberts Street, Emerald (Nagoa)	24	176	120	24	296*
Belyando Avenue, Moranbah	238	899	-	238	899*
Pritchard Road, Emerald	177	-	120	-	297

* Total rooms at completion after existing rooms are demolished.

* Notes:

- The total numbers of rooms assumes that the appropriate approvals will be forthcoming from ULDA and Councils.
- Roberts Street, Emerald: Current rooms will either be demolished or removed and relocated as part of a new development.
- Belyando Avenue, Moranbah: The total 899 rooms which are subject to a development application will replace all existing rooms, which will either be demolished or removed and relocated.
- Pritchard Road, Emerald: The majority of existing rooms will remain with expansion likely to occur on vacant land.
- All rooms that are to be or have been newly developed are one bedroom, ensuited rooms, with a minimum size of 16m².
- The properties contain cabin style rooms.

Diversified Client Base

Each Village National site has a diversified client base of mining companies, mining services businesses, infrastructure companies and engineering consultant firms.

Existing clients include Anglo American Coal, BMA, Eagle Downs Coal, Queensland Rail, Origin Energy, RioTinto, McConnell Dowell and a range of service providers to these groups. Village National provides rooms to these groups either on a contracted basis or an as needed basis, depending on the number of rooms required and the length of stay.

The diversified client base reduced the inherent risk in traditional mining camps where the operator may be solely reliant upon the success and viability of the mine. It also mitigates the operational risk of union demands and controls and work place health and safety concerns by operating on mining sites.

Village National has located the sites in regional centres to allow for the use of town facilities such as restaurants and services, thereby attracting a broader client base.

Accommodation management and responsibility

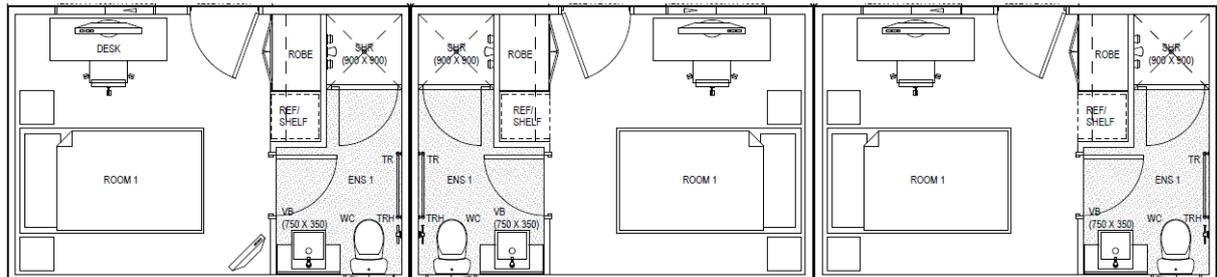
Village National manages and delivers all facets of its operations. This includes:

Village National	
✓	Assignment of rooms to authorised occupants and visitors
✓	Conduct of residents in the camp
✓	Reporting to the principal on accommodation numbers, vacancies, compliance with regulations and issues requiring correction and maintenance
✓	Pest control and monitoring
✓	Supply of all equipment and materials to complete camp management and servicing
✓	Completion and record keeping of all maintenance issues, including weekly reports to the principal of any defects requiring rectification
✓	Collection, sorting and disposal of all rubbish from around the camp facility
✓	Operation of the dining facility in the camp facility
✓	Camp security and monitoring, including daily report of incidents
✓	Management of the onsite services including portable water, electricity, internet, entertainment and telephones
✓	Housekeeping services

Accommodation

In-house expertise and 'know how' assists in maximizing the service life of all Village National accommodation camps. This includes regular maintenance and the provision of spare parts.

A typical Village National accommodation unit comprises three- single person quarters in the following layout:



Key Points of Differentiation

The Village National model delivers the following key benefits over traditional mining camp structures:

	Traditional Mining Camps	Village National
Low infrastructure build costs	x	√
Not reliant on success of a single mine	x	√
Smaller operation, less capital expenditure upfront	x	√
Lower union involvement	x	√
Reduced work place safety requirements	x	√
Multiple end customers and uses	x	√
Access to town utilities and services	x	√
Increased speed to market	x	√
Terminal value beyond mine life	x	√
Strategic value to the mining services industry	x	√

Implementation of Restructure

At the extraordinary general meeting of the Company held on 19 December 2013, Shareholders approved a number of transactions in relation to a restructure of the Company. Following implementation of Part 1 of the restructure the Company now has three existing sites with 439 existing rooms and the potential to build out to in excess of 1,000 rooms.

7.1 Village National Projects

79 Belyando Avenue, Moranbah Qld 4744

Location

Moranbah is located in the Bowen Basin, Queensland.

Acting as a regional centre for this coal mining and coal seam gas region, 40.5% of Moranbah's 8,600 residents are employed in the coal mining industry.

Description

The Moranbah site is situated approximately 500 metres to the west of the Moranbah business centre on Belyando Avenue, which intersects the local arterial route, Moranbah Access Road.

The current accommodation offered by the site includes 238 rooms.

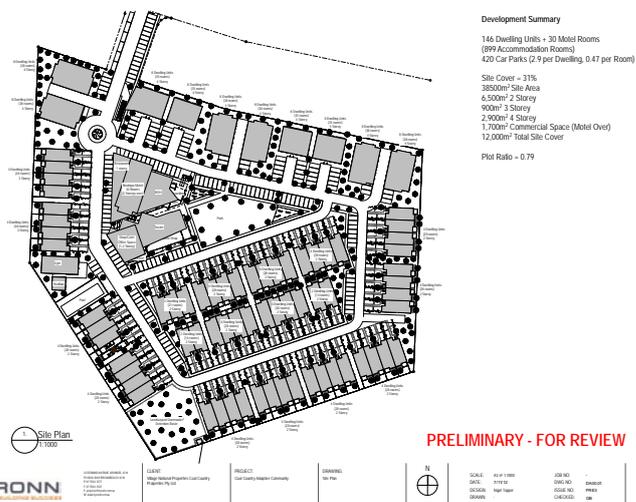
In addition, there is a manager's residence, ablution facilities and a storage shed.

Proposed development

The proposed action is the development of existing site into a medium-high density urban village.

This development will be aligned with 'Adaptive Communities', an Isaac Regional Council initiative that seeks to allow for demands for single persons accommodation units to be incorporated and integrated with a traditional urban fabric. This includes adaptable townhouse/apartment style accommodation of up to four storeys.

Recreational facilities and services will be established on site.



Property information

Date acquired	16 July 2012
Location	79 Belyando Avenue, Moranbah QLD 4744
Site area	3.87 ha
Current accommodation	238 rooms
Current facilities	Managers residence Multiple ablution blocks Storage shed

Proposed development

Stage 1 (Approved)	899 additional rooms
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35 Pritchard Road, Emerald QLD 4720

Location

Emerald is situated in the Bowen Basin, Central Queensland. With a population of 13,000, Emerald is a large, modern country town that services the mining and rural sectors.

The town receives daily flights from Brisbane via Qantas and Virgin, and provides a diverse range of educational facilities and other services.

Description

The Pritchard Road site is located approximately 4 kilometres north of the Emerald CBD.



Current accommodation at the site comprises 177 rooms.

Existing facilities at the resort are extensive, including a dining facility, conference facilities, in ground pool and recreation centre with laundry.

The area surrounding the site comprises mostly of rural residential housing development, and the site has a substantial area of vacant land for expansion.

Proposed development

The conversion of pre-existing accommodation has been undertaken to yield the existing 177 rooms.

Stage 2 of this development will entail a 200 m² extension to on site kitchen facilities to service the increased yield of a proposed additional 120 rooms.

Property information

Location	35 Pritchard Road, Emerald QLD 4720
Site area	8.87 ha
Current accommodation	177 rooms
Current facilities	Restaurant Conference and recreation facilities In ground pool Ablution blocks

Proposed development

Stage 1 (Completed)	177 rooms (including 36 construction rooms)
Stage 2	120 rooms Extension to kitchen facilities

43 Roberts Street, Emerald Qld 4720

Location

Emerald is situated in the Bowen Basin, Central Queensland. With a population of 13,000, Emerald is a large, modern country town that services the mining and rural sectors. The town receives daily flights from Brisbane via Qantas and Virgin, and provides a diverse range of educational facilities and other services.

Description

The Emerald (South) site currently comprises of 24 rooms. The site has an amenities block, dual kiosk and office and a manager's residence, located at 27 Roberts Street. Situated within a mixed residential area, it is 1 kilometre from Emerald's CBD.

Proposed development

The proposed action is to re-develop the existing site into a residential village utilising transportable buildings.

Ultimately, the site will house approximately 300 beds and 310 car spaces. To better align with the requirements of an accommodation site, flexibility in bedrooms per unit will be considered so as to provide accommodation for a range of demographics, as opposed to a single themed accommodation style.

Recreational facilities and services will be provided on site, and concept plans include various communal open spaces, seating and BBQ areas.

Property information

Date acquired	2 March 2012
Location	43 Roberts Street, Emerald QLD 4720
Site area	3.09 ha
Current accommodation	24 rooms
Current facilities	Administration and kiosk building Amenities

Proposed development

Approved	176 rooms 179 car spaces On site recreation facilities Roadways and landscaping
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8. VILLAGE NATIONAL MANAGEMENT & CORPORATE GOVERNANCE

8.1 Organisational Structure

Board of Directors	Jennifer Hutson B.Com LLB Chairperson	David Franklyn B.Econ Managing Director	Noel Griffin Non-executive Director
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8.2 Board of Directors

Jenny Hutson, Chairperson B.Com, LLB, FAIM

Over the past 20 years, Jenny has established herself as a leader within the business community. Jenny founded Wellington Capital, which specialises in corporate finance, funds management and investments after 15 years as a corporate lawyer. She has been involved in advising a range of boards on complex corporate issues including capital raising, mergers and acquisitions and debt structuring.

She has a comprehensive understanding of the regulatory and commercial considerations of operating a public company.

She was previously Chairperson of an ASX listed global integrated accommodation and travel company which was capitalised at \$25 million on listing and \$700 million on exit. It had 2,700 staff and had 10,200 rooms under management. She was previously a director of Big River Timbers, the largest supplier to the formwork sector, the Royal Children's Hospital Foundation and the centenary committee for Surf Life Saving Australia. She is currently Chairperson of ASX listed G8 Education Limited which operates from over 340 locations in Australia and Singapore and has over 4000 staff and was capitalised at \$4.4 million when she joined the board in 2010 and is capitalised at over \$1.5 Billion.

David Franklyn, Managing Director B.Econ

David has extensive experience in the areas of company analysis, funds management, investor relations, corporate advice, business strategy and organisational management. He is an experienced Company Director and executive, with a focus on implementing change and restructuring initiatives.

David has held the roles as Head of Research with a national stockbroking organisation which was a leader in the small companies sector; General Manager Corporate Communications for an ASX 200 energy company; Managing Director of a boutique funds management business; and an Executive Director of a number of ASX listed companies.

David is currently the Managing Director of Village National, on secondment from his ongoing role of Managing Director of Entrust Funds Management Ltd. He is also Chairman of the ASX listed Nomad Building Solutions Ltd.

Noel Griffin, Non-executive Director

Noel has extensive experience in management, operation and ownership of transport and agri businesses. From 1982 to 1995, Noel was Managing Director of Refrigerated Roadways Pty Ltd which at one stage was the largest refrigerated carrier in Australia. TNT acquired the company in 1995 and Noel served for two years on the executive council of TNT.

In addition to his interests in the transport industry, Noel was Managing Director and a shareholder of Table Grape Growers Pty Ltd from 1997 to 2003. Noel is also currently Non-Executive Director of Speciality Products Group Pty Ltd and ASX listed Centrepont Alliance Limited.

8.3 Management Team

Michael Previte – General Manager – Operations

Michael spent six years with Mac Services as a Village Manager across villages in Moranbah, Dysart and lastly at Coppabella, which is currently the largest onshore facility of its kind in Australia with over 3,000 rooms.

Prior to that, he was the Group Operations Manager for two hotel groups that operated in the South East corner of Queensland. He has a hospitality focus having come from a long family history of hotels throughout country Queensland of over 30 years. His experience includes delivering new villages through to opening and maintaining relationships with key clients. He is a hands-on manager with responsibility for managing onsite financial information, preparing budgets, and setting and managing site benchmarks.

9. FINANCIAL INFORMATION

9.1 Incorporation by reference

The Company's financial position is set out in the most recent Annual Report for the year ended 31 December 2013 of the Company, dated 25 March 2014 which has recently been sent to all Shareholders. Information contained in the Annual Report is incorporated by reference into this Prospectus.

A copy of the Annual Report may be obtained free of charge at www.villagenational.com.au or by contacting the Company at its registered office during normal business hours.

9.2 Dividend policy and forecast distribution

The Directors do not currently intend to make any dividend distributions in the 2014 calendar year. The Directors will review this position in relation to the 2015 calendar year.

Payment of dividends by the Company will depend upon the availability of distributable earnings, and the Company's franking credit position, operating results, available cash flows, financial condition, taxation position, future capital requirements, general business and financial conditions, and other factors the Directors consider relevant.

9.3 Source and Application of Funds

The table below set out the source and application of funds to be raised under this Prospectus:

Source and Application of Funds	Amount (\$)
Amount raised pursuant to this Prospectus	17,600,000
Issue costs	100,000
Reduction of debt	10,600,000
Capital works	4,000,000
Working Capital	2,900,000
TOTAL	17,600,000

In the event the total amount of \$17.6 million is not raised alternative sources of funding will be considered. The directors may also decide to delay the capital works and renegotiate debt facilities.

10. RISK FACTORS

10.1 Introduction

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

There are specific risks which relate directly to the business of the Company. 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.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the information contained in the Company's most recent Annual Report;
- (c) review these risk factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

10.2 General investment risks

(a) Economic conditions

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

Further, market conditions may affect the demand for the services which the Company provides to the mining industry. These conditions include:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) Insurance risks

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with the Company's business operations is not always available and where available the costs can be prohibitive.

(c) Competition risks

The industry in which the Company will be involved is subject to competition.

Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(d) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities, which could lead to a decrease in mining activity. This could impact adversely on the Company's accommodation services as it is possible that mining clients could withdraw their use of the Company's accommodation services without adequate compensation to the Company.

(e) **Regulatory risks**

The Company's activities are subject to laws and regulations relating to numerous matters including environmental compliance, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations.

Obtaining necessary permits can be a time consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a site. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities.

(f) **Accounting Standards**

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the Directors' and Village National's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in Village National's financial statements.

(g) **Taxation risks**

A change to the current taxation regime in Australia or overseas may affect Village National and its Shareholders. Personal tax liabilities are the responsibility of each individual investor. Village National is not responsible either for taxation or penalties incurred by investors.

10.3 Company specific

(a) **Limited history**

The Company was incorporated on 14 May 2012 and has limited operating history and historical financial performance.

(b) **Contractual risk**

The Company's ability to efficiently conduct its operations in a number of respects depends upon a number of contracts which relate to the provision of goods and services, the occupancy of its accommodation, and the provision of labour.

As in any contractual relationship, the ability for the Company to ultimately receive the benefit of the contract is dependent upon the relevant third party complying with its contractual obligations. There is a risk, for example, that mining clients could withdraw their use of the Company's accommodation services without adequate compensation to the Company.

To the extent that such third parties default in their obligations, it may be necessary for the Company to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.

(c) **Additional requirements for capital**

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 amounts raised under the capital raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Reliance on key personnel**

Village National depends on the talent and experience of its personnel as its primary asset. Should any of its key personnel leave Village National, this may have a negative impact on Village National. It may be difficult to replace them, or to do so in a timely manner or at comparable expense. Additionally, any key personnel of the Company who leave to work for a competitor may adversely impact the Company.

In summary, Village National's ability to attract and retain personnel will have a direct correlation upon its ability to deliver its project commitments and achieve forecast revenues. Additionally, increases in recruitment, wages and contractor costs may adversely impact upon the financial performance of the Company.

(e) **Growth**

There is a risk that the Company may be unable to manage its future growth successfully. The ability to hire and retain skilled personnel as outlined above may be a significant obstacle to growth.

(f) **Mergers and acquisitions**

The Company's growth strategy may be impacted if it is unable to find suitable mergers and acquisitions. The Company's due diligence processes may not be successful and a merger or acquisition may not perform to the level expected.

(g) **Dilution risk**

Upon implementation of the Offer, assuming all Entitlements are accepted, the number of Shares in the Company will increase from 59,485,992 currently on issue to 279,584,162. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

(h) **Environmental Regulation and risk**

The interests of the Company are, or may be, subject to various laws and regulations regarding environmental matters and the discharge of hazardous waste and materials. These include standards and obligations to remediate current and former facilities and locations where operations are or were conducted.

The Company may be required to comply from time to time with environmental management issues that arise from factors beyond its control.

As appropriate, and to mitigate environmental risk, the Company intends to ensure that it has insurance cover to mitigate any environmental risk, however, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered by insurance could have a material adverse effect on the Company.

10.4 Investment speculative

The above list of risk factors ought not 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 New Shares offered under this Prospectus.

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

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

11. MATERIAL AGREEMENTS

11.1 Key documents

The Board considers that certain agreements relating to Village National are significant to the Offer, the operations of Village National or may be relevant to investors. A description of material agreements or arrangements, together with a summary of the more important details of each of these agreements is set out below.

11.2 Constitution

The following is a summary of the major provisions of the Company's constitution:

Shares

The Directors are entitled to issue and cancel Shares in the capital of Village National, grant Options over unissued shares and settle the manner in which fractions of a Share are to be dealt with. The Directors may decide the persons to whom and the terms on which Shares are issued or Options are granted as well as the rights and restrictions that attach to those Shares or Options.

The Constitution also permits the issue of preference shares on terms determined by the Directors.

Village National may also sell a Share that is part of an unmarketable parcel of shares in accordance with the procedure set out in the Constitution.

Variation of class rights

The rights attached to any class of Shares may, unless their terms of issue state otherwise, only be varied with the consent in writing of members holding at least three-quarters of the Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of Shares of that class.

Share certificates

Subject to the requirements of the Corporations Act, Village National need not issue share certificates if the Directors so decide.

Calls

The Directors may, from time to time, call upon Shareholders for unpaid monies on their shares. If such a call is made, Shareholders are liable to pay the amount of each call in the manner, at the time and at the place specified by the Board. Calls may be made payable by instalments.

A call is deemed to have been made when a Directors' resolution passing the call is made or on such later date fixed by the Board. A call may be revoked or postponed at the discretion of the Directors.

Forfeiture

Village National may forfeit Shares in relation to any call or other amount payable in respect of Shares which remains unpaid following any notice to that effect sent to a Shareholder. Forfeited Shares become the property of Village National and the Directors may sell, reissue or otherwise dispose of the Shares as they think fit.

Share transfers

Shares may be transferred by any method permitted by the Corporations Act, or by a written transfer in any usual form or in any other form approved by the Directors. The Directors may refuse to register a transfer of Shares where they are permitted to do so by law.

General meetings

Each Shareholder, Director, and such other person (including the auditor), as set out in the constitution, are entitled to receive notice of and attend any general meeting of Village National. Two Shareholders must be present to constitute a quorum for a general meeting and no business may be transacted at any meeting except the election of a chair and the adjournment of the meeting, unless a quorum is present.

Voting rights

Subject to any rights or restrictions attached to any Shares or class of shares, on a show of hands each Shareholder present has one vote and, on a poll, one vote for each fully paid Share held, and for each partly paid Share, a fraction of a vote equivalent to the proportion to which the Share has been paid up. Voting may be in person or by proxy, attorney or representative. The Chairman does not have a casting vote.

Remuneration of Directors

Each Director is entitled to such remuneration from Village National for his or her services as decided by the Directors but the total amount provided to all Directors for their services as Directors must not exceed in aggregate the amount fixed by Village National in general meeting (see Section 12.3). The remuneration of a Director (who is not the Managing Director or an executive Director) must not include a commission on, or a percentage of, profits or operating revenue.

Remuneration may be provided in such manner that the Directors decide, including by way of non-cash benefits. Directors who devote special attention to the business of Village National or who otherwise perform services which are outside their ordinary duties as directors may be paid extra remuneration.

Interests of Directors

A Director who has a material personal interest in a matter that is being considered by the Board must not be present at a meeting while the matter is being considered nor vote on the matter, unless the Corporations Act allows otherwise.

Election of Directors

There must be a minimum of three Directors and the maximum number of Directors may not be more than 10 unless Village National in general meeting resolves otherwise.

Where required by the Corporations Act, the Company must hold an election of directors each year. The number of Directors to retire is decided having regard to the composition of the Board at the date of the notice calling Village National's annual general meeting. No Director, other than the 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.

With respect to the retirement of Directors, the Directors longest in office since last being elected must retire. If a number of Directors were elected on the same day, the Directors to retire shall (in default of agreement between them) be determined by ballot.

Dividends

If the Directors determine that a final or interim dividend is payable, it will (subject to the terms of issue on any Shares or class of Shares) be paid on all Shares proportionate to the amount for the time being paid on each Share. Dividends may be paid by cash, electronic transfer or any other method as the Board determines.

The Directors may capitalise and distribute the whole or part of the amount from time to time standing to the credit of any reserve account or otherwise available for distribution to Shareholders. Such capitalisation and distribution must be in the same proportions which the Shareholders would be entitled to receive if distributed by way of a dividend.

The Directors may pay a dividend out of any fund or reserve or out of profits derived from any particular source.

Proportional takeover bids

Village National may prohibit registration of transfers purporting to accept an offer made under a proportionate takeover bid unless a resolution of Village National has been passed approving the proportional takeover bid in accordance with the provisions of the Constitution.

The rules in the Constitution relating to proportional takeover bids will cease on the third anniversary of the adoption of the Constitution or unless renewed by a special resolution of Shareholders.

Indemnities and insurance

Village National must indemnify current and past Directors and other executive officers ('Officers') of Village National on a full indemnity basis and to the full extent permitted by law against all liabilities incurred by the Officer as a result of their holding office in Village National or of a related body corporate.

Village National may also, to the extent permitted by law, purchase and maintain insurance, or pay or agree to pay a premium for insurance, for each Officer against any liability incurred by the Officer as a result of their holding office in Village National or of a related body corporate

11.3 Executive service contracts

The following table summarises the key terms of the service agreements with the Managing Directors:

Name	Position	Remuneration	Termination	Restraint
David Franklyn	Managing Director	\$174,000 pa	Three months' notice required	During and after engagement for up to 6 months

11.4 Deeds of indemnity and access

The Company has entered into standard deeds of indemnity and access with the Directors.

The Company has undertaken, consistent with the Corporations Act, to indemnify each Director in certain circumstances and to maintain Directors' and Officers' insurance cover in favour of the director for seven years after the Director has ceased to be a Director.

The Company has further undertaken with each Director to maintain a complete set of the Company's board papers and to make them available to the Director for seven years after the Director has ceased to be a Director.

11.5 Finance facilities

The Company currently has current bank facilities of total debt: \$20.6 million

A new facility has been negotiated with National Australia Bank and the key terms of that new facility are as follows:

Amount being advanced	\$10 million
Repayments	quarterly principal reduction of \$125,000
Interest rate	margin of 2.25% applies
Security	first ranking mortgage over all real property owned by the Village National Group and a general security interest registered over the companies in the Village National Group
Interest rate cover	not to exceed 3 times
LVR	less than 40%
Occupancy	to exceed 45%

11.6 Documents available for inspection

Copies of the following documents are available for inspection during normal office hours at the registered office of the Company for 13 months after the date of this Prospectus:

- (a) the constitution of Village National;
- (b) the consents to the issue of this Prospectus;
- (c) the Audited accounts for the year ended 31 December 2013; and
- (d) the Notice for the extraordinary general meeting held on 19 December 2013.

12. ADDITIONAL INFORMATION

12.1 Litigation

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

12.2 Interests 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; or
- (b) promoter of the Company;
- (c) holds, or has held within the 2 years preceding lodgment of this Prospectus with the ASIC, any interest in:
 - (i) the formation or promotion of the Company;
- (d) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (e) the Offer,
- (f) 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 for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Mills Oakley Lawyers has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Mills Oakley Lawyers \$35,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

12.3 Interests of Directors

Other than set out above or elsewhere in this Prospectus:

- (a) no Director or proposed Director of Village National has, or has had in the two years before lodgment of this Prospectus, any interest in the formation or promotion of Village National, or the Offer of Shares, or in any property proposed to be acquired by Village National in connection with information or promotion of the Offer of the Shares; and
- (b) no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given, to any Director or proposed Director of Village National either to induce him or her to become, or to qualify him or her as a Director, or otherwise for services rendered by him or her in connection with the promotion or formation of Village National or the Offer of Shares.

Shareholdings

The Directors of the Company or their associates have a beneficial interest in the following Shares and Options in the Company at the date of this Prospectus:

Director	Shareholder	No. of Shares held at date of Prospectus	No of Shares to be held upon closure of the Offer taking up full entitlement
Jennifer Hutson		Nil	Nil
David Franklyn	Australian Executor Trustees Limited <Esplanade Property Fund>	13,250,000	62,275,000
	David John & Lucille Corinne Franklyn	62,500	2,937,500
Noel Griffin	Griffin Fund Management Pty Ltd <The Noel Griffin No. 2 Superannuation Fund>	875,000	4,112,500
	Griffin Fund Management Pty Ltd	375,000	1,762,500

The Directors intend to apply for their full entitlement New Shares under the Offer.

Payments to Directors

The constitution of Village National provides that the Directors may be paid, as remuneration for their services, a sum set from time to time by Village National's shareholders in general meeting, with that sum to be divided amongst the Directors as they agree.

The maximum aggregate amount which may be paid to the Directors is \$300,000 per annum. The current non-executive directors' fees are \$70,000 per annum for the Chairperson and \$40,000 per annum for each of the non-executive directors.

12.4 Top 10 Shareholders

The following table sets out the top 10 Shareholders of the Company as at the date of this Prospectus:

Shareholder	No. of Shares	% of total Shares on issue
AET (Esplanade Property Fund)	13,250,000	22.3%
Simgar Pty Ltd	5,500,000	9.3%
Gaffwick Pty Ltd	5,000,000	8.4%
Worcester Pty Ltd	4,000,000	6.7%
Geju Pty Ltd	2,500,000	4.2%
Fibora Pty Ltd	2,500,000	4.2%
Monto Holdings Pty Ltd	1,875,000	3.2%
Pennington Investments Pty Ltd	1,511,250	2.5%
Southport Investments Pty Ltd	1,500,000	2.5%
Amgur Pty Ltd	1,000,000	1.7%

12.5 Consents and disclaimers of responsibility

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.

Mills Oakley Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. Mills Oakley Lawyers has not withdrawn its consent prior to the lodgment of this Prospectus with the ASIC.

Armstrong Registry Services Pty Ltd has given its written consent to being named as the share registry to the Company in this Prospectus. Armstrong Registry Services Pty Ltd has not withdrawn its consent prior to the lodgment of this Prospectus with the ASIC.

12.6 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$100,000. The table below set out the source and application of funds to be raised under this Prospectus:

Source and Application of Funds	Amount (\$)
Amount raised pursuant to this Prospectus	17,600,000
Issue costs	100,000
Reduction of debt	10,600,000
Capital works	4,000,000
Working Capital	2,900,000
TOTAL	17,600,000

12.7 Electronic Prospectus

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

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance 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 this Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance 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.

12.8 Privacy statement

Shareholders provide personal information to the Company (directly or indirectly to the Company's Share Registry). The Company collects, holds and will use that information to service your needs as a Shareholder, 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, the Corporations Act and certain other rules. You should note that if you do not provide the

information required on the application for New Shares, the Company may not be able to accept or process your application.

13. 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 lodgment of this Prospectus with the ASIC.

Jenny Hutson
Chairperson

For and on behalf of
Village National Holdings Limited

Village National Holdings Limited

ACN 158 332 284

Level 22, 307 Queen Street, Brisbane QLD 4000

ENTITLEMENT AND ACCEPTANCE FORM

RENOUNCEABLE RIGHTS ISSUE OFFER CLOSING AT 5.00pm AEDT ON 25 JULY 2014

Pro-rata renounceable rights issue offer on the basis of 37 New Shares for every 10 existing Shares held as at 5.00pm (EST) on 30 June 2014, at an issue price of \$0.08 per New Share (**Rights Issue Offer**).

Receipt of this form by 5pm AEDT time on 25 July 2014 with your payment utilising the payment options detailed on the reverse will constitute acceptance in accordance with the terms and conditions of this Replacement Prospectus dated 18 July 2014.

ENTITLEMENT UNDER THE RIGHTS ISSUE OFFER

Under the terms of the Rights Issue Offer, you have a pro-rata entitlement (**Entitlement**) to subscribe for New Shares at \$0.08 per New Share. The table above sets out your Entitlement. You may elect to subscribe for some or all of your Entitlement. Please follow the instructions on the reverse.

APPLICATION FOR ADDITIONAL NEW SHARES

If you take up your Entitlement in full, you may apply for additional New Shares out of the Shortfall (if any). Please follow the instructions on the reverse.

PLEASE COMPLETE BELOW (using block letters)

A	B	C
Number of New Shares accepted (being not more than your Entitlement shown above)	Number of additional New Shares applied for	Total number of Shares applied for (add Boxes A and B)

I/We enclose my/our payment for the amount shown above being payment of \$0.08 per New Share. I/We hereby authorise you to register me/us as the holder(s) of the New Shares. I/we agree to be bound by the Constitution of the Company.

D. PAYMENT

Amount enclosed, being application money of \$0.08 per New Share applied for in Box C (multiply Box C X \$0.08)

A\$

E. METHOD OF ACCEPTANCE

You can apply for New Shares and make your payment by cheque, bank draft or money order made payable to Village National – Rights Issue Account.

PLEASE ENTER CHEQUE DETAILS	Drawer	Bank	Branch	Amount
THANK YOU				

F. CONTACT DETAILS

My/Our contact details in the case of enquiry are:

Telephone: ()

Email:

How to Complete the Entitlement and Acceptance Form

Please complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Application for Shares Under the Rights Issue Offer

Details of your shareholding and Entitlement as at 5.00pm EST on 30 June 2014 are shown on the reverse.

You can apply to accept either part of, or all of, your Entitlement. Please enter into Box A the number of New Shares you wish to accept from your Entitlement.

B. Application for additional New Shares

You can apply for more New Shares than your Entitlement provided that you have accepted your full Entitlement. Please enter the number of additional New Shares above your Entitlement for which you wish to apply into Box B. Your application for additional New Shares may not be successful (wholly or partially) and is subject to the terms and conditions contained in the Prospectus.

C. Total Number of Shares Applied For

To calculate the total number of New Shares applied for, add Box A and Box B and enter this number in Box C.

D. Payment Amount

Please enter into Box D the total amount of the cheque, money order or bank draft required for payment for the New Shares applied for in Box C. To calculate the total amount required for payment, multiply Box C by the issue price (A\$0.08).

E. Method of Acceptance

By making your payment by cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions of Rights Issue Offer contained in this Replacement Prospectus dated 18 July 2014 as enclosed with this form.

Payment by cheque

Please enter your cheque details in Section E. Cheques must be drawn on an Australian branch of a financial institution in Australian currency and made payable to "Village National - Rights Issue Account" and crossed "Not Negotiable".

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Entitlement and Acceptance Form. Cash will not be accepted. A receipt for payment will not be forwarded.

If the amount you pay is insufficient to pay for the number of New Shares you apply for, you will be taken to have applied for such lower number of New Shares as that amount will pay for, or your application will be rejected.

If the amount you pay is more than the amount payable for the number of New Shares you apply for, you will be taken to have applied for additional New Shares.

The applications for additional New Shares will be dealt with pursuant to the terms contained in the Prospectus.

F. Contact Details

Please enter your contact telephone numbers so we can contact you regarding your Application, if necessary.

Lodgement of Entitlement and Acceptance Form

The completed Entitlement and Acceptance Form with the accompanying payment may be mailed to the postal address, or delivered by hand to the address, set out below:

By Mail	By Hand
Armstrong Registry Services GPO Box 897 Brisbane QLD 4001	Village National Holdings Limited Level 22 307 Queen Street Brisbane QLD 4000

Your completed Entitlement and Acceptance Form and accompanying payment must be received by the Company no later than 5.00pm EST on 25 July 2014. You should allow sufficient time for this to occur.

Applications received after 5.00pm EST on 25 July 2014 will be rejected and application moneys (without interest) returned to the Eligible Shareholder unless the Closing Date is extended past that date. The Company accepts no responsibility if you lodge the Application Form at any other address or by any other means.

The Company reserves the right to reject any Entitlement and Acceptance Form which is not correctly completed.

Privacy Statement

If you complete an application for New Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your need as a shareholder and to facilitate corporate communications to you as a shareholder. 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, authorized securities brokers, print service providers, mail houses and the Company's share registry. You can access, correct and update the personal information that is held about you. If you wish to do so please contact the Company at the relevant contact numbers set out in the 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. You should note that if the information required on the application for New Shares is not provided, the Company may not be able to accept or process your application.

If you have any enquiries concerning this form or your Entitlement, please contact the Company on telephone (07) 3229 7900.

Village National Holdings Limited

ACN 158 332 284

Level 22, 307 Queen Street, Brisbane QLD 4000

RENOUNCEABLE RIGHTS ISSUE OFFER CLOSING AT 5.00PM EST ON XXXX 2014

Pro-rata renounceable rights issue offer on the basis of 37 New Shares for every 10 existing Shares held as at 5.00pm (EST) on 25 July 2014, at an issue price of \$0.08 per New Share (**Rights Issue Offer**).

RENUNCIATION FORM

The Directors

Dated: / /2014

Village National Holdings Limited

Level 22, 307 Queen Street

BRISBANE QLD 4000

Dear Sir,

I/We hereby renounce my/our rights to the shares offered to me/us as noted below in favour of person(s) accepting the same and signing an Entitlement and Acceptance Form by Renounee(s) and apply for allotment in his/her/their name(s).

No. of Shares under Entitlement	No. of Shares renounced

1. Name (in capitals)..... Signature.....

Address:.....

.....

2. Name (in capitals)..... Signature.....

Address:.....

.....