



E&A LIMITED ACN 088 588 425

PROSPECTUS

Lead Manager and Underwriter



Broker to the Offer



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IMPORTANT NOTICES

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

LODGEMENT AND LISTING

This Prospectus is dated 5 November 2007. A copy of this Prospectus was lodged with ASIC on that date. Neither ASIC or ASX takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No Shares will be allotted or transferred on the basis of this Prospectus after the expiry date. This Prospectus expires on 4 December 2008.

NO OVERSEAS OFFERING

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 and therefore persons who obtain this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. This Prospectus does not constitute an offer in any place where, or to any person to whom, it would not be lawful to make such an offer.

DISCLAIMER

No person is authorised to provide any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information or representations not so contained may not be relied on as having been authorised by E&A Limited or any other person in connection with the Offer.

NOTE TO APPLICANTS

This Prospectus provides information for investors to decide if they wish to invest in E&A Limited and should be read in its entirety. The assumptions underlying the financial forecasts and the risk factors that could affect the financial performance of E&A Limited should be examined. You should consider carefully these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional advisor before deciding whether to invest. The Offer does not take into account the investment objectives, financial situation and particular needs of investors.

ELECTRONIC PROSPECTUS

This Prospectus is available in electronic form via the www.abnamromorgans.com.au website. Applicants using the Application Form attached to the electronic version of this Prospectus must be located within Australia. Persons who receive an electronic version of this Prospectus should ensure they download and read the entire Prospectus. Persons who received a copy of this Prospectus in its electronic form may, during the Offer period, obtain a paper copy of the Prospectus (free of charge) by telephoning 134 226. Applications for Shares may only be made on the Application Form attached to this Prospectus or in its paper copy form as downloaded in its entirety from the www.abnamromorgans.com.au website.

EXPOSURE PERIOD

The Corporations Act prohibits E&A Limited from processing Application Forms in the 7 day period after the date of lodgement of this Prospectus with ASIC. This period may be extended by ASIC by up to a further 7 days. This period is an exposure period to enable the Prospectus to be examined by market participants prior to the raising of funds. Application Forms received during the exposure period will not be processed until after the expiry of that period. No preference will be conferred on Application Forms received during the exposure period.

FINANCIAL AMOUNTS

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

PHOTOGRAPHS

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown is endorsing this Prospectus or its contents. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. The assets depicted in photographs in this Prospectus are not assets of E&A Limited unless otherwise stated.

This document is important and should be read in its entirety.



Dear Investor,

On behalf of the Board of Directors, it gives me great pleasure to offer you an opportunity to invest in E&A Limited, a leading South Australian investment company. Over recent years E&A Limited's investment portfolio has expanded, acquiring industrial businesses that provide services predominantly to the high growth mining, resources, defence and water industries.

E&A Limited intends to grow earnings both organically and through further acquisitions. The organic earnings growth strategy is underpinned by the expectation of further expansion of our businesses as a consequence of growth in their client base, increased levels of activity and delivery of inter business synergies. E&A Limited intends to expand the range of services offered and increase the scale of projects undertaken by marketing the combined resources of the E&A Limited businesses.

E&A Limited is strategically driven by Equity & Advisory, a corporate advisory firm based in Adelaide. Equity & Advisory is 100% owned by E&A Limited and has been providing advisory services to industry and government for over 10 years. The Equity & Advisory network and skill base has been fundamental to negotiating and completing the business acquisitions and implementing E&A Limited's organic and acquisition growth strategies.

The outlook for the South Australian economy and in particular the mining, resources, defence and water industries is outstanding, with a significant number of major developments underway. The organic growth strategy of E&A Limited is supported by a number of existing client relationships and a range of new projects for which one or more of the group businesses are the preferred contractor. E&A Limited is confident it will deliver on its organic and acquisition growth targets.

Through this Prospectus, E&A Limited is inviting investors to acquire 13,700,000 Shares, at an Offer Price of \$1.00 per Share, giving E&A Limited a Market Capitalisation of approximately \$56.0 million on completion of the Offer. The Offer has been fully underwritten by ABN AMRO Morgans Corporate Limited.

As part of the Offer, the Vendor Shareholders will sell part of their investment which will allow New Shareholders to own 24.5% of E&A Limited, following completion of the Offer. To this end, the Executive Directors will own approximately 68.0% of E&A Limited which they intend to hold long term. The Executive Directors have entered into voluntary escrow agreements for twelve months from the ASX listing date.

The funds raised from the New Shares will initially be applied to reduce debt but will ultimately be drawn upon as working capital to expand businesses and will provide equity to make further acquisitions. The ASX listing will also provide E&A Limited with access to equity capital markets and give employees, as investors, an opportunity to participate in the ownership of E&A Limited and share in the value we intend to create for all shareholders.

This Prospectus contains detailed information about E&A Limited's governance, board, operations, financial performance, management team and future plans. It also outlines the potential risks associated with this investment. I encourage you to read this document carefully before making your investment decision.

The E&A Limited Board and I look forward to welcoming you as a shareholder.

Yours sincerely



Stephen Young
Executive Chairman

E&A Limited ACN 088 588 425
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Investment Summary

Diversified Earnings

E&A Limited comprises six separate businesses with revenue derived from diversified industry sectors including mining, resources, water, defence and financial services.

- » The majority of revenue is generated through the provision of engineering services and manufactured components. As opportunities arise, the services offered by different E&A Limited businesses will be integrated and offered as a seamless service.
- » It is anticipated that additional opportunities will arise as a consequence of the increased profile, combined resources and strength of the E&A Limited group structure. The businesses are operated and financed independently, minimising shareholder risk.
- » E&A Limited has a diverse, quality client base including OneSteel, BHP Billiton, Xstrata, Alcan, Santos, Beach Petroleum, SA Water, Barwon Water, United Water and other state and federal government agencies.
- » Each business now owned by E&A Limited has been established for at least 10 years and has a strong profit history, positive cash flows and attractive growth prospects.

Experienced Board of Directors and Strong Management Team

E&A Limited has an experienced Board of Directors and senior management team with significant expertise across all of the sectors in which E&A Limited businesses operate.

- » Board members and key executives will have a combined shareholding in E&A Limited of more than 75% following completion of the Offer.
- » Senior executives and all employees will, as investors, have the opportunity to participate in this Offer.

Exposure to Growing Markets

E&A Limited has exposure to the growing South Australian economy and in particular the expanding mining, resources, water, defence and financial services industries.

- » The South Australian Government has forecast significant growth in the South Australian mining and resources industry with approximately \$12 billion worth of projects at various stages of development currently underway in South Australia.
- » The proposed expansion of BHP Billiton's Olympic Dam mine, as well as numerous other mining projects under development in South Australia, are key drivers of this expected growth.
- » The South Australian defence industry is expected to benefit from the Australian Government's commitment to \$51 billion worth of new defence acquisitions over 10 years. The recent awarding of the \$8 billion Air Warfare Destroyer (AWD) Program to ASC (formerly Australian Submarine Corporation) in Adelaide underpins much of the expected growth in the South Australian Defence Sector.
- » The Australian water industry is expected to experience growth both as a result of the Federal Government's \$10 billion National Plan for Water Security and the South Australian Government's decision to facilitate the construction of two desalination plants which should generate significant work opportunities for the E&A Limited businesses.



E&A Limited is underpinned by a highly reputable investment and corporate advisory business

Equity & Advisory has overseen the investment and growth of E&A Limited focussing on solid investment opportunities within growing markets, whilst ensuring all acquisitions were subject to thorough due diligence processes so as to minimise acquisition risk.

- » Equity & Advisory, the advisory business of E&A Limited, is one of South Australia's pre-eminent corporate advisory firms.
- » Equity & Advisory intends to offer corporate advisory services both to external clients and to E&A Limited businesses and expects to increase its profile and activities as a consequence of the listing of E&A Limited.
- » Equity & Advisory's market presence, business network, commercial acumen and experience in evaluating, financing and completing acquisitions is an integral element of an investment in E&A Limited.

Attractive Investment Fundamentals

E&A Limited is forecasting Pro forma EBIT growth for FY08 of approximately 20% from \$9.0 million in FY07 to \$10.8 million in FY08.

- » E&A Limited is forecasting Pro forma Earnings per Share of 11.8 cents for FY08. Based on the Offer Price, this represents a Forecast Pro forma Price Earnings Multiple of 8.5 times.
- » The Directors are forecasting a fully franked dividend of 7.5 cents per share for FY08. Based on the Offer Price, this equates to an annualised, fully franked Dividend Yield of 12.9% for New Shareholders in FY08.
- » Conservative Pro forma gearing (Net Debt / Equity) of 33.3% post completion of the Offer, allowing balance sheet capacity to make further acquisitions.

Key Investment Risks

There are a number of risks associated with an investment in E&A Limited, both specific to E&A Limited, its business activities and general investment risks. The key risks are summarised as follows:

- » Underperformance of acquisitions that E&A Limited has made or may make;
- » The main industry sectors to which E&A Limited is exposed suffer a decline;
- » Loss of key personnel;
- » Loss of key contracts or client relationships;
- » Ability to retain and recruit skilled labour;
- » Increase in competition from new and existing competitors;
- » Disputes and claims for failure to deliver contracted goods and services.

Refer to Section 12 for a further description of specific and general risk factors that may affect the future operating and financial performance of E&A Limited and the outcome of an investment in E&A Limited.

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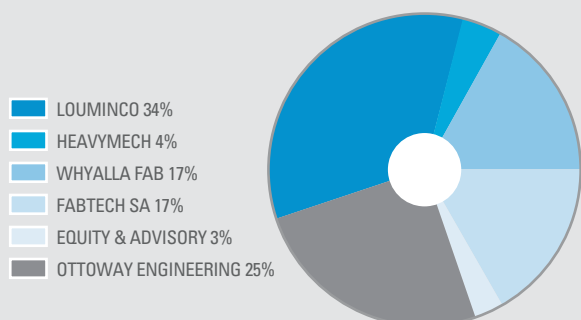
E&A Limited Overview

E&A Limited currently comprises six wholly owned operating businesses:

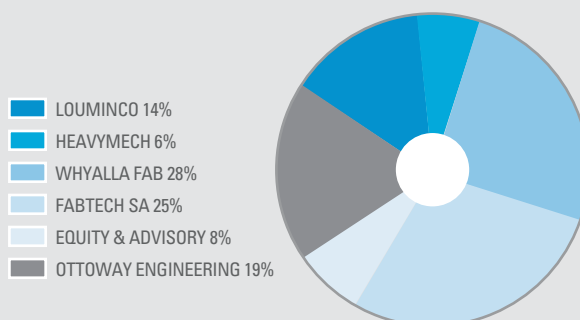
GROUP MEMBER	E&A LIMITED OWNERSHIP	DESCRIPTION
Equity & Advisory	100%	Equity & Advisory provides a comprehensive range of corporate advisory services and has acquired extensive experience and expertise in all areas relating to analysing, negotiating, financing and completing business transactions.
Heavymech	100%	Heavymech provides quality machining services to a wide variety of industries including mining, earthmoving, foundry, water, hydraulic, marine, defence and power generation.
Louminco	100%	Louminco provides procurement, maintenance, engineering support and project management services to the industrial, mining, base metals, defence and power generation industries, and is well positioned to take advantage of the expected growth in the mining and defence industries.
Ottoway Engineering	100%	Ottoway's pipe fabrication and installation business involves all aspects of turn-key project management including engineering, procurement, manufacture, fabrication, machining, installation and maintenance. The company provides a range of piping and fabrication engineering services in the petro-chemical, oil and gas, mining, water and wine industries.
Fabtech	100%	Fabtech has grown from a rural based fabricator of rainwater tank liners to a leader in the provision of flexible geomembrane liners and floating covers for dams, reservoirs, channels and tunnels in such industries as mining, resources, potable and waste water containment, waste management and agriculture.
Whyalla Fabrications	100%	Whyalla Fabrication provides a range of steel fabrication and structural engineering services, whose capabilities include project management, heavy engineering design, structural steel, fabrication and erection, pipe welding and pipework installation, pneumatic and hydraulic installations, sheet metal work, and light machining.

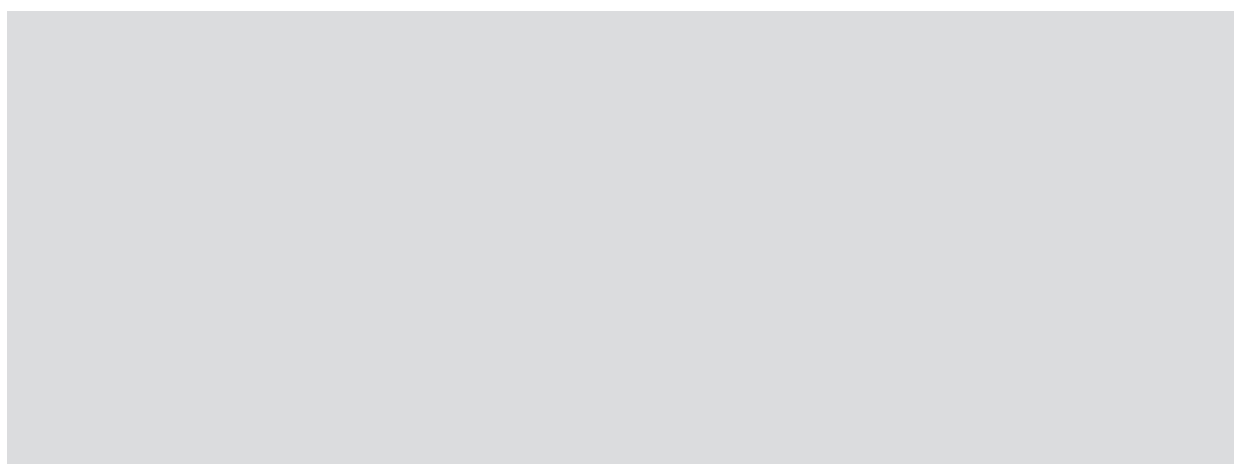
THE CHARTS BELOW SHOW THE FORECAST FY08 REVENUE AND EBIT CONTRIBUTIONS FOR EACH OF THE E&A LIMITED BUSINESSES

Pro forma revenue contribution FY08 (Forecast)
\$92.2 million



Pro forma EBIT contribution FY08 (Forecast)
\$10.8 million





ONESTEEL PELLET PLANT



OLYMPIC DAM PROCESS PLANT

SA WATER – STANSBURY POTABLE WATER FLOATING COVER



SYDNEY WATER – POTTS HILL POTABLE WATER FLOATING COVER



VALDORA – LEACHATE PADS AND CHANNELS

Investment & Financial Summary

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Key Offer highlights

Offer price **\$1.00 per Share**

Shares offered under this Prospectus	13,700,000
Total number of New Shares to be issued through the Offer	5,530,345
Total Shares sold by Vendor Shareholders through the Offer ¹	8,169,655
Total number of Shares on issue following the Offer	55,991,135
Total amount to be raised under the Offer	\$13,700,000
Market Capitalisation at the Offer Price	\$55,991,135

Note:

1. The Executive Directors and their controlled or related entities have entered into Voluntary Escrow Agreements for the balance of their Shares in E&A Limited under which they have agreed not to sell any Shares for 12 months from the Listing Date. For further details on these agreements refer to Section 13.4.

Pro forma Forecast Financial Information^{1,2}

	Year ending 30 June 2008
	\$000s
Revenue	\$92,162
EBIT (Earnings before interest and income tax)	\$10,818
NPBT (Net profit before tax)	\$9,413
NPAT (Net profit after tax) ³	\$6,589
Earnings per Share	11.8 cents
Enterprise Value / EBIT	6.7 times
Price Earnings Multiple	8.5 times
Dividend per Share (fully franked) ¹	7.5 cents
Dividend Yield (fully franked) ⁴	7.5%
Annualised Dividend Yield (fully franked) ^{4,5}	12.9%

Notes:

1. Refer to Section 16 for definition of key terms used in table above.
2. Refer to Section 10 for further details on the Pro forma Forecast Financial Information (including the assumptions on which the forecasts are based and management's discussion and analysis of Historical and Pro forma Forecast Financial Information). Refer to Section 12 for further details of Risk Factors.
3. The Statutory Forecast FY08 NPAT and Net Cash Flow is forecast by Directors to be \$5.3 million and \$4.0 million respectively. Refer to Sections 10 and 15 for further information on Pro forma adjustments and or transactions.
4. Based on the Offer Price.
5. This is based on a pro-rata annualised dividend for the period from the Listing Date to the year ending 30 June 2008.

Important Dates

Prospectus Date

5 November 2007

Offer Opens (9am, Adelaide Time)

19 November 2007

Offer Closes (5pm, Adelaide Time)

7 December 2007

Expected despatch of shareholder statements

12 December 2007

Expected commencement of trading on ASX

18 December 2007

This timetable is indicative only. E&A Limited and the Lead Manager and Underwriter reserve the right to vary the dates and times of the Offer, including to close the Offer early or accept late Applications, either generally or in particular cases, without notifying any recipient of this Prospectus or any Applicants. Investors are encouraged to submit their Applications as soon as possible. All times refer to Adelaide time.

Summary Pro forma Consolidated Historical and Forecast Financial Information

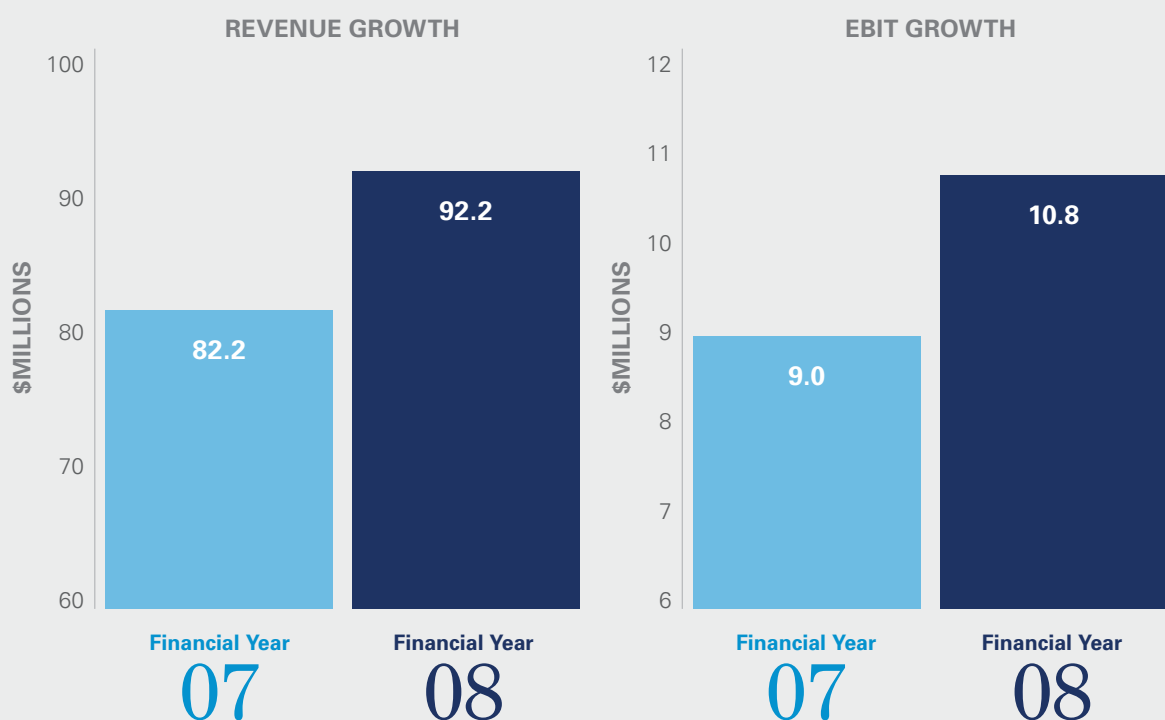
The table below is a summary of E&A Limited's Pro forma Consolidated Historical Financial Information for the year ended 30 June 2007 and the Pro forma Forecast Consolidated Financial Information for the year ending 30 June 2008. The table should be read in conjunction with the more detailed discussions of the Historical Financial Information and the Director's Forecasts set out in Section 10, the Additional Financial Information in Section 15 and the Risk Factors in Section 12.

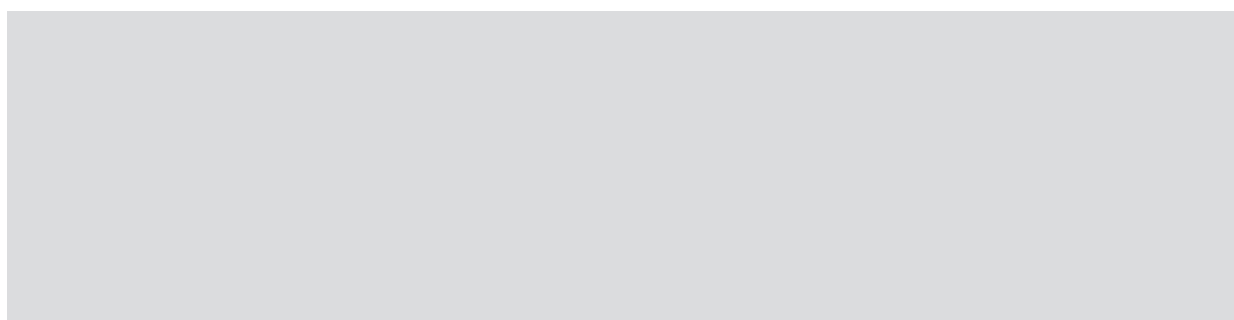
Summary Pro forma Consolidated Historical and Forecast Income Statements

Numbers in \$AUD (000's) unless otherwise stated	Pro forma Historical ¹ Year ended 30 June 2007	Pro forma Forecast Year ending 30 June 2008	Statutory Forecast Year ending 30 June 2008
Revenue	82,208	92,162	86,882
EBIT	8,986	10,818	8,805
NPAT		6,589	5,267
EBIT Margin	10.9%	11.7%	10.1%
Net Cash Flow before Financing, Investing & Taxation	9,759	8,224	6,072
Net Cash Flow		5,556	3,991
Closing Cash Balance		7,297	5,732
Net Assets	36,825		
Net Debt/Total Equity (%)	33.3%		

Note:

1. The Pro forma Historical Consolidated Financial Information is presented on a basis consistent with the structure of the E&A Limited Group as at the date of the Offer and assuming that the Restructure was completed on 1 July 2006. Historically the E&A Limited Group has operated under a different corporate and financial structure to that assumed to be in place for the year ending 30 June 2008. Accordingly, historical interest, taxation expenses and cash outflows for the E&A Limited Group are not considered to be comparable to forecast interest and tax expenses, and therefore have not been presented.





ALSTOM POWER PLANT AT RAVENSTHORPE NICKEL OPERATIONS IN WEST AUSTRALIA

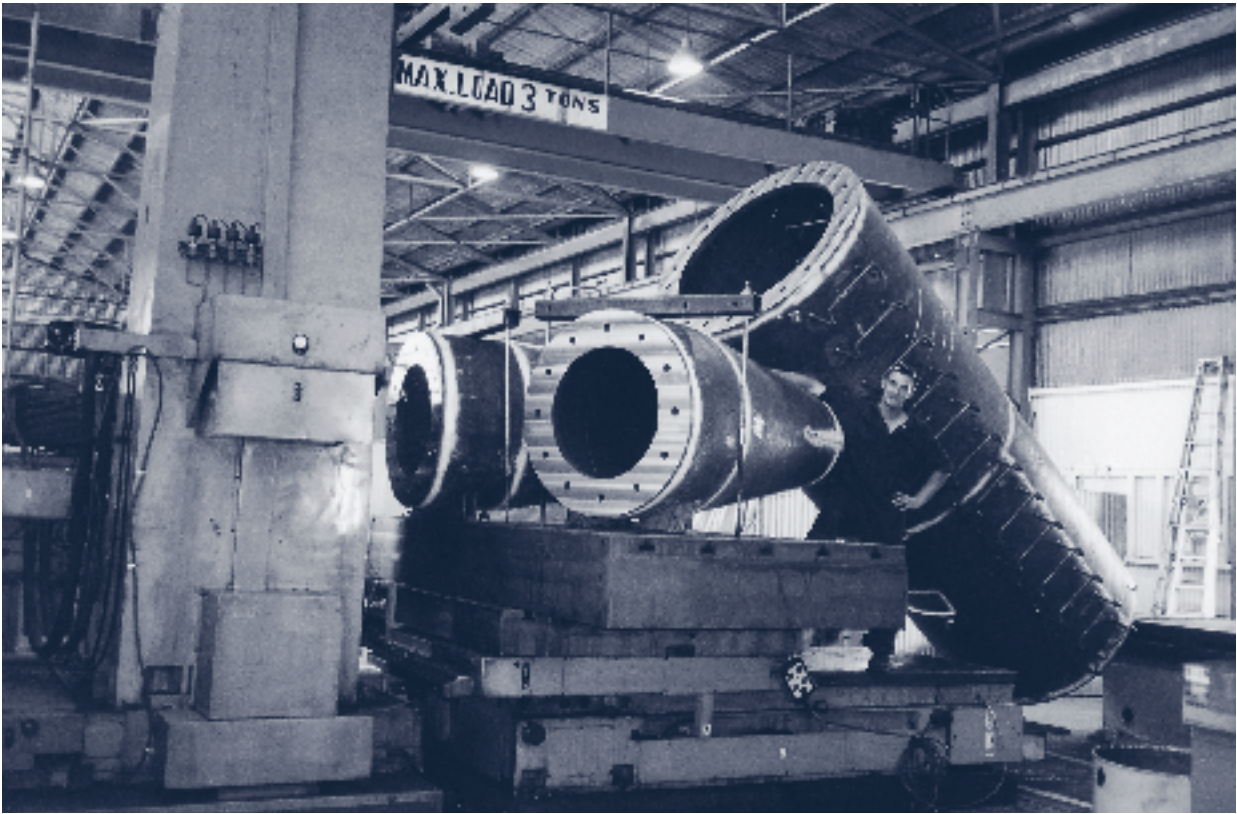
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Questions and Answers

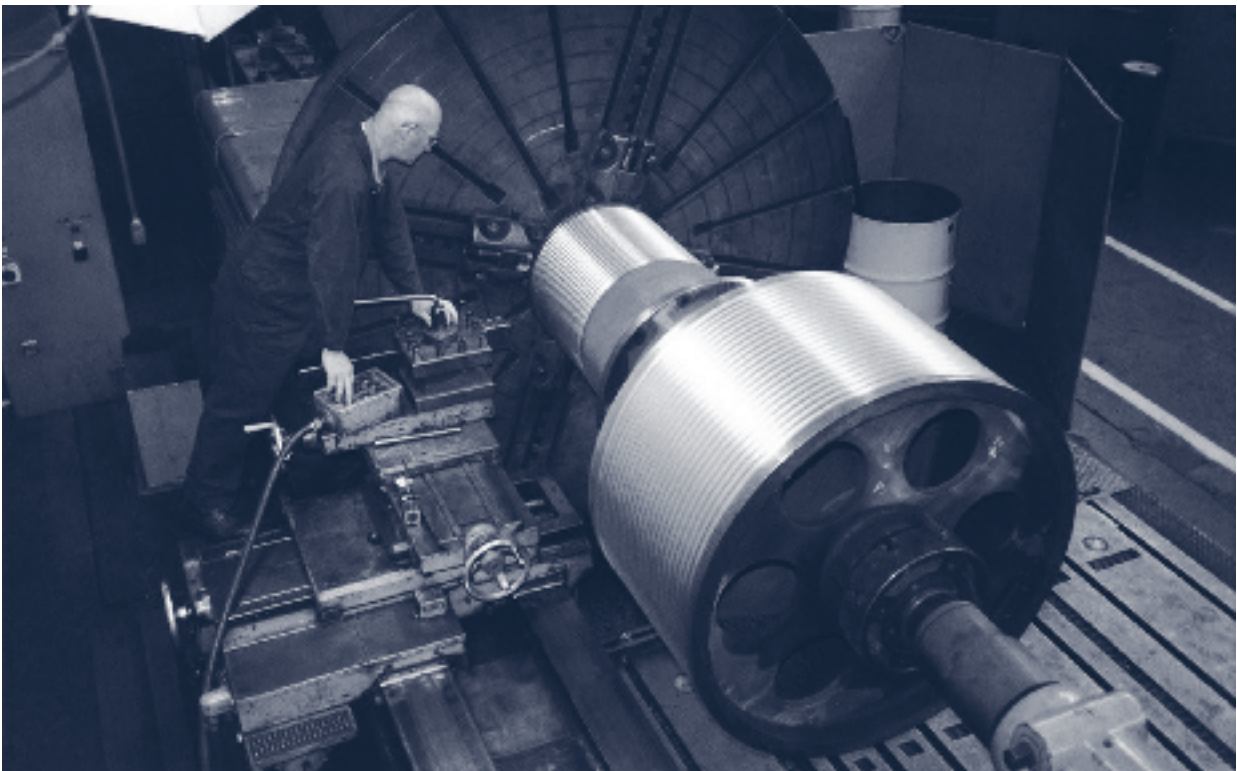
Question	Answer	Further information
Who is E&A Limited?	E&A Limited is a South Australian based investment company. It has a diversified investment portfolio of industrial businesses that provide services to the mining, resources, defence and water industries and owns one of South Australia's pre eminent corporate advisory firms.	Sections 2, 6 & 7
What is the Offer?	The Offer is an initial public offer of 13.7 million Shares in E&A Limited. E&A Limited will apply shortly after the date of this Prospectus for listing on the ASX following the close of this Offer and, if granted, you will be able to trade your shares on the ASX if desired.	Section 5
What are the proceeds of the Offer being used for?	The proceeds of \$13.7 million from the Offer will be distributed as follows: <ul style="list-style-type: none"> » to the Vendor Shareholders \$8.17 million; » proceeds for existing businesses and growth opportunities will be \$3.95 million; » Offer costs \$1.58 million (The Offer costs include \$0.4 million paid to Equity & Advisory which remains within E&A Limited for the benefit of all Shareholders and is eliminated on consolidation for financial reporting purposes). 	Section 5
Why is the Offer being made?	The purpose of the Offer is to: <ul style="list-style-type: none"> » Provide additional equity capital to facilitate value creation from future acquisitions; » Strengthen the financial position of E&A Limited, increasing its capacity to arrange debt for future acquisitions; » Provide additional capital to pursue growth opportunities within existing businesses; » Enhance the public and financial profile, transparency and credibility arising from being a listed entity so as to improve E&A Limited's businesses prospects of winning new work, recruiting new personnel and rewarding existing employees; » Achieve listing on ASX, broaden the shareholder base and provide a liquid market for Shares in E&A Limited. 	Section 5
What is the Offer Price of the Shares?	The Shares are being offered at \$1.00 per Share.	Section 5
What is the financial position of E&A Limited?	The financial position is set out in full in Section 10.	Section 10
What about beyond the Forecast Period?	The prospects of E&A Limited beyond 30 June 2008 are discussed in the Prospectus.	Sections 6, 7 & 8
What is the effect of the Offer being underwritten?	The Offer has been fully underwritten by ABN AMRO Morgans Corporate Limited as Lead Manager and Underwriter. This means that in the event that the full amount of \$13.7 million is not raised under the Offer, the Underwriter will apply for, or procure applications for, any shortfall (subject to certain termination rights described in Section 13.3)	Section 13.3

Question	Answer	Further information
Will I receive dividends on my Shares?	<p>The Directors' expect E&A Limited to pay a fully franked dividend of 7.5 cents per Share for the year ending 30 June 2008. This dividend is expected to be paid as 3.0 cents in April 2008 (interim) and 4.5 cents in October 2008 (final). This represents a Forecast annualised dividend yield of 12.9% based on the Offer Price for New Shareholders.</p> <p>Beyond the Forecast Period the Directors anticipate paying out between 60% and 80% of reported net profit after tax as dividends.</p>	Section 5
What key risks are involved with an investment in E&A Limited?	<p>There are a number of risks associated with an investment in E&A Limited, both specific to E&A Limited, its business activities and general investment risks. The key risks are summarised as follows:</p> <ul style="list-style-type: none"> » Underperformance of acquisitions that E&A Limited has made or may make; » The main industry sectors to which E&A Limited is exposed suffer a decline; » Loss of key personnel; » Loss of key contracts or client relationships; » Ability to retain and recruit skilled labour; » Increase in competition from new and existing competitors; » Disputes and claims for failure to deliver contracted goods and services. 	Section 12
How do I participate in the Offer?	To participate in the Offer, please complete the Application Form attached to this Prospectus and return with payment of the Application Monies before 5pm (Adelaide time) on 7 December 2007.	Section 5
How do I calculate the Application Monies payable if I wish to participate in the Offer?	The Application Monies are calculated by multiplying the number of Shares you wish to apply for by the Offer Price (\$1.00) per Share.	Section 5
What is the minimum number of Shares for which I can apply?	Applications under the Offer must be for a minimum of 2,000 Shares and then in multiples of 500 Shares.	Section 5
Further questions?	If you have any further questions in relation to the Offer, please contact the Lead Manager and Underwriter on 134 226.	Section 5

RIPARIAN PLAZA – COMMUNICATIONS TOWER



PENRICE SODA PRODUCTS – CAST SKIP DRUM



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Details of the Offer

5.1 Important Dates

Prospectus Date

5 November 2007

Offer Opens (9.00am, Adelaide Time)

19 November 2007

Offer Closes (5.00pm, Adelaide Time)

7 December 2007

**Expected despatch of
shareholder statements**

12 December 2007

**Expected commencement
of trading on ASX**

18 December 2007

This timetable is indicative only. E&A Limited and the Lead Manager and Underwriter reserve the right to vary the dates and times of the Offer, including to close the Offer early or accept late Applications, either generally or in particular cases, without notifying any recipient of this Prospectus or any Applicants. Investors are encouraged to submit their Applications as soon as possible. All times refer to Adelaide time.

5.2 The Offer

This Prospectus offers 13,700,000 Shares at an Offer Price of \$1.00 per Share, comprising:

- » the issue of 5,530,345 New Shares; and
- » the sale of 8,169,655 Shares by Vendor Shareholders.

Following the issue of the 5,530,345 Shares pursuant to this Offer, there will be 55,991,135 issued Shares in E&A Limited. Shares to be offered under this Prospectus represent 24.5% of total issued Shares following completion of the Offer.

Applications must be for a minimum of 2,000 Shares and thereafter in multiples of 500 Shares. The Lead Manager and Underwriter, in conjunction with E&A Limited and the Vendor Shareholders, reserves the right to allocate Shares to Applicants in full, to allocate a lesser number of Shares than those for which an application has been made, to accept a late application or to decline an application. An application will be treated as irrevocable subject to the investors' rights under the Corporations Act. E&A Limited recommends that Applicants lodge Application Forms together with the Application Monies as early as possible. E&A Limited, the Lead Manager and Underwriter and the Vendor Shareholders reserve the right to close the Offer early.

The Offer is made only to Australian resident retail and institutional investors who have received a firm allocation from the Lead Manager and Underwriter or participating brokers to the Offer.

Payment in respect of the Shares is to be made in full on Application. The rights of Shareholders are detailed in Section 14. No brokerage is payable by Applicants under the Offer. Any stamp duty will be paid by the Vendor Shareholders.

There will be no general public Offer.

5.3 Rights attaching to Shares

The Shares offered under this Prospectus will rank equally in all respects with the Shares currently on issue. The rights attaching to all Shares are detailed in the Constitution. A summary of the principal rights attaching to Shares is set out in Section 14.

5.4 Capital Structure

There are currently 50,460,790 issued Shares in E&A Limited held by the Vendor Shareholders and Other Existing Shareholders. The ownership structure Pre and Post Offer will be as follows:

Capital Structure

	Number of Shares	% of Total Issued Capital
PRE OFFER		
Vendor Shareholders ¹	36,164,411	71.67%
Other Existing Shareholders ²	14,296,379	28.33%
Total	50,460,790	100.00%
POST OFFER		
Vendor Shareholders ¹	27,994,756	49.99%
Other Existing Shareholders ²	14,296,379	25.53%
Shares offered to public under Offer	13,700,000	24.47%
Total	55,991,135	100.00%

Notes:

1. Vendor Shareholders comprises Stephen Young and his controlled or related entities.
2. Other Existing Shareholders includes Mark Vartuli and his controlled or related entities interest in E&A Limited of 10,100,099 Shares.

The Executive Directors of E&A Limited (Stephen Young and Mark Vartuli) through their controlled or related entities will at Listing together hold 38,094,855 Shares comprising 68.04% of the issued Shares in E&A Limited. The Executive Directors and their controlled or related entities have entered into voluntary escrow agreements under which they have agreed not to sell any Shares for 12 months from the Listing Date. For further details on this agreement, please refer to Section 13.4.

5.5 Purpose of the Offer

The purpose of the Offer is to:

- » Provide additional equity capital to facilitate value creation for E&A Limited arising from future acquisitions;
- » Provide additional equity capital to pursue growth opportunities within existing businesses;
- » Improve the financial position of E&A Limited, increasing its capacity to arrange debt for future acquisitions;
- » Achieve listing on the ASX, broaden the Shareholder base and provide a liquid market for Shares in E&A Limited;
- » Enhance the public and financial profile, transparency and credibility that arise from being a listed entity so as to improve its prospects of winning new work, recruiting new personnel and rewarding existing employees; and
- » Enable new investors to own 24.5% of E&A Limited, the Vendor Shareholders, being entities controlled by the Executive Chairman will sell 8,169,655 Shares.

5.6 Use of Proceeds

The net proceeds of the Offer will be applied to the ongoing business and expansion of E&A Limited as referred to above. Expenses of the Offer, including listing on the ASX, will be met via the funds raised under this Prospectus. The use of Offer Proceeds is summarised below.

Sources and Uses of Proceeds	\$000s
Offer Proceeds to Vendor Shareholders for sale of Shares	\$8,170
Proceeds to be applied to existing businesses for future growth opportunities	\$3,948
Offer costs ¹	\$1,582
Total Offer Proceeds	\$13,700

1. Offer costs include all legal, financial, commercial advisory costs, ASX costs, accountant fees and Underwriter's fees incurred as well as associated administration and printing costs. These costs include \$0.4 million in fees payable to Equity & Advisory which will be retained within E&A Limited for the benefit of all Shareholders and is eliminated on consolidation for financial reporting purposes. Refer to Section 14 for further details.

5.7 Investment Risks

In addition to the general risks associated with any investment in the equity market, there are certain risks specific to investing in E&A Limited. Investors should be aware that an investment under this Prospectus is likely to involve exposure to risks specific to E&A Limited's operations. A more detailed description of some of the risk factors is contained in Section 12. Investors should consider all risks and seek professional advice before investing.

5.8 Dividend Policy

The Directors expect that E&A Limited will pay an initial dividend of 3.0 cents per share to shareholders in April 2008 and 4.5 cents in October 2008 in respect of the year ended 30 June 2008. The full dividend for this period is expected to be 7.5 cents per Share (fully franked). This represents a Forecast annualised dividend yield of 12.9% based on the Offer Price for New Shareholders.

Subject to the considerations set out below, the Directors currently intend to maintain a dividend payout of between 60% and 80% of reported net profit after tax. It is intended that such dividend will be fully franked and that the dividend will be paid in April (interim) and October (final) each year.

The Directors can give no assurance, however, as to future dividend policy, the payment of, or level of future dividends or the level of franking of such dividends.

The payment of dividends will depend upon the availability of distributable earnings, E&A Limited's franking credit position, operating results, available cash flows, retained earnings, financial condition, taxation position and future capital requirements, the risk factors set out in Section 12, as well as general business and financial conditions and any other factors the Directors may consider relevant.

5.9 Taxation implications

The Directors do not consider that it is appropriate to give investors advice regarding the taxation consequences of being issued Shares by this Prospectus, as it is not possible to provide a summary of the possible taxation position of all investors. E&A Limited and its advisors and officers do not accept any responsibility or liability for any taxation consequences to investors in respect of the issue of Shares under this Prospectus. Investors should therefore consult their own professional advisor in connection with the taxation implications of the issue of Shares by this Prospectus.

5.10 Privacy Act

If you complete an Application, you will be providing personal information to E&A Limited (directly or via the Share Registrar). E&A Limited collects, holds and will use that information to process your Application, service your needs as a Shareholder, facilitate dividend payments and corporate communications to you as a Shareholder and carry out administration. Further information on privacy is provided in Section 14.9.

5.11 How to apply for Shares

The Offer is open to all Australian resident retail and institutional investors who have received a firm allocation from the Lead Manager and Underwriter or participating brokers to the Offer.

There will be no general public Offer.

The Offer opens at 9.00am (Adelaide Time) on 19 November 2007 and closes at 5:00pm (Adelaide Time) on 7 December 2007. The Lead Manager and Underwriter in consultation with E&A Limited and the Vendor Shareholders, reserve the right to vary the dates of the Offer.

E&A Limited and the Lead Manager and Underwriter reserves the right to close the Offer early.

Application for Shares may only be made on the Application Form attached to and forming part of this Prospectus or in its paper copy form. Detailed instructions on how to complete the Application Form are set out on the reverse of the Application Form.

An Application must be made by completing a paper copy of the Application Form and must be accompanied by payment in Australian currency of \$1.00 per Share.

Applicants with questions on how to complete the Application Form or who require additional copies of the Prospectus can contact the Lead Manager and Underwriter ABN AMRO Morgans Limited on 134 226.

5.12 Broker Firm Applicants

If you have received a 'firm' allocation of Shares from your Broker, your application and payment procedures will differ in two important respects from those described above:

- » your application cheque(s) must be made payable to the Broker (not to "E&A Limited – Share Offer"); and
- » your completed Application Form and application cheque(s) must be delivered to the Broker directly (not to the Share Registry).

The Broker Firm Offer is open only to Australian resident retail investors who have received a firm allocation from their Broker. Broker Firm Applicants must lodge their Application Form and Application Monies with the relevant Broker in accordance with the relevant Broker's directions in order to receive their firm allocation.

Broker Firm applicants validly participating through the Broker Firm Offer will be allocated the full number of Shares they apply for up to the firm allocation notified to them by their Broker. It is a matter for Brokers (not the Vendor Shareholders, E&A Limited nor the Lead Manager and Underwriter) as to how each Broker allocates Shares among its clients in the Broker Firm Offer. It is the responsibility of the Broker to ensure that its clients with a firm allocation receive the relevant Shares.

These differences, and any other requirements, will be explained to you by your Broker. If you have a firm allocation of Shares and are in any doubt about what action you should take, you should immediately contact the Broker who has made you the firm offer.

5.13 Allocation of Shares

Shares will be allocated as soon as practicable after the Closing Date. The Lead Manager and Underwriter in conjunction with the Executive Directors and E&A Limited will allocate the Shares and reserve the right to allocate Shares to Applicants in full, to allocate a lesser number of Shares than those for which an Application has been made, to accept a late Application or to decline an Application. Where no allocation is made to a particular Applicant or the number of Shares allocated is less than the number applied for by an Applicant, surplus Application Monies will be returned to that Applicant by cheque. No interest will be paid on refunded Application Monies. Any interest earned on Application Monies prior to transfer or return will be, and will remain, the property of E&A Limited.

There is no guarantee that general applicants will receive an allocation of Shares under this Prospectus.

Successful Applicants will be notified in writing of the number of Shares allocated to them as soon as possible following the Closing Date. It is the responsibility of Applicants to confirm the number of Shares allocated to them prior to trading in Shares. Applicants who sell Shares before they receive notice of the Shares allocated to them do so at their own risk.

5.14 Underwriting

The Offer is fully underwritten by ABN AMRO Morgans Corporate Limited as Lead Manager and Underwriter.

Further details of the Underwriting Agreement (including the circumstances when the Lead Manager and Underwriter may terminate the Underwriting Agreement) are set out in Section 13.

5.15 ASX Listing

An application will be made to ASX not later than 7 days after the date of this Prospectus for E&A Limited to be admitted to the Official List and for official quotation of the Shares on ASX.

The fact that ASX may admit E&A Limited to the Official List is not to be taken as an indication of the merits of E&A Limited or the Shares offered for acquisition. Official quotation of Shares, if granted, will commence as soon as practicable after the Closing Date.

If the Shares are not admitted to quotation on ASX within 3 months after the date of this Prospectus, the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable or otherwise dealt with in accordance with the requirements of the Corporations Act.

5.16 CHESS

E&A Limited will apply for the Shares to participate in CHESS. Applicants who are allocated Shares under this Offer will receive shareholding statements, in lieu of share certificates, that set out the number of Shares allocated to each successful Applicant.

The statement will also provide details of the Shareholders' HIN (in the case of a holding on the CHESS sub-register) or SRN (in the case of a holding on the issuer sponsored sub-register). Shareholders will be required to quote a HIN or SRN, as applicable, in all dealings with a stockbroker or the Share Registry. Further statements will be provided to Shareholders which will reflect any changes in the shareholding in E&A Limited during a particular month. Additional statements may be requested at any time, although E&A Limited reserves the right to charge a fee.

5.17 Overseas Applicants

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

The distribution of this Prospectus within jurisdictions outside Australia may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

The Prospectus does not constitute an Offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her application. The return of a duly completed Application Form will be taken by E&A Limited to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

5.18 Right to Vary or Withdraw Offer

The Lead Manager and Underwriter, the Vendor Shareholders and E&A Limited have the right to vary any of the dates set out in this Prospectus relating to the Offer, without notice to any recipient of the Prospectus or any Applicant. This includes, but is not limited to, varying the length of the Offer Period.

The Vendor Shareholders and E&A Limited also reserve the right not to proceed with the Offer at any time before the transfer of Shares to successful Applicants. If the Offer does not proceed, Application Monies will be refunded by cheque. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.

5.19 Enquiries

All enquiries in relation to this Prospectus should be directed to the Lead Manager and Underwriter on 134 226 during the Offer Period.

6

Group Strategy

6.1 Introduction

The origin of E&A Limited was the establishment of Equity & Advisory, an Adelaide-based investment and corporate advisory firm in 1997 by Stephen Young. The commercial intent of Equity & Advisory is to arrange and undertake equity investments "Equity" and to provide financial and commercial advice to Government Business Enterprises, Public and large private companies "Advisory".

Since Equity & Advisory's inception, it has identified, negotiated and concluded a number of investments for clients and on its own account. After a number of acquisitions at the direction of Equity & Advisory, the E&A Limited businesses were restructured to form the current corporate structure as set out below. The details of the Restructure of the E&A Limited businesses is set out in Section 15.3.

6.2 Group Strategy

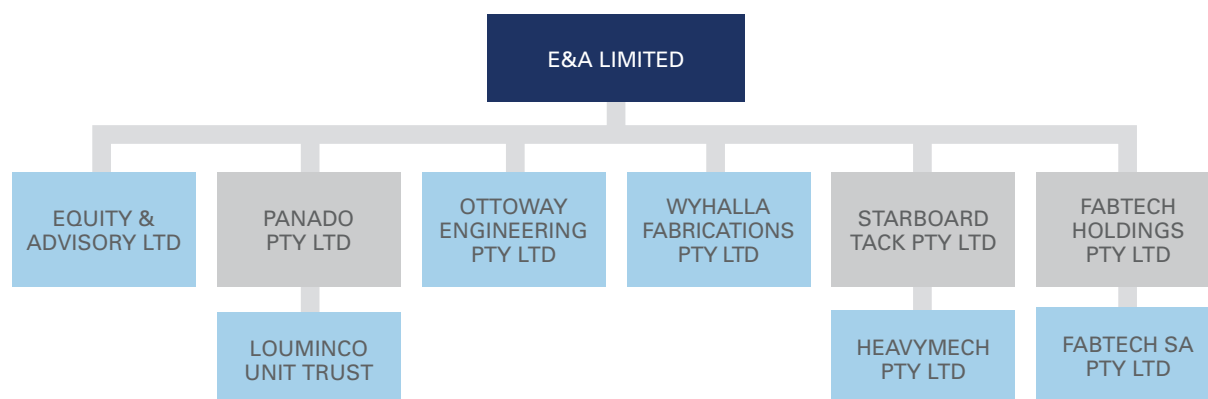
E&A Limited has focused on South Australian businesses as the private equity market is largely underrepresented in that State and good value targets remain available for negotiated acquisition. Furthermore Equity & Advisory management assumes a direct involvement in each acquisition, monitoring and assisting the management as required and meeting weekly at management level with the Managing Director and his direct reports.

E&A Limited intends to leverage off the goodwill and network of established relationships that it maintains primarily through its advisory business, Equity & Advisory, although the relationships developed and maintained through other E&A Limited businesses are expected to become increasingly relevant to future growth opportunities.

E&A Limited aims to continue to make equity investments into growth areas of the economy, taking advantage of commercial opportunities as they arise in the public and private equity markets.

A strong focus on establishing and continuing to realise synergistic benefits within the group will be fundamental to building the profitability of E&A Limited.

The ownership structure of E&A Limited following completion of the Offer is shown below.



 OPERATING ENTITY

6.3 Investment Philosophy

E&A Limited has identified the service sector of the mining, resources, industrial, water and defence industries as having significant revenue and growth potential for at least the next 5 years and will continue to target businesses in these sectors for acquisition. E&A Limited's acquisition strategy will be to focus primarily on South Australian based businesses and it will seek to make at least two acquisitions per annum.

The Directors of E&A Limited have focussed on investing in the industrial service sector as they believe it is less susceptible to competition from imports, as the services must be delivered locally. Furthermore, in the Director's opinion, the maintenance and repair sectors are less volatile to the cyclical nature of the resources and construction industries which are exposed to fluctuations in commodity prices, exchange rates, economic activity and sentiment in capital markets.

New acquisitions must meet E&A Limited investment criteria on a stand alone basis, however it is anticipated that future acquisitions will continue to deliver growth not only on an organic basis but also synergistically by contributing to and receiving opportunities from other E&A Limited Group businesses.

E&A Limited aims to continue to look for growth opportunities in different market segments and would enter these markets through business acquisition.

From time to time E&A Limited through its corporate advisory Group Company, Equity & Advisory, may take minority equity investments as a fee for arranging transactions or to assist emerging entities. These minority (5% or less) equity positions will be held by Equity & Advisory pending sale or further equity investment.

The combination of organic growth arising from both the relevant industry and market share when combined with growth by acquisition should deliver Shareholders a high growth, high dividend investment.

Equity & Advisory will continue to use its networks, experience, research, analytical and negotiation skills to identify acquisition opportunities, mitigate acquisition risk, and complete acquisitions at or below market value to deliver earnings growth to E&A Limited.

E&A Limited will look for opportunities to invest in companies that display some or all of the following attributes:

- » Strong position in a market expected to experience significant growth (i.e. organic earnings growth in excess of 15% per annum);
- » Return on acquisition value of greater than 20% per annum;
- » Board and managerial control, either as a consequence of holding more than 50% of the equity, or by securing a Shareholder Agreement that delivers similar control;
- » Within the areas of expertise and experience of E&A Limited and its Executive Directors;
- » Predictable and positive cash flows;
- » Value can be added as a result of synergies between the business being acquired and existing E&A Limited businesses;
- » Opportunities to further add value by one or more of:
 - » strategic repositioning;
 - » more active or professional management;
 - » more efficient financing; and/or
 - » improved proactive and reactive marketing;
- » Acquisition and operational risk can be minimised through appropriate financial, legal, tax and accounting structures.

6.4 Synergies

Equity & Advisory aims to continue to provide a range of corporate advisory services to E&A Limited and its Group Companies as the group continues to expand its investments and businesses. High levels of synergy within E&A Limited will serve to improve the overall turnover and profitability.

The five engineering businesses service a number of the same or similar customers, and are forecast to grow in line with the growth expectations of the mining, resources, defence contracting and water industries.

Each existing business and any future acquired businesses are expected to be provided with a greater exposure to customers and projects, as E&A Limited businesses leverage off each other to provide work and business development opportunities. In this regard it is intended that they share leads as well as retain each other to provide relevant skills and services.

The aim is for each business to both grow on its own initiative and refer work to other E&A Limited businesses as opportunities arise. There will be competitive tension between E&A Limited businesses and from time to time the businesses may tender for the same work. It is anticipated however that far more significant opportunities will arise as a consequence of the combined resources and strength of E&A Limited. When tendering collectively E&A Limited members will tender as the "Ironhorse Alliance®". This alliance will offer services where a combination of one or more of E&A Limited's project management, engineering, drafting, machining, fabricating and site erection skills are required. The Ironhorse Alliance® will be managed by the Chief Executive of Louminco Mr Eduardo Donoso.

Reductions in administrative costs are expected as each individual business increasingly utilises a shared service for accounting, payroll, job costing, information technology, human resources and other critical back office functions.

E&A Limited's structure allows the financing need within each business to be more easily met as E&A Limited allocates resources to each business, providing equity capital to those business' with promising investment opportunities and withdrawing retained funds from those businesses with limited growth opportunities. In this way, E&A Limited management will focus management time, resources, capital, and personnel on projects which drive shareholder value.

6.5 Outlook for growth beyond the Forecast Period

The existing E&A Limited businesses were acquired by E&A Limited due to their strong profitability track record and future growth potential. These businesses operate within the mining, resources, defence and water industries. These key industry sectors were targeted due to their strong growth outlook.

E&A Limited intends to build on its existing investments and to continue with its focus on the industrial, mining, resources, defence and water industries in South Australia, all of which are experiencing strong growth. E&A Limited intends to continue its focus on investment opportunities where a combination of one or more of improved strategic management, financial support or consolidation with competitors is estimated to deliver more than 15% per annum organic earnings growth.

E&A Limited intends to achieve growth beyond the forecast period both through organic growth within the existing businesses and through acquisitions. It is intended that future acquisitions are expected to be financed through equity, debt or existing cash reserves.

E&A Limited aims to continue to be opportunistic in its investment strategy and may target different industries and new opportunities that meet the criteria of fair value at the time of acquisition, outstanding growth potential and capable of being controlled by either a majority shareholding or a shareholders agreement. E&A Limited through the combination of organic and acquisition growth aims to deliver, subject to the risks outlined in Section 12, combined earnings growth of in excess of 20% per annum.

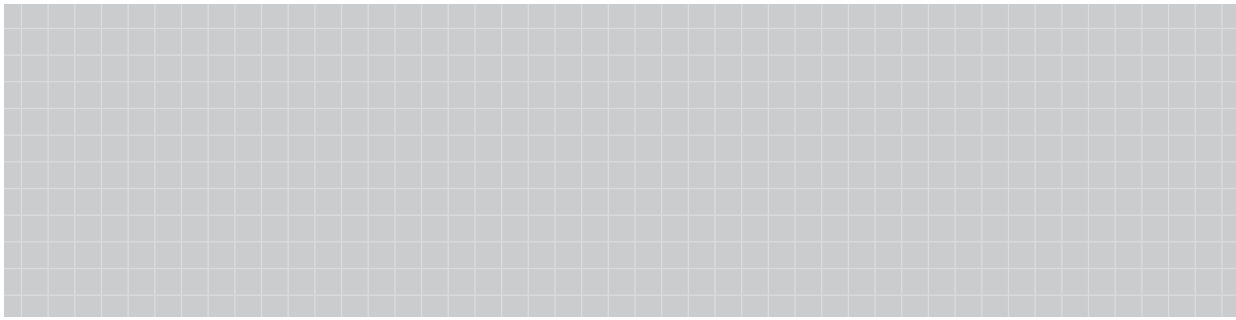
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Profile of Group Businesses



Equity & Advisory

- » Equity & Advisory was formed in 1997 and provides a comprehensive range of corporate advisory services and has acquired extensive experience and expertise relating to the analysing, negotiating, financing and completing of business transactions. The range of services provided includes:
 - » Sales and divestments;
 - » Mergers and acquisitions including private equity;
 - » Financial evaluations, corporate and project advisory;
 - » Property transactional advice;
 - » Valuations and Expert opinion;
 - » Family business consulting;
 - » Turnaround consulting; and
 - » Debt and equity procurement.
- » Equity & Advisory has been involved in a number of high profile transactions in Australia and has a proven history of engagements for the provision of corporate finance and management consulting advice to entities within the corporate sector as well as within the State and Commonwealth Governments.
- » Equity & Advisory has historically completed ten to twelve transactions per annum generally with a transaction size of between \$5 million and \$50 million. Historically, Equity & Advisory has completed one or more transactions a year in excess of the usual transaction size. The largest assignment completed by the firm to date involved the 60 year lease of the New South Wales Interstate and Hunter Valley rail network for ARTC for \$872 million. Recent significant assignments include the takeover response to Gunns Limited bid for Auspine Limited, City Pacific Limited's response to an expression of interest from MFS Limited and the takeover of SDS Limited by Sandvik Limited.
- » Over the last decade Equity & Advisory has completed advisory mandates with a total transaction value in excess of \$4 billion. The firm has historically generated advisory fees in the order of \$2.8 million per annum.
- » Equity & Advisory's large corporate advisory roles include takeover response, acquisition and sale mandates for Aherns, Amtrade, ARTC, Auspine Ltd, Bob Jane Corporation, City Pacific Ltd, CP1 Limited, Detmold Group, DMG Radio, International Wine Investment Fund, Macmahon Holdings, Michell Australia, SA Government Departments and Business Enterprises and Tandou.
- » Equity & Advisory has built strong relationships and goodwill within the South Australian market place and has developed a reputation for commercial acumen among business leaders in South Australia.
- » Equity & Advisory intends to provide its corporate advisory services to public, private and government organisations.
- » In addition Equity & Advisory intends to provide a range of corporate advisory services to E&A Limited and its Group Companies as they continue to expand both organically and through acquisition.
- » Equity & Advisory's main competitors include the four major chartered accounting firms' (Deloitte, Ernst & Young, KPMG and PricewaterhouseCoopers) corporate finance divisions and a number of smaller boutique corporate advisory practices operating within South Australia.
- » The Managing Director of Equity & Advisory, Mark Vartuli, joined the business in 1998 and has more than 10 years experience in capital transactions.
- » The Directors of Equity & Advisory are Stephen Young, Mark Vartuli and Mark Goddard.



Louminco

- » **Services:** Louminco was established in 1979 and provides procurement, maintenance, engineering support and project management services
- » **Industry Exposure:** Louminco services the industrial, mining, base metals, defence and power generation industries, and is well positioned to take advantage of the expected growth in the mining and defence industries.
- » **Customers:** include One Steel Limited, BHP Billiton, Alcan and Xstrata.
- » **Management:** Louminco is managed by Eduardo Donoso who is supported by 5 other senior employees.
- » **Employees:** Employs approximately 66 personnel.
- » **Turnover:** Louminco achieved a turnover of approximately \$28 million in FY07 and is forecast to achieve a turnover of \$32 million in FY08.
- » **Locations:** Louminco has operations in Adelaide, Whyalla, Mt Isa, Roxby Downs and Gove.
- » **Directors:** Post completion of the Offer, the directors of Louminco are Stephen Young and Eduardo Donoso.
- » **Competitors:** Competition to Louminco includes Worley Parsons as well as "in house" or "shared service" supply departments who can source components directly replicating some or all of the Louminco service.
- » **Competitive Advantage:** Louminco endeavours to maintain a reputation for delivery of procurement and maintenance solutions "On Budget", "On Time" and "Fit for Purpose" as its competitive advantage.



Ottoway Engineering

- » **Services:** Ottoway was established by the previous vendor in 1995 and operates as a pipe fabrication and installation business involving all aspects of turn-key project management including design, engineering, procurement, manufacture, fabrication, machining, installation and maintenance. Whilst Ottoway is factory based, it is supported by a field workforce.
- » **Industry Exposure:** The business provides a range of piping and fabrication engineering services in the petro-chemical, oil and gas, mining, water, defence, infrastructure and wine industries. The acquisition of Ottoway provided E&A Limited with further exposure to the growing resources, mining and water industries.
- » **Customers:** Ottoway's major customers include Santos, Beach Petroleum, Austrian Energy, SA Water, and BHP Billiton.
- » **Management:** Ottoway is managed by its founder Ron Burrows who is supported by an executive team of 5 other senior employees.
- » **Employees:** Approximately 96 personnel. Ottoway has also developed relationships and processes to recruit skilled personnel under 457 Visas from the Philippines.
- » **Turnover:** In FY07 Ottoway achieved a turnover in excess of \$21 million and a turnover of \$24 million is forecast for FY08.
- » **Location:** Ottoway operates from a leased 3,550 square metre workshop located at Ottoway.
- » **Directors:** the directors of Ottoway are Stephen Young, Mark Vartuli and Mark Goddard.
- » **Competitors:** Ottoway's main competitors include Stelform, Monadelphous and Mayfields.
- » **Competitive Advantage and Barriers to Entry:** Ottoway Engineering's pipe fabrication capacity, experience and skills represent a competitive advantage and a barrier to entry to other metal fabricators who wish to enter this specialised field.



Whyalla Fabrications

- » **E&A Limited** acquired Whyalla Fabrications on 2 October 2007.
- » **Services:** Whyalla Fabrications was established approximately 35 years ago and provides a range of steel fabrication and structural engineering services, whose capabilities include Project Management, Heavy Engineering Design, Structural Steel Fabrication and Erection, Pipe Welding and Pipework Installation, Pneumatic and Hydraulic Installations, and Light Machining.
- » **Industry Exposure:** Offers services across a range of industries including industrial, base metals, power generation, mining, defence. Whyalla Fabrications is well positioned to take advantage of the expected growth in the mining and defence industries including the AWD program which is expected to provide significant work opportunities for subcontractors throughout the country.
- » **Customers:** Include One Steel, BHP Billiton, Louminco, Flinders Power, Leightons, Iluka and Built Environs.
- » **Management:** Whyalla Fabrications is managed by Andrew Hiscock who is supported by an executive team of 4 other senior employees.
- » **Employees:** Approximately 56 personnel.
- » **Turnover:** \$14.5 million in FY07 and is forecast to achieve a turnover of \$16 million in FY08.
- » **Location:** Operates from leased premises located at Beerworth Avenue, Whyalla, South Australia comprising four fabrication sheds and offices of more than 3600 square metres.
- » **Directors:** The directors of Whyalla Fabrication are Stephen Young and Eduardo Donoso.
- » **Competitors:** Whyalla Fabrication's principal competitors are Link Engineering and Gadaleta Steel Fabrication.
- » **Competitive Advantage and Barriers to Entry:** Whyalla Fabrication's reputation for steel fabrication has been built over 35 years. The established workforce and location in the Iron Triangle give Whyalla Fabrication an advantage over Adelaide fabrication facilities.



Heavymech

- » **Services:** Heavymech was established in 1968 by the original founder of the business and provides quality machining services.
- » **Industry Exposure:** mining, earthmoving, foundry, hydraulic, marine, defence and power generation. Heavymech was acquired to reposition it as a lead supplier of breakdown and repair services to the Heavy Industrial, mining and power generation industries.
- » **Customers:** Heavymech's major clients include Ensign Australia, Louminco, Boral and OneSteel.
- » **Management:** Heavymech is managed by Stephen Eccles who is supported by an executive team of three senior employees.
- » **Employees:** Approximately 26 personnel.
- » **Turnover:** In FY07, Heavymech achieved a turnover in excess of \$2.8 million and is forecast to achieve a turnover of \$3.3 million in FY08.
- » **Location:** Heavymech operates from a leased 1700 square metre machine shop located in Northfield, Adelaide.
- » **Directors:** the directors of Heavymech are Stephen Young, Eduardo Donoso and Mark Goddard.
- » **Competitors:** Heavymech has no large competitors however there a number of smaller competitors.
- » **Competitive Advantage and Barriers to Entry:** Heavymech's large heavy engineering machine capacity and skilled workforce which represents a competitive advantage and barrier to entry to competitors.



FABTECH
S.A.
PTY LTD

Fabtech

- » **Services:** Fabtech was established in 1986 by the founder and previous vendor and is a leader in the provision of flexible geomembrane liners and floating covers for dams, reservoirs and tunnels.
- » **Industry Exposure:** Services mining, potable and waste water containment, waste management and agriculture industries. Provides exposure to the growing potable water, waste water, water storage, mining and environmental management industries. This investment compliments the exposure Ottoway Engineering Pty Ltd has to the same industries.
- » **Customers:** include Sydney Water, Barwon Water, East Gippsland Water and BHP Billiton.
- » **Management:** The business is managed by Phillip Bennett, the founder, on a transitional basis. The Chief Executive elect, Graham Fairhead, is working in the business building his understanding of the industry.
- » **Employees:** Approximately 38 personnel.
- » **Turnover:** In FY07, Fabtech achieved a turnover in excess of \$15 million and is forecast to achieve a turnover of \$16 million in FY08.
- » **Location:** Fabtech operates from a leased 2,000 square metre workshop located in Wingfield.
- » **Directors:** the directors of Fabtech are Stephen Young, Mark Vartuli and Graham Fairhead.
- » **Competitors:** Fabtech's main competitor is Jaylon Industries in addition to a number of smaller competitors in different regions throughout Australia.
- » **Competitive Advantage and Barriers to Entry:** Fabtech's inhouse engineering skill and reputation for successfully completing large and complex projects is its principal competitive advantage. Fabtech has an international network and access to their intellectual property. Phillip Bennett's knowledge, experience and commitment to research and development represents a barrier to entry. Phillip Bennett is contracted to transition this knowledge to Fabtech management.

8

Industry Overview

8.1 South Australian Economic Development

E&A Limited has a strong exposure to the South Australian economy. South Australia has experienced a strong economic performance in the past seven years (2000 to 2007). This is expected to continue with major projects underway in the mining resources, defence, water and infrastructure industries.

Key statistics over the last seven years (2000–2007) demonstrate this growth:

- » Employment up by 15% and holding at near record levels
- » Business investment is 123% higher
- » Retail sales are 25% higher
- » Annual exports are 40% higher

The outlook for the State is exceptionally strong with:

- » More than \$37 billion of major projects are either underway or in the pipeline, many of them related to mining and defence.
- » AAA international credit rating awarded by Standard & Poor's.
- » Global economic growth expected to continue above trend and while projected to moderate, it is likely to remain strong until 2010.
- » The unemployment rate is near its lowest in 30 years.

South Australia's economic development is focussed on growth within the mining, defence, education and water industries and on continuing to improve and promote its competitiveness, innovation and productivity to benefit from these strong economic conditions.

Equity & Advisory operates predominantly within South Australia and is expected to grow in line with the increased activity through the State as its outlook strengthens.

8.2 E&A LIMITED INDUSTRY EXPOSURE

Below is a representation of the core industries in which E&A Limited's businesses operate in.

	MINING	INDUSTRIAL	WATER	DEFENCE	FINANCIAL SERVICES
Equity & Advisory	✓	✓	✓	✓	✓
Fabtech SA	✓	✓	✓	–	–
Louminco	✓	✓	–	✓	–
Heavymech	✓	✓	–	✓	–
Ottoway Engineering	✓	✓	✓	✓	–
Whyalla Fabrications	✓	✓	✓	✓	–

8.3 Resources and Mining Industry

INTRODUCTION

E&A Limited has a significant investment in the resources and mining services industry sector primarily through Louminco, Ottoway Engineering, Whyalla Fabrications, Heavymech and Fabtech. The recent growth in the resources and mining sector within Australia has generated increased demand for businesses within the Industrial Services Industry. Work opportunities are expected to continue after the construction demand plateaus as E&A Limited's engineering businesses all have a primary focus on maintenance as opposed to construction.

SOUTH AUSTRALIA

South Australia is a key minerals supplier, with almost 40% of the world's uranium reserves and significant volumes of copper, gold and silver, attracting over 90% of all geothermal licences and exploration investment in Australia.

South Australia is experiencing its largest mineral and energy exploration boom in 20 years. More than \$12 billion worth of projects at various stages of development are currently underway in South Australia, including a number of major and emerging mines, namely:

Olympic Dam	BHP Billiton
Leigh Creek	NRG Flinders
Project Magnet	OneSteel
Prominent Hill	Oxiana
Mindarie	Australian Zircon
Angas Zinc	Terramin
Honeymoon	Uranium One
Beverley	Heathgate Resources
Challenger	Dominion Mining

The South Australian Chamber of Mines and Energy expects that South Australia will have 23 major mines by 2015.

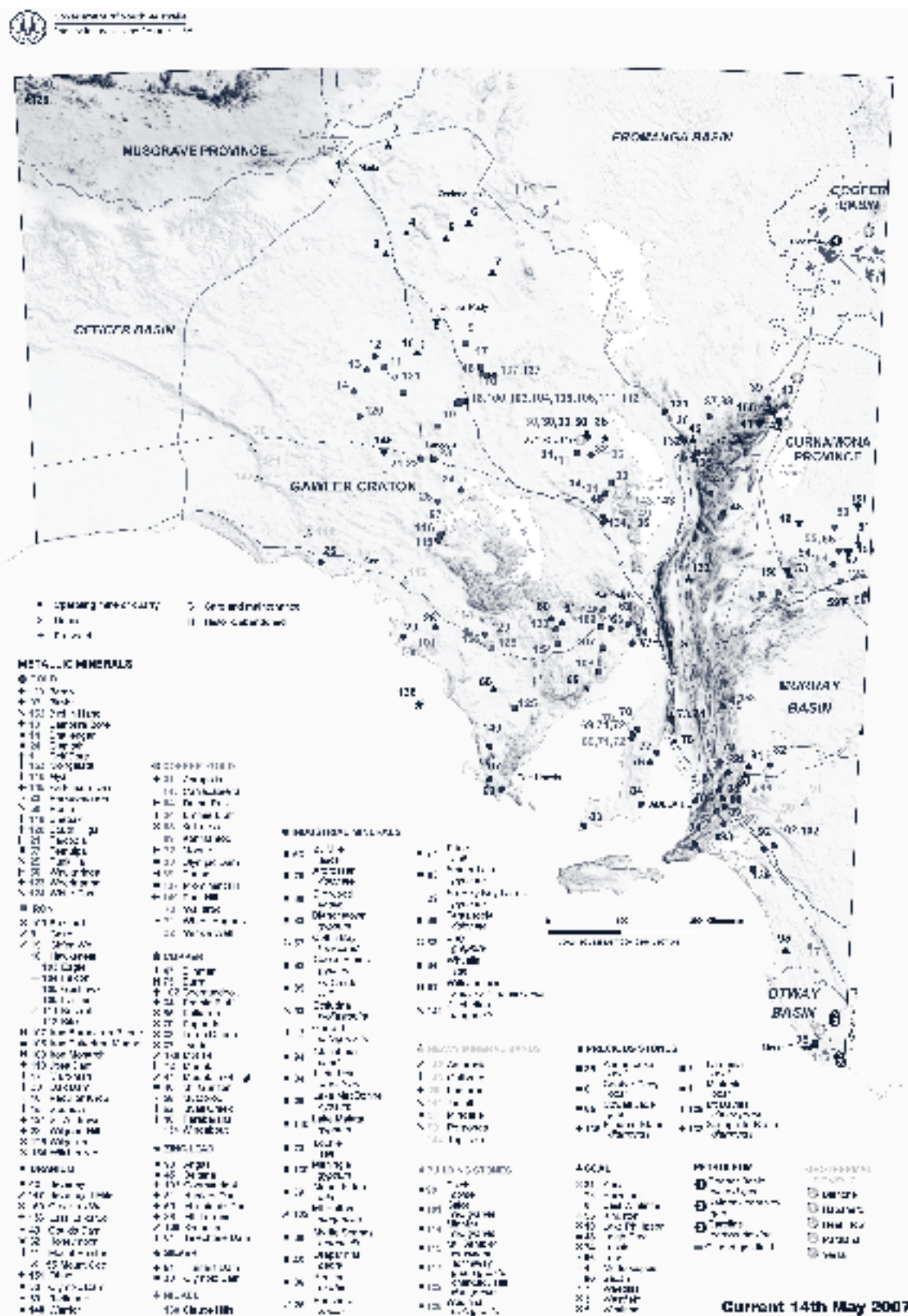
These mines are at various stages of evaluation, however it is expected that the expenditure to establish the required facilities is likely to exceed \$20 billion, of which approximately \$6 billion relates to Olympic Dam.

South Australia has spent the second highest amount on exploration (\$262 million) for the 2007 financial year (i.e. only WA is spending more on exploration) and the South Australian Chamber of Mines and Energy forecasts that by 2020 the State will have 40 major mines.

The potential in South Australia for mining has been recognised with the Fraser Institute in Canada who now rank the State as the fourth most prospective place in the world out of 65 jurisdictions, up from 30th place a few years ago.

The Cooper and Surat Basin oil and gas drilling and production projects undertaken by Santos, Beach Petroleum, Stuart Petroleum as well as other junior exploration and production companies are expected to provide work opportunities for Ottoway, Fabtech and Heavymech.

South Australia's Resources



Source: Department of Primary Industries and Resources SA, South Australian Government

OLYMPIC DAM

The size and outlook of BHP Billiton's Olympic Dam expansion project warrants special mention given the skill base of the E&A Limited businesses.

Located 560 kilometres north of Adelaide, South Australia, Olympic Dam is a multi-ore body. It is the world's fourth largest remaining copper deposit and the largest uranium deposit. It also contains significant quantities of gold and silver. Olympic Dam is Australia's largest underground mine.

BHP Billiton reported in September 2007 that drilling at the copper-gold-uranium mine had almost doubled the total resource from 4.4 billion tonnes to 7.7 billion tonnes, which the Directors anticipate is further likely to boost economic activity surrounding this project in South Australia.

BHP Billiton is undertaking studies into a proposed multi-billion dollar expansion of the Olympic Dam Operation to occur over the forthcoming years, which aims to more than double current copper production capacity and make it one of the world's biggest open-cut mines. BHP Billiton is looking at options to produce more than 500,000 tonnes of copper per year and to boost uranium production to 15,000 tonnes per year from the current capacity of 4,500 tonnes.

The expansion will require further infrastructure in the water and energy sectors and will provide a major opportunity for E&A Limited and its associated engineering businesses, some of whom already have experience working on the Olympic Dam site. The project signifies a major potential source of revenue over the long term.

Stephen Young (Executive Chairman) and Eduardo Donoso (Louminco Managing Director) are part of a government and business trade mission to Chile in November 2007, which is being led by the Minister for Primary Industries, Rory McEwen to inspect BHP Billiton's Escondida mine.

QUEENSLAND, WESTERN AUSTRALIA AND NORTHERN TERRITORY

The level of mining and resources activity in each of these states is such that Ottoway, Louminco and Whyalla Fabrications all expect to pitch for significant work opportunities in these states.

The development of various Coal Seam Methane Water Projects in South East Queensland are expected to generate significant work opportunities in the future.

The growth of the minerals sector continues to generate increased demand for services such as mine planning, engineering, procurement and logistics, project and construction management, maintenance, information and communications technology, technical support and environmental management and rehabilitation.

8.4 Defence

INTRODUCTION

E&A Limited's operating businesses provide services that will be required by the growing Defence Industry. In 2000, the Australian Government released the Defence White Paper, outlining a long term strategic plan for Defence, funded through an additional \$29.4 billion investment over 10 years. Last year, a decision was taken by the Australian Government to extend a 3% real increase in funding each year, out to 2016. The current Defence Capability Plan outlines \$51 billion of new acquisitions over 10 years. During FY08, the commitment to defence will total \$22 billion – an increase of 47% in real terms since 1995–96.

South Australia is the high-technology centre of Australia's defence industry effort, focussing on research and development, systems integration, surveillance, electronic warfare and aerospace activities. Plans are being developed to capitalise on its potential to become the national hub for naval shipbuilding and systems.

Defence is now a major sector of the South Australian economy, generating approximately \$1 billion annually in output. Its cluster of 100 defence-related and associated electronic companies, together with the State's sophisticated R&D network, contributes more than 2 per cent of Gross State Product and employs almost 16,000 people.

South Australia's robust and dynamic defence industry plays a leading role in the development of new and innovative defence technology systems. It regularly wins around 30 per cent of total Defence capital expenditure for new equipment and systems upgrades awarded within Australia.

ASC Shipbuilding will build and replace the Navy's FFGs with a class of at least three air defence capable ships, the new Air Warfare Destroyers. The AWD Program is the largest and most complex Defence project ever undertaken in Australia. All three ships will be consolidated at ASC's shipyard in Adelaide.

More than \$10 billion dollars worth of defence contracts have been committed to South Australia including:

AIR WARFARE DESTROYERS

The Air Warfare Destroyer (AWD) Program (SEA 4000) will deliver an affordable, effective, flexible and sustainable area defence capability for the security of Australia.

- » The AWD Program is the largest and most complex Defence project ever undertaken in Australia, with a total capital investment of \$8 billion. The construction stage will commence with infrastructure in 2007 and the last ship will be completed in 2017.
- » ASC Pty Ltd will build at least three Spanish F100 class AWD's at their shipyard in Adelaide, South Australia.

- » A Key aim of the Project is to ensure the benefits to industry are maximised to enhance Australia's strategic industrial base.
- » The South Australian Government will invest over \$240 million in state-owned infrastructure at Techport Australia including Maritime Skills Centre and Supplier's Precinct.

COLLINS CLASS SUBMARINES

In December 2003 ASC signed a multi billion through life support contract with the Defence Materiel Organisation for the ongoing design, enhancement, maintenance and support of the Collins Class until the end of their operational lives.

NEW ARMY BATTALIONS

- » Two new Army battalions requiring the Defence Force to increase full-time personnel from around 51,000 now, to around 57,000 in the next decade.
- » For 2007–08 the Federal Government has made a \$3.1 billion commitment over ten years aimed at initiatives to enhance recruitment and retention.

SPARES AND REPAIRS

- » A total of \$4 billion has been allocated over the next ten years to ensure war fighting capabilities are maintained at high levels of preparedness.
- » Maintaining equipment at a high level of readiness has been identified as a key priority.

AWD PROGRAM OPPORTUNITIES

Stephen Young was a member of the Board of ASC Pty Ltd (formerly the Australian Submarine Corporation Pty Ltd) when it submitted its successful bid to construct the Air Warfare Destroyers (AWD's) and is familiar with the subcontracting opportunities from the AWD program.

The E&A Limited businesses intend to target the metal fabrication and pipework element of the AWD construction program. Whyalla Fabrication has already travelled with ASC Shipbuilding to Bath Iron Works who are ASC's shipbuilding capabilities partner located in Maine, USA. Whyalla Fabrication intends to target elements of the Modular Shipbuilding opportunities that ASC may wish to outsource to regional South Australia.

8.5 Water Sustainability and Environmental Protection

INTRODUCTION

E&A Limited has a significant investment in the environmental protection and sustainability industry sector primarily through its businesses Fabtech and Ottoway Engineering. Water sustainability, on the back of worsening drought conditions in Australia, has in particular experienced significant attention over the last few years with investment in this sector expected to grow over the next decade. The demand for water and improved water management is a global issue.

THE NATIONAL PLAN FOR WATER SECURITY

The Australian Government recently announced in January 2007 the National Plan for Water Security, a \$10 billion package designed to ensure rural water use is placed on a sustainable footing over the next decade. It aims to significantly improve water management across the nation with a special focus on the Murray-Darling Basin, where the bulk of Australia's agricultural water use takes place.

Funding under the National Plan for Water Security diagrammatically shown over page will be provided in five major areas:

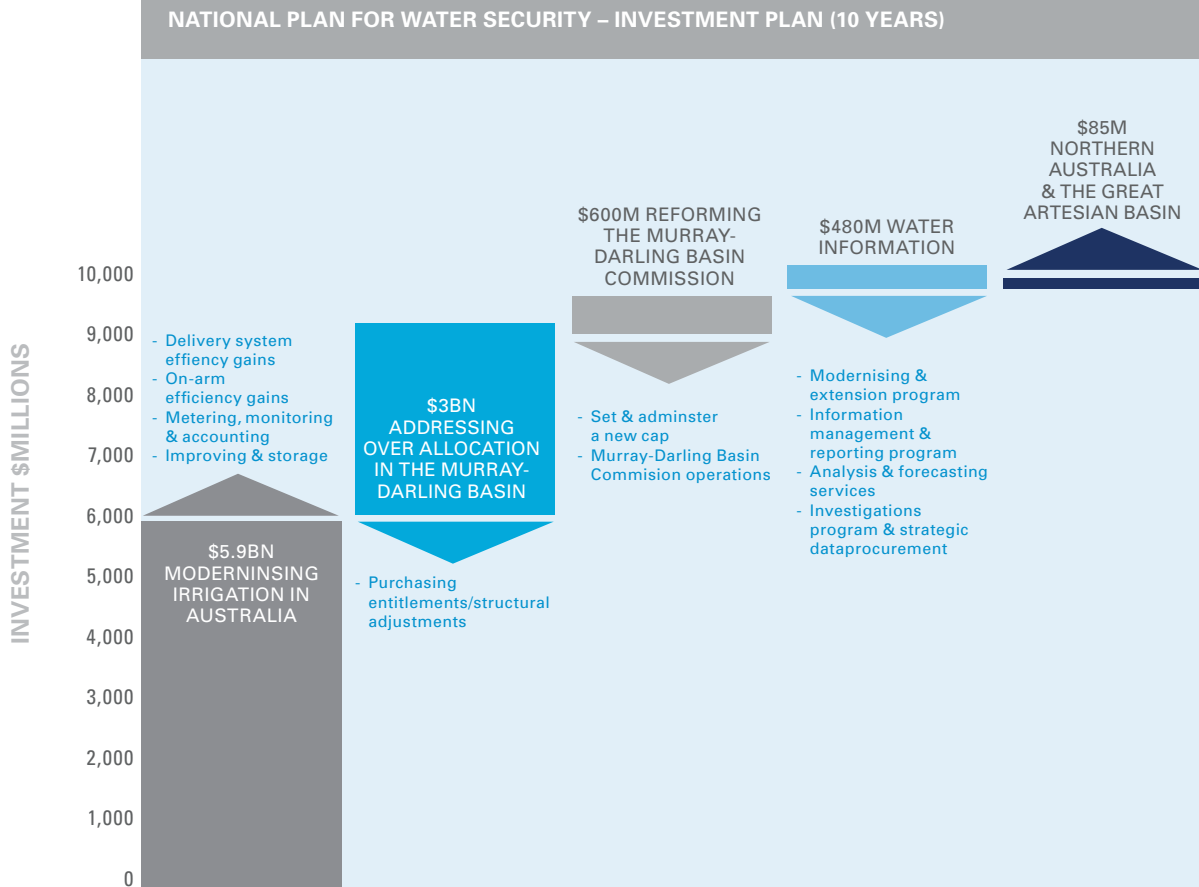
1. Modernising irrigation;
2. Over-allocation;
3. Reforming governance arrangements of the Murray-Darling Basin;
4. Water Information; and
5. Northern Australia and the Great Artesian Basin.

A cornerstone of the package is a commitment of almost \$6 billion over 10 years to modernise irrigation infrastructure both on and off-farm to save water and increase efficiency of water use. This aims to lead to more efficient, productive and profitable use of water with a view to maintaining the value of irrigated production in the face of declining water availability.

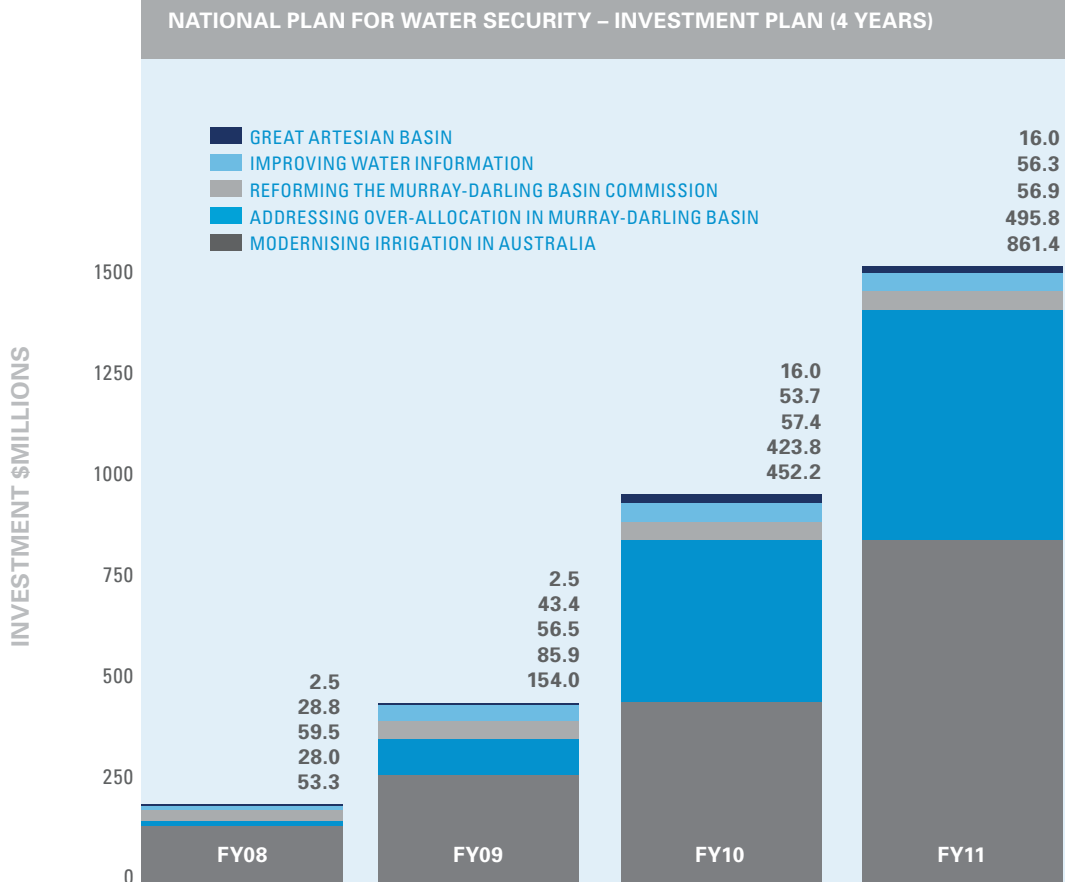
Investment in this industry can be broken down into the initiatives as listed above.

The Australian government's commitment to a \$10 billion water package includes over \$6 billion directly targeted at the industry that Ottoway Engineering and Fabtech services with regard to leakage and evaporation management, linings, pump stations and pipelines.

Over \$3 billion of the committed \$10 billion investment programme will be implemented over the next four years.



Source: Extracted from A National Plan for Water Security dated 25 January 2007



Source: Extracted from Budget Review 2007–08 National Plan for Water Security

IRRIGATION CHANNELS

Of the \$10 billion National Plan for Water Security, circa \$5 billion has been allocated to modernising irrigation in Australia. One of the greatest contributions to water loss is seepage of water through irrigation channels. Whilst pipelines control seepage and evaporation its capital and operating costs for interception and disposal works are relatively high compared to the various other means of seepage control including geomembranes and other liners.

Fabtech has already successfully installed geomembrane liners to irrigation channels and intends to target the Murray River and Darling Basin as a means of assisting the Government achieving its objectives.

DESALINATION PLANTS

The Premier of South Australia, Mr Mike Rann, has indicated that both a desalination plant and a doubling of South Australia's water storage capacity in the Mount Lofty Ranges will be built to guarantee South Australia's long-term water security, an investment that could exceed more than \$2.5 billion.

The plant would supply about 25% of Adelaide's annual water. Ottoway Engineering is well positioned to target pipework at the desalination facility and the construction of pumping stations along the proposed new pipeline that will be required to deliver the water to the consumers.

The South Australian Government has also announced its support for BHP Billiton's proposal to build a desalination plant on the Upper Spencer Gulf. It is expected that this plant will be the biggest in the southern hemisphere, and supply water to the expanded Olympic Dam mine as well as the Eyre Peninsula, the West Coast and the Upper Spencer Gulf. It is expected to reduce the reliance on the River Murray by up to 30 million litres a day.

Fabtech is equally well positioned to provide lining to any storage facilities constructed as part of the Upper Spencer Gulf desalination facility.

ENVIRONMENTAL PROTECTION

Other developments in the environmental protection and sustainability sector include a move towards government regulation in relation to landfill management. This is expected to create further growth opportunities within the geomembrane industry.

It is expected that geomembranes will be used for a range of applications to safeguard the environment, and this will likely have positive implications particularly in respect to Fabtech which directly provides these services.

E&A LIMITED WATER INDUSTRY OPPORTUNITIES

In summary, Fabtech and Ottoway are in a position to continue to provide a range of engineering services to the water industry. Ottoway provides irrigation and pump station installations and upgrades, water pipe fabrication and installation, water industry related pipework and pipeline maintenance. Fabtech's major activities include the design of geomembrane liners and covers for the containment of water and waste water, project management of dam infrastructure, the fabrication and installation of liners and covers and the design and installation of bio-gas recovery systems.

These E&A Limited businesses are well positioned to continue to provide services within the water engineering industry.

8.6 Financial Services

The Directors consider that the most appropriate barometer for the activity levels of corporate advisory activity in South Australia is the underlying prosperity of the state economy.

9

People, Management & Corporate Governance



MARK VARTULI

MICHAEL TERLET

STEPHEN YOUNG

MICHAEL ABBOTT

DAVID KLINGBERG

Board of Directors

The Board comprises two Executive Directors and three independent Non-Executive Directors. The Chairman of the Board, Mr Stephen Young, is an Executive Director.

Board of Directors



Stephen Young – Executive Chairman

B.Ec FCA FAICD

Stephen Young, is the Executive Chairman of E&A Limited and its Group Companies. Stephen has a Bachelor of Economics, is a Chartered Accountant and a Fellow of the Institute of Company Directors.

Stephen has more than 30 years experience including large corporate advisory, corporate recovery, business turnaround, listed public and private advisory and board engagements.

Stephen was a senior employee and partner of Allert Heard & Co, a specialist corporate recovery firm and a member of the Ferrier Hodgson Group from 1979 to 1989. Stephen was Managing Partner of Arthur Andersen's Adelaide office following their merger with Allert Heard & Co from 1989 to 1997. Stephen was a member of the Arthur Andersen Worldwide Advisory Council for a two year term from 1991 and held a number of national and international leadership positions within the firm.

Stephen has been joint lead or lead advisor on all the transactions undertaken by Equity & Advisory. Stephen holds positions and has been retained on a number of listed public company boards often in a "turnaround" capacity, Government business enterprises, sporting and charitable boards including Adelaide Football Club, A Raptis & Sons Pty Ltd (current), ASC Pty Ltd (formerly Australian Submarine Corporation), Adelaide University Council (current), aiLimited, Common Ground (current), ETSA Corporation, Land Management Corporation, Michell Australia Group, Shaw and Smith (current) and the Premier's Roundtable (SA).



Mark Vartuli – Executive Director

M.Comm. B.Com. ACA

Mark Vartuli is the Managing Director of Equity & Advisory and specialises in providing commercial advice in relation to capital raisings, mergers and acquisitions, divestments, infrastructure projects and corporate restructures. Mark is also experienced in performing valuations for both public and private companies for purposes of purchase, sale, equity raising and independent expert reports to shareholders. Mark has advised on the majority of transactions undertaken by Equity & Advisory detailed in Section 7.

Prior to joining Equity & Advisory in April 1998, Mark worked for Arthur Andersen in their Audit and Business Advisory Division and is a qualified Chartered Accountant and holds a Masters in Commerce Degree.



Michael Abbott – Non Executive Director

LLB

Michael is a Barrister resident in South Australia. He graduated with a law degree from The University of Adelaide in 1965 and commenced in private practice in 1966. He is a past President of the South Australian Bar Association and has appeared as Counsel in a number of significant cases and Royal Commissions in Australia. In 2006 he represented six of the Officers and Employees of AWB at the Cole Commission into Iraqi wheat payments in Sydney. Michael also acted for the Non-Executive Directors of the State Bank of South Australia and Beneficial Finance Pty Ltd during the Royal Commission into the State Bank of South Australia and in the subsequent litigation against the bank's Directors. He has lectured on corporate responsibility, the fiduciary duties of Directors and other topics relating to the role of directors.



Michael Terlet – Non Executive Director

AO, MBA FAIM, FAICD JP

Michael Terlet is Chairman of Australia's largest privately owned water company, United Water International Pty Ltd, Water Industry Alliance, Land Management Corporation, International Wine Investment Fund and Tidswell Financial Services Ltd and a Director of ASC Pty Ltd (formerly Australian Submarine Corporation Pty Ltd).

Michael has held a range of senior positions within the defence industry over the course of the last 34 years and was principally responsible for the formation and growth of Australia's largest private sector Defence and Aerospace Company, AWA Defence Industries, in 1988. In 1991, he was recognised and made an officer of the General Order of Australia for contributions to industry and export.

He has undertaken a number of directorships in both private and public companies and has served as Chairman of SA Centre for Manufacturing, Defence Manufacturing Council SA (MTIA) and South Australian Small Business Advisory council, SDS Corporation Ltd and as President of the South Australian Employers Chamber of Commerce and Industry and the Engineering Employers Association.



David Klingberg – Non Executive Director

AM, FTSE, B.Tech (Civil), FIEAust, FAusIMM, FAICD, KSJ

David is an Engineer with over 40 years experience in project development and business management and governance. He is currently Chancellor of the University of South Australia and holds a number of non executive Board appointments with both private and public bodies. He is a Director of Codan Limited, Centrex Metals Limited, Snowy Hydro Limited and Barossa Infrastructure Limited, and is a business advisor to some South Australian Companies.

Formerly Managing Director of Kinhill Limited, one of Australia's largest professional engineering firms operating as Consultants and Contractors in the Resources and public Infrastructure sectors, David developed substantial professional expertise in project evaluation, management and systems and in the structuring of major infrastructure projects.

David is a qualified engineer.

Key Executives of E&A Limited Businesses



Eduardo Donoso (Louminco)

Eduardo has many years experience in the Engineering Industry having held many managing positions in both Australian and overseas engineering companies and is Louminco's Managing Director. Eduardo has a Degree in Industrial Engineering and an Associate Diploma in Mechanical Engineering.

Eduardo is an advisor to the Industry Capability Network and a board member of the Engineering Employers Association. Eduardo is also a member of the Welding Technology Institute of Australia, a director of Whyalla Fabrications, Heavymech, a member of the Institute of Company Directors and Vice President of the Australian Chile Chamber of Commerce.



Mark Goddard (Equity & Advisory)

Mark has been a Director since Equity & Advisory was established in 1997. Prior to that, Mark was a Senior Manager in Asset Management Services of Arthur Andersen since July 1989. Prior to that time Mark worked extensively in the financial services industry. Mark specialises in consulting on financial, liquidity and management problems to corporations across a broad range of industries including the building and construction, property, retailing, manufacturing and rural based industries. Mark is also a director of Heavymech and Ottoway and oversees the finance departments of these entities. Mark is on the board of the not for profit aged care organisation ACH Group and is also a Member of the Australian Institute of Company Directors.



Stephen Eccles (Heavymech)

Steve Eccles has worked at Heavymech for over 34 years and currently occupies the position of General Manager. He has previously undertaken the roles of Operations Manager and Workshop Supervisor and has an extensive background as a machinist and fitter and turner. He also has experience in Quality Assurance, Calibration and Occupational Health and Safety matters. He has also been a Justice of the Peace for 25 years.



Ron Burrows (Ottoway Engineering)

Ron founded Ottoway Engineering in 1995 and has accumulated more than 30 years experience in pipeline installations in remote areas above and below ground plus associated valve and pipe spooling fabrication, installation and hydro testing. Ron is the Managing Director of Ottoway and is responsible for overall management of workshop and various sites, undertaking projects in the water, oil and gas and mining industries.



Phillip Bennett (Fabtech)

Phillip has been professionally involved in the fabrication of geomembrane for over 23 years, and has been at the forefront of geomembrane liner and floating cover technology since the industry's inception.

Phillip's design and construction experiences have encompassed a myriad of projects, from the smaller vineyard reservoir liners to the design and construction of the largest liner and floating cover in the Southern Hemisphere at Potts Hill.

Phillip has agreed to an initial exclusive 12 month full time equivalent work arrangement with Fabtech in order to mentor the newly appointed Graham Fairhead into the role of Managing Director. In addition Phillip has agreed to work for a further 12 months on an as needs basis and as when required by E&A Limited.



Graham Fairhead (Fabtech)

Until recently Mr Graham Fairhead was employed by Mitsubishi Motors Australia Limited where he held the position of General Manager, Network Development and Customer Service. Prior to this, he held the position of General Manager, Product Planning and Marketing. Other roles held by Graham include Director, Sales and Marketing (non executive) with Phoenix Venture Holdings (UK); Platform Director, MG Rover Group (UK); Project Director, BMW Group (UK); General Manager, Defence Operations, Land Rover Australia and Chief Engineer with Rover Group (UK); Project Director, BMW Group (UK); General Manager, Defence Operations, Land Rover Australia and Chief Engineer with Rover Group (UK).

Graham holds a Master of Science – Manufacturing Systems Engineering and a Masters of Business Administration from Warwick University, England and a Higher National Diploma in Mechanical Engineering from NWC of Further Education.

Corporate Governance

The Board is committed to ensuring E&A Limited is properly directed and accordingly the Directors have adopted corporate governance policies and practices designed to continue to promote responsible management and conduct of E&A Limited's business. The main policies and practices currently in place are summarised below. In addition, many governance elements are set out in the Constitution.

The corporate governance structure adopted by E&A Limited is intended to enable E&A Limited to follow the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations 2nd Edition" effective from 1 January 2008.

Board of Directors

Together the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to the business of E&A Limited.

The Board is currently composed of two executive directors. It is proposed that this structure will be reviewed over time in the best interests of Shareholders. E&A Limited does not comply with ASX Best Practice Recommendations 2.2 and 2.3 as the Chairman is not an independent director. As Executive Chairman, he holds the position equivalent to a Chief Executive Officer. The board has resolved that in view of the size of E&A Limited, the nature of the business and the equity position held that Mr Young's role as Executive Chairman is in the best interests of all shareholders.

The Board is responsible for the overall corporate governance of E&A Limited including establishing and monitoring key performance goals. The Board has created a framework for managing E&A Limited including a business risk management process and appropriate ethical standards.

The Board is currently made up of three independent Non-Executive Directors (Michael Abbott, Mike Terlet and David Klingberg), the Executive Chairman Stephen Young and Mark Vartuli an Executive Director.

The Board brings together a broad range of qualifications, extensive industry and public company experience and a balanced skill set that has and is expected to continue to benefit E&A Limited.

It is the Board's policy that independent Non-Executive Directors should be free from any business or other relationship that could materially compromise their independent judgement.

Board Charter

The Board has adopted a charter that sets out the principles for the operation of the Board and describes the powers, functions and responsibilities of the Board, which include:

- » regularly considering and monitoring the implementation of corporate strategies and objectives, including E&A Limited's control and accountability systems;
- » appointing and removing the managing director/chief executive officer and where appropriate ratifying the appointment and removal of senior executives;
- » monitoring and evaluating the performance of each Group Company's management and the implementation of corporate strategies and performance objectives;
- » approving and monitoring compliance with systems of financial reporting, continuous disclosure, corporate governance, legal requirements and ethical standards;
- » approve and monitor major capital expenditure, capital management and acquisitions and divestitures;
- » reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance;
- » ensuring appropriate resources are available to senior executives;
- » issuing securities in E&A Limited and establishing any incentive plans for directors and/or staff;
- » confirming that audit arrangements (including internal and external) are in compliance with all legal requirements and reviewing the E&A Limited's policies on such issues; and
- » delegating an appropriate level of authority to management.

Board Committees

The Board retains ultimate authority over management, however, as is customary, the Board has delegated authority over the day-to-day management of E&A Limited to the Executive Directors and in turn to management.

To assist in the execution of its responsibilities, the Board has established a Nomination and Remuneration Committee and an Audit and Risk Management Committee. These Committees have written charters.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for advising the Board on the composition of the Board and its Committees, reviewing the performance of the Board and individual Directors, and developing succession plans. The Board and Directors will be assessed at review periods based on objectives and performance indicators to be agreed.

The Nomination and Remuneration Committee is also responsible for ensuring that the remuneration within E&A Limited is appropriately designed to enhance corporate and individual performance whilst also meeting the needs of E&A Limited as a whole.

The Nomination and Remuneration Committee may obtain information from, and consult with, management and external advisors, if it considers it appropriate.

The Nomination and Remuneration Committee consists of the independent Non-Executive Directors. Mr Terlet chairs the Nomination and Remuneration Committee.

Audit and Risk Management Committee

The objective of the Audit and Risk Management Committee is to assist the Board in discharging its corporate governance duties in relation to:

- » implementing and maintaining appropriate policies and procedures in relation to risk management and auditing;
- » financial reporting, internal control structure and internal and external audit functions; and
- » establishing a sound system of risk oversight and management and internal controls.

The Audit and Risk Management Committee consists of three Non-Executive Directors and one Executive Director, Michael Abbott chairs the Audit and Risk Management Committee.

Continuous Disclosure

All relevant information provided to ASX will be immediately posted on E&A Limited's corporate website, www.ealimited.com, in compliance with the continuous disclosure requirements of the Corporations Act and Listing Rules. The corporate website is still under construction but the Directors expect that it will be operational prior to the Listing Date. The E&A Limited Secretary will act as ASX liaison officer to ensure timely and appropriate access to information for all investors.

Communication to Shareholders

The Board aims to ensure that Shareholders are informed of all major developments affecting E&A Limited's state of affairs. Information will be communicated to Shareholders through E&A Limited's annual report, annual general meeting, half yearly results announcement, ASX announcements and through the corporate website, www.ealimited.com.au.

Security Trading Guidelines and Codes of Conduct

E&A Limited has in place guidelines intended to establish best practice procedures in relation to dealings in securities by Directors, management and employees of E&A Limited. Subject to the overriding restriction that persons may not deal in Shares while they are in possession of inside information, Directors, management and senior employees are restricted from dealing in Shares during certain "restricted periods", namely one month prior to release of E&A Limited's half yearly and yearly financial results and E&A Limited's annual general meeting. Prior to any trading, there is a requirement to notify the Company Secretary to ensure there is no objection under the policy to the transaction.

E&A Limited has also established a corporate code of conduct and a code of conduct for Directors, management and employees which embrace high standards of personal and corporate conduct.

Further information regarding the corporate governance policies of E&A Limited will be made available on the corporate website in due course.

10

Financial Information

10.1 Introduction

This Section contains a summary of the Pro forma and Statutory Historical and Forecast Financial Information for the E&A Limited Group ("Financial Information") that the Directors consider relevant to investors.

The Financial Information has been prepared by management and adopted by the Directors. The Directors are responsible for the inclusion of the Financial Information in this Prospectus.

The Financial Information presented comprises:

HISTORICAL FINANCIAL INFORMATION

- » Summary Pro forma Historical Consolidated Income Statement of the E&A Limited Group for the year ended 30 June 2007 ("Pro forma Historical Consolidated Income Statement");
- » Statutory Historical Balance Sheet of E&A Limited as at 30 June 2007 ("Statutory Historical Balance Sheet");
- » Pro forma Consolidated Balance Sheet of the E&A Limited Group as at 30 June 2007 ("Pro forma Consolidated Balance Sheet"); and
- » Summary Pro forma Historical Consolidated Statement of Cash Flows of the E&A Limited Group for the year ended 30 June 2007 ("Pro forma Historical Consolidated Statement of Cash Flows").

FORECAST FINANCIAL INFORMATION

- » Summary Pro forma Forecast Consolidated Income Statement of the E&A Limited Group for the year ending 30 June 2008 ("Pro forma Forecast Consolidated Income Statement");
- » Summary Statutory Forecast Consolidated Income Statement of the E&A Limited Group for the year ending 30 June 2008 ("Statutory Forecast Consolidated Income Statement");
- » Summary Pro forma Forecast Consolidated Statement of Cash Flows of the E&A Limited Group for the year ending 30 June 2008 ("Pro forma Forecast Consolidated Statement of Cash Flows"); and

- » Summary Statutory Forecast Consolidated Statement of Cash Flows of the E&A Limited Group for the year ending 30 June 2008 ("Statutory Forecast Consolidated Statement of Cash Flows").

The Pro forma Historical Consolidated Income Statement and the Pro forma Historical Consolidated Statement of Cash Flows have been prepared to EBIT and operating cash flow before financing and tax level only as each of the E&A Limited Group members included within the historical period operated under corporate and capital structures with different gearing, treasury and tax profiles that do not reflect the current E&A Limited Group structure.

The Pro forma Historical Consolidated Financial Information of E&A Limited Group is presented on a basis consistent with the structure of the E&A Limited Group as at the date of the Offer. In order to illustrate what the historical consolidated financial performance, position and cash flows would have been if the group members reported as a single group since 1 July 2006, normalisation adjustments have also been made to appropriately reflect the impact of the newly implemented ownership and operational structures under E&A Limited Group management.

The Director's Forecasts have been prepared for the year ending 30 June 2008.

The Statutory Forecast Consolidated Income Statement and Statutory Forecast Consolidated Statement of Cash Flows is prepared on the same basis as the financial information that will be included in E&A Limited Group's audited annual report for the year ending 30 June 2008. Accordingly, the Statutory Forecast Consolidated Income Statement and Statutory Forecast Consolidated Statement of Cash Flows reflects the anticipated actual results and cash flows of operations up to 30 June 2008.

The Pro forma Forecast Consolidated Income Statement and Pro forma Forecast Consolidated Statement of Cash Flows for the year ended 30 June 2008 assumes that the operating and financing structures expected to be in place at completion of the Offer were in existence for the full year commencing 1 July 2007, including the acquisition of Whyalla Fabrications as if it had occurred at 1 July 2007.

The Financial Information in this section should be read in conjunction with the Directors' best estimate assumptions underlying the preparation of their forecasts, accompanying sensitivity analysis, Additional Financial Information presented in Section 15, the Risk Factors set out in Section 12 and other information contained within this Prospectus.

The Additional Financial Information in Section 15 contains applicable notes to the Financial Information described above, including:

- » Reconciliations between Statutory and Pro forma Financial Information;
- » Summary of Significant Accounting Policies adopted by the E&A Limited Group; and
- » Applicable Notes to the Financial Information.

KPMG has prepared an Investigating Accountant's Report in respect of the Pro forma Historical Financial Information and the Directors' Forecasts. A copy of the report is set out in Section 11.

10.2 Summary Pro forma Historical and Forecast Consolidated Income Statement, together with Summary Statutory Forecast Consolidated Income Statement

The table below is a summary of the E&A Limited Group's:

- » Pro forma Historical Consolidated Income Statement;
- » Pro forma Forecast Consolidated Income Statement; and
- » Statutory Forecast Consolidated Income Statement.

Summary Consolidated Income Statements¹

Numbers in \$AUD (000's) unless otherwise stated	Pro forma^{2,3,5} Historical Year ended 30 June 2007	Pro forma^{4,5} Forecast Year ending 30 June 2008	Statutory⁴ Forecast Year ending 30 June 2008
Revenue	82,208	92,162	86,882
EBITDA	9,769	11,730	9,676
Depreciation and amortisation	783	912	871
EBIT	8,986	10,818	8,805
Net interest		1,405	1,281
NPBT		9,413	7,524
Income Tax		2,824	2,257
NPAT		6,589	5,267
EBITDA margin %	11.9%	12.7%	11.1%
EBIT margin %	10.9%	11.7%	10.1%

Notes:

1. The table sets out summary financial information only and does not comply with all the disclosures required by Australian Accounting Standards applicable to annual reports prepared in accordance with the Corporations Act.
2. Reconciliation of the Pro forma Historical Consolidated Income Statement to the Statutory Historical Income Statement from which it is derived is included in Section 15.5.
3. The Pro forma Historical Consolidated Income Statement is presented on a basis consistent with the structure of the E&A Limited Group as at the date of the Offer and to an EBIT level only. This is because historically the E&A Limited Group has operated under a different corporate and financial structure to that assumed to be in place for the year-ending 30 June 2008. Accordingly, historical interest and taxation expenses for the E&A Limited Group are not considered to be comparable to forecast interest and tax expenses, and therefore have not been presented.
4. Reconciliation of the Pro forma Forecast Consolidated Income Statement to the Statutory Forecast Consolidated Income Statement from which it is derived is included in Section 15.6.
5. The Pro forma Historical and Forecast Consolidated Income Statements are based on a number of key assumptions and estimates disclosed in Section 10.4 and 10.5.

10.3 Management Discussion and Analysis of Pro Forma Historical and Forecast Consolidated Income Statements

Section 10.3 should be read in conjunction with the description of the basis of preparation of the Pro forma Financial Information detailed in Section 10.4.

10.3.1 FY08 COMPARED TO FY07

REVENUE

The Summary Consolidated Income Statements table presents Pro forma revenue of the E&A Limited Group assuming the acquisition of all of the E&A Limited businesses that comprise the E&A Limited Group had occurred on 1 July 2006. The purpose of this disclosure is to indicate the recent level of organic growth (that is growth that is not attributable to acquisitions) in the Operating Businesses.

Pro forma revenue is forecast to increase by \$10.0 million or 12.1% to \$92.2 million in FY08. Approximately \$7.2 million or 72% of this increase relates to the Louminco and Ottoway operating businesses.

The forecast revenues for FY08 have been derived by a budgeting process for each entity which considers the historical levels of revenue, current projects and management's expectation of work to be performed during the forecast period.

Notwithstanding the E&A Limited Group's investment objectives, no revenue from further acquisitions has been included in the FY08 Pro forma revenue forecasts.

Forecast Pro forma revenue for the year ending 30 June 2008 is based on a number of key assumptions and estimates disclosed in Section 10.5.

EBIT

The E&A Limited Group is forecasting continued growth in pro forma EBIT during the year ending 30 June 2008. Pro forma EBIT is forecast to increase by \$1.8 million or 20.4% in FY08.

Pro forma EBIT margin is forecast to increase from 10.9% to 11.7%, due to a forecast improvement in gross margins and a consequential reduction in overhead costs as a proportion of revenue.

Depreciation and Amortisation is forecast to grow 16.5%.

IMPACT OF WHYALLA FABRICATION ACQUISITION

The impact of the inclusion of the financial performance of Whyalla Fabrications business in the Pro forma Historical Consolidated Income Statement for the year ended 30 June 2007 is to increase E&A Limited Group revenue and EBIT from \$67.7 million to \$82.2 million and \$6.0 million to \$9.0 million respectively. The impact of the inclusion of the financial performance of Whyalla Fabrications business in the Pro forma Forecast Consolidated Income Statement for the year ending 30 June 2008 is to increase E&A Limited Group revenue and EBIT from \$76.2 million to \$92.2 million and \$7.4 million to \$10.8 million respectively.

10.4 Basis of Preparation of Historical and Forecast Financial Information

10.4.1 BASIS OF PREPARATION OF PRO FORMA HISTORICAL FINANCIAL INFORMATION

E&A Limited was incorporated in July 1999. A group restructure was performed in July 2007 to bring the ownership of a number of related party historical business acquisitions under the ownership of E&A Limited. Refer to Section 15.3 for further information in relation to the group restructure.

Upon completion of the acquisition of the E&A Limited businesses, the results of operations and financial position of these entities have been or will be consolidated by E&A Limited for accounting purposes in its financial statements. Accordingly, the Directors have prepared the Pro forma Historical Consolidated Financial Information in order to illustrate what the historical consolidated financial performance, position and cash flows would have been if the group members reported as a single group since 1 July 2006. Normalisation adjustments have also been made to appropriately reflect the impact of the newly implemented ownership and operational structures under E&A Limited Group management.

Additionally, the Statutory Forecast Consolidated Income Statement reflects the forecast results of the E&A Limited business acquisitions from the actual date that the acquisition was made. The Pro forma Forecast Consolidated Income Statement assumes the E&A Limited businesses were acquired by E&A Limited on 1 July 2006 and therefore reflects a full year forecast earnings contribution from each of these entities.

The Pro forma Historical Consolidated Financial Information of the E&A Limited Group, is presented on a basis consistent with the structure of the E&A Limited Group as at the date of the Offer and has been derived from a number of sources of information as set out in Section 10.4.2. The Pro forma Historical Consolidated Financial Information is supplemented by the Summary of Significant Accounting Policies outlined in Section 15.1. Reconciliation of the Pro forma Historical Consolidated Financial Information to the relevant sources are contained in Section 15.5.

The Pro forma Historical Consolidated Income Statement has been prepared to an EBIT level only as each of the E&A Limited Group members included within the historical period operated under corporate and capital structures with different gearing, treasury and tax profiles that do not reflect the current E&A Limited Group structure.

Accordingly, reported interest and income tax expenses are not considered by the Directors to be meaningful or appropriate as they are not indicative of what these expenses or payments would have been had the E&A Limited Group operated under the capital structure that will apply as of the Listing Date.

The Pro forma Consolidated Balance Sheet is based on the audited E&A Limited Balance Sheet as at 30 June 2007, which has been adjusted to incorporate:

- » the restructure of the E&A Limited Group at 1 July 2007;
- » the acquisition of Whyalla Fabrications;
- » other Pro forma adjustments; and
- » the consolidated financial position of E&A Limited Group members as if they had been acquired from 1 July 2006.

Further details of the E&A Limited Group restructure effective 1 July 2007 and other Pro forma adjustments made to the Statutory Balance Sheet as at 30 June 2007 are outlined in Section 15.2 and 15.3.

The Pro forma Historical Consolidated Income Statement and the Pro forma Consolidated Balance Sheet should be read in conjunction with the Investigating Accountant's Report set out in Section 11, the Summary of Significant Accounting Policies and Additional Financial Information described in Section 15 and other information contained in this Prospectus.

10.4.2 SOURCES OF PRO FORMA HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The Pro forma Historical Consolidated Financial Information for the period ended 30 June 2007, has been extracted from the following sources:

Sources of Pro forma Historical Consolidated Financial Information

Source	Auditor	Audit Opinion
Audited Special Purpose Financial Statements of E&A Limited	KPMG	Unqualified
Audited Special Purpose Financial Statements of Equity & Advisory Trust	KPMG	Unqualified
Audited Special Purpose Financial Statements of Equity & Advisory Limited	KPMG	Unqualified
Audited Special Purpose Financial Statements of Panado Pty Ltd	PKF	Unqualified
Audited Special Purpose Financial Statements of Louminco Unit Trust	PKF	Unqualified
Audited Special Purpose Financial Statements of Ottoway Engineering Pty Ltd	KPMG	Unqualified ¹
Audited Special Purpose Financial Statements of Starboard Tack Pty Ltd	KPMG	Unqualified
Audited Special Purpose Financial Statements of Heavymech Pty Ltd	KPMG	Unqualified
Audited Special Purpose Financial Statements of Fabtech SA Pty Ltd	KPMG	Qualified ²
Reviewed Pro forma Financial Statements of ACN 008 204 644 Pty Ltd	KPMG	Agreed Upon Procedures ¹
Reviewed Pro forma Financial Statements of Whyalla Fabrications	KPMG	Agreed Upon Procedures ³

Notes:

1. The Pro forma Historical Consolidated Income Statement comprises eleven months of A.C.N. 008 204 644 Pty Ltd under its previous ownership and one month of Ottoway Engineering Pty Ltd (under the ownership of E&A Limited).
2. Audit Opinion qualified on the basis KPMG did not observe the counting of physical inventory on hand as at 30 June 2006, as this date was prior to KPMG's appointment as auditors and prior to the acquisition of the business by E&A Limited. In KPMG's opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had KPMG been able to observe the counting of physical inventory and satisfy themselves as to the opening balance of inventory, the financial report presents fairly, in all material respects, the financial position of Fabtech S.A. Pty Ltd as at 30 June 2007 and its performance for the year ended on that date. Refer to the Investigating Accountant's Report in Section 11 for further information.
3. The Pro forma Historical Consolidated Income Statement comprises 12 months of Costart Unit Trust and Tectonic Trust (aggregated known as Whyalla Fabrications).

In preparing the Pro forma Historical Consolidated Financial Information, certain Pro forma Adjustments were made to the underlying audited and unaudited Financial Information.

Pro forma Adjustments were made to reflect the current structure of the E&A Limited Group and its controlled entities, and to eliminate intercompany transactions and certain non-recurring items, in order to allow for better comparison with the Director's Forecasts for the E&A Limited Group as set out in Section 10.2.

10.4.3 BASIS OF PREPARATION AND PRESENTATION OF FORECAST FINANCIAL INFORMATION

The Forecast Consolidated Income Statements presented in this Prospectus represent the Directors' best-estimate of the trading results expected of the E&A Limited Group for the 12 months ending 30 June 2008, and includes:

- » the Statutory Forecast Consolidated Income Statement for 2008; and
- » the Pro forma Forecast Consolidated Income Statement for 2008.

The Forecast Consolidated Income Statements have been prepared on the basis of a number of best estimate general and specific assumptions concerning future events as outlined in Section 10.5. These best-estimate assumptions are subject to significant demographic, business, technological, economic, political, regulatory and competitive uncertainties and contingencies, many of which are outside the control of the E&A Limited Group and the Directors and are not reliably predictable (refer to Risk Factors in Section 12). The information regarding Directors' best estimate assumptions is intended to assist potential investors in assessing the reasonableness and likelihood of the Directors' Forecasts being achieved, and is not intended to be a representation that those events which have been assumed will occur. The Directors believe that they have prepared the Forecast Financial Information with due care and attention and consider all best-estimate assumptions when taken as a whole to be reasonable at the time of preparing this Prospectus.

Actual financial results may differ from the Forecast Financial Information and any differences may be materially positive or negative. Accordingly, E&A Limited and its Directors cannot and do not guarantee that the Forecast Consolidated Income Statements or any prospective statement in this Prospectus will be achieved. Events and outcomes might differ in quantum and timing from the assumptions, with a material consequential impact on the Forecast Financial Information. Investors are therefore cautioned not to place undue reliance on this information.

The Statutory Forecast Consolidated Income Statement is presented on the same basis as the financial information that will be included in E&A Limited Group's audited annual report for the year ending 30 June 2008. Accordingly, the Statutory Forecast Consolidated Income Statement reflects the anticipated actual results of operations up to 30 June 2008.

The Pro forma Forecast Consolidated Income Statement for the year ended 30 June 2008 assumes that the operating and financing structures expected to be in place at completion of the Offer were in existence for the full year commencing 1 July 2007, including the acquisition of Whyalla Fabrications as if it had occurred at 1 July 2007.

The Forecast Consolidated Income Statements should be read in conjunction with the Sensitivity Analysis presented in Section 10.6, the Investigating Accountant's Report set out in Section 11 and other information contained in this Section.

The Directors' forecasts have been prepared in accordance with the measurement and recognition requirements of Australian Accounting Standards, and the significant accounting policies of the E&A Limited Group, which are set out in Section 15.1. The Directors' forecasts are presented in an abbreviated form insofar as they do not include all of the notes and disclosures required by Australian Accounting Standards applicable to annual financial reports and notes prepared in accordance with the Corporations Act.

10.5 Key Assumptions Regarding the Forecast Financial Information

10.5.1 ASSUMPTIONS UNDERLYING THE FORECAST FINANCIAL INFORMATION

The material best-estimate assumptions made by the Directors in preparing the Forecast Financial Information are as follows:

General assumptions

- » the Offer is fully subscribed and the amounts due to E&A Limited have been paid;
- » there are no further issues of Shares by E&A Limited;
- » all figures are in Australian Dollars (AUD) unless otherwise specified;
- » no material industrial strikes or other disturbances, environmental costs or legal claims;
- » there is no loss of key management personnel;
- » there are no material beneficial or adverse effects arising from the actions of competitors;
- » notwithstanding the E&A Limited Group's investment objectives, no acquisitions or divestments of operating businesses are completed by the E&A Limited Group during the forecast period other than those described in this Prospectus;
- » the operating and financial performance of the E&A Limited Group is influenced by a variety of general economic and business conditions, including the levels of demand for the end products of the E&A Limited Group's customers, levels of inflation, interest rates and exchange rates, government fiscal, monetary and regulatory policies. The Forecast Financial Information assumes that there will be no material changes in these conditions over the period to 30 June 2008;
- » there is no material amendment to any material agreement relating to the E&A Limited Group's business other than as outlined in this Prospectus;
- » there are no material changes to the E&A Limited Group's funding or capital structure other than as outlined in this Prospectus;
- » there is no significant change in the legislative regimes and regulatory environments (including taxation) in the jurisdictions in which the E&A Limited Group or its customers operate which will materially impact on the Forecast Financial Information;
- » the E&A Limited Group's significant accounting policies remain consistent with those disclosed in Section 15.1; and
- » there are no material changes to accounting standards or other professional reporting requirements or the Corporations Act which have a material impact on the E&A Limited Group's financial performance, cash flows or financial position.

Specific assumptions

PRO FORMA REVENUE

The forecast revenues for FY08 have been derived by a budgeting process for each entity which considers the historical levels of revenue, current projects and management's expectation of work to be performed during the forecast period.

The key revenue assumptions and drivers for each of the group member businesses are described below:

LOUMINCO

- » Revenue is forecast to increase by \$4.0 million or 14.4% as compared to revenue growth of 11.5% achieved in FY07;
- » Material contracts with OneSteel in Whyalla, BHP Billiton in Roxby Downs, Xstrata in Mt Isa and Alcan are assumed to remain in place during the forecast period; and
- » Revenue from special projects which are one off in nature is forecast to increase by \$1.1 million or 94.7% on FY07.

OTTOWAY ENGINEERING

- » Revenue is forecast to increase by 10.5% on the average revenue for the prior three financial years; and
- » The availability of skilled labour is assumed to be accessible in order to meet revenue forecasts.

FABTECH

- » Pro forma revenue is forecast to increase in FY08 by \$0.6 million or 3.7% as compared to revenue growth of \$7.4 million or 90.7% achieved in FY07. The directors consider that a growth rate in line with CPI is appropriate given the substantial growth experienced last year; and
- » Fabtech's historical tender success rate of approximately 60% does not change materially.

WHYALLA FABRICATIONS

- » Revenue is forecast to increase by \$1.5 million or 10.1% as compared to revenue growth of 38% achieved in FY07; and
- » Whyalla Fabrication's material contract with OneSteel in Whyalla is assumed to remain in place during the forecast period.

HEAVYMECH

- » Revenue is forecast to increase by \$0.6 million or 20.1% as compared to revenue growth of \$0.6 million or 25.1% achieved in FY07;
- » Total direct labour hours invoiced per employee is 1,752 hours per annum, which is in line with FY07; and
- » The availability of skilled labour is assumed to be accessible in order to meet revenue forecasts.

EQUITY & ADVISORY

- » Revenue includes a fee of \$0.4 million as lead corporate advisor to E&A Limited in relation to the Offer. This fee has been eliminated on consolidation in E&A Limited for financial reporting purposes;
- » Professional employee numbers are assumed to comprise a minimum of 7 corporate finance executives;
- » The average recovery of hourly charge out rates is assumed to be 85.0%. Individual success fees greater than \$0.1 million have not been allowed for in this average hourly recovery rate; and
- » Time incurred for services provided by Equity & Advisory in connection with potential future acquisitions for E&A Limited does not form part of the forecast chargeable hours expected to be performed for external clients.

EBIT MARGIN

Pro forma EBIT is forecast to increase by \$1.8 million or 20.4% to \$10.8 million and pro forma EBIT margin is forecast to increase to 11.7% from 10.9% in FY08, due to a forecast improvement in gross margin and a consequential reduction in overhead costs as a proportion of revenue.

ACQUISITIONS

The Pro forma Forecast Consolidated Income Statement assumes that the E&A Limited businesses were acquired by E&A Limited on 1 July 2007 and therefore reflects a full year forecast earnings contribution from each of these entities.

DEPRECIATION

Forecast depreciation is based on historical rates, taking account of any fair value adjustments on the acquisition of property, plant and equipment from the E&A Limited businesses acquired, and forecast capital expenditure in accordance with the accounting policy set out in Section 15.1.

INTEREST

Forecast net interest on borrowings is based on the expected levels of debt prior to and following the Offer.

The key terms of the facilities are set out in Section 10.10.

TAX

The corporate tax rate is assumed at 30%.

DIVIDENDS

The proposed dividend policy is outlined in Section 10.9.

CAPITAL EXPENDITURE

Capital expenditure is categorised as being for either growth or replacement purposes by E&A Limited.

No material capital expenditure is forecast during the forecast period other than for replacement of retired equipment in the ordinary course.

No allowance for major capital expenditure has been made in the forecast period as the Directors' have not factored in the revenue and earnings growth anticipated to be derived from incurring such capital expenditure in the Forecast period.

WORKING CAPITAL

Growth in the turnover by each group member is expected to lead to an increase in the level of net working capital required during the forecast period. Forecasts for debtors, inventories and payables are based upon historical averages.

OFFER AND OFFER RELATED ASSUMPTIONS

The Offer will be fully subscribed and the net proceeds from the Offer due to the E&A Limited Group will be received in December 2007. The intended use of the funds under the Offer is set out in Section 5.6.

10.6 Sensitivity Analysis

The Forecasts for FY08 are sensitive to variations in certain assumptions used in its preparation. The table below summarises the sensitivity of the Pro forma Forecast EBIT and NPAT to variations in a number of key assumptions. The analysis assumes no management corrective action and that all assumptions are held constant. The sensitivities have been determined by reference to the potential impact of each sensitivity on operating results for each E&A Limited business.

Care should be taken in interpreting these sensitivities. These sensitivities treat each movement in the variables in isolation whereas, in reality, the movements could be interdependent. Movements in one assumption may have offsetting or compounding effects on other variables, the effects of which are not reflected in the following analysis. In addition, it is possible that more than one assumption may move at any one point in time, giving rise to cumulative effects, which are not reflected in this analysis.

The sensitivities performed on each of the critical profit drivers are described below:

REVENUE (+/- 10%)

This sensitivity was calculated on all E&A Limited Businesses. The estimated impact is the tax effected sales revenues gained or forgone less the costs associated with those revenues.

GROSS PROFIT/MARGIN (+/- 2%)

This sensitivity was calculated on all E&A Limited Businesses and assumes revenue remains constant.

DIRECT LABOUR (+/- 5%)

This sensitivity was calculated on all E&A Limited Businesses.

The effects on EBIT and NPAT presented for each sensitivity are not intended to be indicative or predictive of the likely range of outcomes that may occur with respect to each sensitivity.

Sensitivity analysis was performed on all E&A Limited Businesses according to the key profit drivers for the individual businesses. The impact on the EBIT and NPAT was only presented in the table below if the impact on NPAT was greater than \$0.3 million.

Sensitivity Analysis¹

	EBIT		NPAT	
Pro forma Forecast Year ending 30 June 2008	10,818		6,589	
Sensitivity	EBIT Impact (\$000's)	EBIT Impact (%)	NPAT Impact (\$000's)	NPAT Impact (%)
Ottoway Revenue (+/- 10%)	500	4.6%	346	5.3%
Fabtech Revenue (+/- 10%)	486	4.5%	395	6.0%
Whyalla Fabrications Revenue (+/- 10%)	595	5.5%	412	6.3%
Louminco (+/- 2%) Gross Profit	642	5.9%	343	5.2%
Ottoway Direct Labour Costs (+/- 5%)	1,060	9.8%	758	11.5%

Note:

1. The table sets out summary financial information only and does not comply with all the disclosures required by Australian Accounting Standards applicable to annual reports prepared in accordance with the Corporations Act.

10.7 Historical and Pro forma Consolidated Balance Sheet

Historical and Pro forma Consolidated Balance Sheet

	Statutory ¹ Historical Balance Sheet as at 30 June 2007	July 2007 Restructure	Whyalla Fabrications Acquisition	Offer Proceeds	Other Pro forma Adjustments	Pro forma ² Consolidated Balance Sheet as at 30 June 2007
Numbers in \$AUD (000's)						
<i>Current Assets</i>						
Cash	4	1,944	(207)	5,530	(2,127)	5,144
Trade and other receivables	348	13,098	-	-	(448)	12,998
Inventories	-	4,545	955	-	-	5,500
Other assets	-	126	13	-	-	139
Total Current Assets	353	19,713	761	5,530	(2,575)	23,782
<i>Non-current assets</i>						
Other financial assets	1,580	(1,578)	-	-	-	3
Property, plant and equipment	-	6,789	1,670	-	-	8,459
Intangible assets and goodwill	-	37,775	4,145	-	-	41,921
Deferred tax assets	20	437	-	-	474	932
Total Non-Current Assets	1,600	43,424	5,815	-	474	51,314
Total Assets	1,953	63,137	6,576	5,530	(2,100)	75,096
<i>Current liabilities</i>						
Trade and other payables	87	13,765	1,420	-	(993)	14,279
Provisions	1,000	1,526	407	-	-	2,932
Current tax liability	-	995	-	-	-	995
Interest bearing liabilities	-	8,433	750	-	-	9,183
Total Current Liabilities	1,087	24,719	2,576	-	(993)	27,389
<i>Non-current liabilities</i>						
Trade and other payables	-	1,801	-	-	-	1,801
Provisions	-	156	-	-	-	156
Deferred tax liability	73	577	-	-	-	651
Interest bearing liabilities	-	4,215	4,000	-	-	8,215
Other liabilities	-	60	-	-	-	60
Total Non-Current Liabilities	73	6,809	4,000	-	-	10,882
Total Liabilities	1,161	31,528	6,576	-	(993)	38,271
Net Assets	792	31,609	-	5,530	(1,107)	36,825
<i>Equity</i>						
Share Capital	560	32,298	-	5,530	(315)	38,074
Retained earnings	232	(689)	-	-	(792)	(1,249)
Total Equity	792	31,609	-	5,530	(1,107)	36,825

Notes:

1. The Statutory Historical Balance Sheet as at 30 June 2007 has been extracted from the audited annual financial report of E&A Limited at that date.
2. Notes to the Pro forma Historical Consolidated Balance Sheet are set out in Section 15.2.

The Pro forma Consolidated Balance Sheet is based on the audited E&A Limited Balance Sheet as at 30 June 2007, which has been adjusted to incorporate:

- » the Restructure of the E&A Limited Group at 1 July 2007;
- » the acquisition of Whyalla Fabrications;
- » other Pro forma adjustments; and
- » the consolidated financial position of E&A Limited Group members as if they had been acquired from 1 July 2006.

In preparing the Pro forma Historical Consolidated Balance Sheet the following assumptions were made:

- » The issue of 5,530,345 Shares at \$1.00, \$5.5 million received in cash.
- » Total costs associated with the Offer payable by the E&A Limited Group are estimated to be \$1.6 million. Accordingly the following adjustments have been assumed:
 - » payment of costs associated with the Offer of \$1.6 million;
 - » recognition of \$0.8 million of costs after tax in retained earnings as they relate to the sale of Shares by Vendor Shareholders and \$0.3 million after tax in equity as a reduction of the proceeds raised from the Offer; and
 - » recognition of a deferred tax asset of \$0.5 million.
- » The application of \$0.8 million of the proceeds of the Offer to repay vendor settlement liabilities.
- » The repayment of \$0.4 million owed by entities related to Directors & Executives resulting in an increase in cash of \$0.4 million.
- » The repayment of \$0.2 million owed to entities related to Directors resulting in a decrease in cash of \$0.2 million.
- » The taxation effects of the Pro forma adjustments set out above.

Further details of the E&A Limited Group Restructure effective 1 July 2007 and other Pro forma adjustments made to the Statutory Balance Sheet as at 30 June 2007 are outlined in Sections 15.2 and 15.3.

10.8 Summary Pro forma Historical and Forecast Consolidated Statement of Cash Flows, together with Summary Statutory Forecast Consolidated Statement of Cash Flows

The table below contains the Summary Pro forma Historical Consolidated Statement of Cash Flows of E&A Limited for the year ended 30 June 2007 and the Summary Pro forma Forecast and Statutory Forecast Consolidated Statement of Cash Flows for the year ending 30 June 2008.

Summary Historical and Forecast Consolidated Statement of Cash Flows¹

Numbers in \$AUD (000's)	Pro forma Historical Year ended 30 June 2007	Pro forma ² Forecast Year ending 30 June 2008	Statutory ² Forecast Year ending 30 June 2008
EBITDA ³	9,769	11,771	9,717
Working Capital Movements	(10)	(3,547)	(3,646)
Net Cash Flow before Financing, Investing & Taxation	9,759	8,224	6,072
Net proceeds from equity raisings		3,948	3,948
Proceeds from sale of assets		1,200	1,200
Proceeds from repayment of related party loans		205	205
Proceeds from borrowings		5,177	5,250
Repayment of borrowings		(3,100)	(2,725)
Payment of borrowing costs		(1,405)	(1,267)
Acquisition financing		(3,945)	(3,945)
Payment of dividends		(2,821)	(2,821)
Payment of tax		(1,926)	(1,926)
Net Cash Flow		5,556	3,991
Cash Flow Movements for FY08			
Opening Cash Balance		1,741	1,741
Cash Flow Movement		5,556	3,991
Closing Cash Balance		7,297	5,732

Notes:

- The table sets out the summary financial information only and does not comply with all disclosure required by Australian Accounting Standards applicable to annual reports prepared in accordance with the Corporations Act.
- The Summary Statutory and Pro forma Forecast Consolidated Statement of Cash Flows for the year ending 30 June 2008 is based on a number of key assumptions outlined in Section 10.5.
- Pro forma Forecast EBITDA includes the add back of non-cash employee option expenses.

10.8.1 MANAGEMENT DISCUSSION AND ANALYSIS OF CASH FLOWS

Section 10.8 should be read in conjunction with the description of the basis of preparation of the Pro forma Adjusted Historical information and Forecast Financial Information detailed in Section 10.4.

The Pro forma Historical Consolidated Statement of Cash Flows is presented before financing, investing and taxation for the year ended 30 June 2007 as historically the E&A Limited Group has operated under a different corporate and financial structure to that assumed to be in place for the year ending 30 June 2008. Accordingly, historical interest and taxation cash outflows and dividends for the E&A Limited are not considered to be comparable to forecast, and therefore have not been presented.

The Statutory Forecast Consolidated Statement of Cash Flows reflects the forecast cash flows of the E&A Limited business acquisitions from the actual date the acquisitions were made. The Pro forma Forecast Consolidated Statement of Cash Flows assumes the E&A Limited businesses were acquired by E&A Limited on 1 July 2006 and therefore reflects a full year forecast cash flow contribution from each of these entities.

E&A Limited Group's principal sources of funds have been cash flows from operations.

E&A Limited Group's financing arrangements are summarised in Section 10.10. E&A Limited expects that its financing arrangements will provide sufficient funding capacity to achieve the Directors' forecasts and pursue opportunities as they arise.

E&A Limited Group's working capital is primarily comprised of receivables, inventories and payables. Working capital requirements are forecast to increase by \$3.6 million which is in part a consequence of acquiring the business assets of the E&A Limited businesses without trade receivables and trade payables and having to fund the build up of the working capital in the acquired E&A Limited businesses post acquisition. Forecast working capital movements are based on historical trends in working capital days applied to forecast earnings growth and the impact of working capital acquired during the forecast period. The E&A Limited Group has working capital facilities as summarised in Section 10.10 and the Directors consider that these facilities will provide sufficient funding for E&A Limited Group's working capital requirements during the period of the Directors' Forecasts.

Forecast proceeds from equity raisings of \$3.9 million relate to net proceeds from the Offer of \$5.5 million after the payment of Offer costs of \$1.6 million.

Proceeds from sale of assets of \$1.2 million relate to the sale of the Heavymech land and buildings as outlined in section 14.3. These proceeds will be applied against debt reduction and are included in the borrowings amount outlined above.

Proceeds from repayment of related party loans of \$0.2 million relates to the repayment of loans by Stephen Young and Eduardo Donoso.

Total proceeds from borrowings of \$5.2 million relate to the draw down of forecast working capital facilities to fund working capital requirements in relation to Fabtech, Ottoway and Whyalla Fabrications.

Total debt repayments are forecast to be \$3.1 million (Pro forma) and \$2.7 million (Statutory) consisting of the repayment of senior debt in accordance with financing facility requirements.

Forecast net borrowing costs of \$1.4 million (Pro forma) and \$1.3 million (Statutory) are based on interest on outstanding forecast debt facility balances during the forecast period.

Acquisition financing of \$3.9 million relates to deferred acquisition price adjustments calculated in accordance with the agreed acquisition terms for Ottoway, Whyalla Fabrications and Fabtech.

Payment of dividends relate to dividends declared by E&A Limited and/or its Group Companies as at 30 June 2007 totalling \$1.1 million and an interim dividend payment of \$1.7 million in accordance with the dividend policy as described in Section 10.9.

Forecast payment of tax represents the forecast net income tax payments for the forecast period of \$1.9 million.

10.9 Dividend Policy

The Directors' intend to adopt a dividend policy to distribute approximately 60–80% of the net profit after tax (NPAT) and to frank dividends to the greatest extent possible. The E&A Limited Group intends to pay an interim dividend of 3.0 cents of equity on 15th April 2008 and a final dividend of 4.5 cents of equity on the 15th October 2008. Thereafter, it is proposed interim and final dividends will be paid on or about the 15th of April and 15th of October for each financial year.

The payment of a dividend by the E&A Limited Group is at the discretion of the Directors and will be a function of a number of factors, including the general business environment, the operating results and the financial condition of the E&A Limited Group, future funding requirements, capital management initiatives, potential strategic growth opportunities, taxation considerations (such as the level of franking credits available), any contractual, legal or regulatory restrictions on the payment of dividends by the E&A Limited Group and any other factors the Directors may consider relevant. Therefore, no assurances can be given by any person, including the Directors, about the payment of any dividend and the level of franking on any such dividend, including the interim and final dividend referred to above.

10.10 Debt Facilities

The E&A Limited Group will have debt facilities totalling \$25.9 million with National Australia Bank and ANZ as at the Listing Date. The facilities contain terms that are standard for facilities of this type. E&A Limited does not expect to be in breach of any of its finance facility covenants for any of its group members based on the financial forecast information provided for each entity, which has been consolidated within this Prospectus. Refer to Section 13 for further details. The total facilities as at Listing Date against Pro forma Historical Balance Sheet drawn facilities as at 30 June 2007 are summarised below:

E&A Limited Group Debt Facilities

Numbers in \$AUD (000's)	Total Facility	Total Drawn ¹	Total Available ²
<i>Current</i>			
Bank Overdraft	2,745	1,789	956
Working Capital Facility	5,750	679	5,071
Commercial Bill	6,550	6,550	–
Leasing	500	166	334
Credit Cards/Other Finance	313	–	313
Total Current Debt Liabilities	15,858	9,183	6,675
<i>Non-current</i>			
Commercial Bill	8,131	8,131	–
Leasing	100	83	17
Total Non-Current Debt Liabilities	8,231	8,215	17
Total Borrowings	24,089	17,398	6,692
Bank Guarantees and Letters of Credit	2,835		
Overdraft paid out subsequent to 30 June 2007	(1,000)		
Total Facilities	25,924		

Note 1: Pro forma Consolidated Balance Sheet drawn facilities as at 30 June 2007.

Note 2: Pro forma Consolidated Balance Sheet undrawn facilities as at 30 June 2007.

10.11 Vendor/Earn-Out Liabilities

Set out below is a summary of the E&A Limited Group's vendor and earn-out liabilities payable over the period of one to three years post Listing Date.

The current earn-out settlement liability represents the agreed exit consideration installment payable upon listing of E&A Limited in relation to the acquisition of Ottoway.

The non-current earn-out liability represents the preset value of the agreed exit consideration payments which are payable over a period of one to three years post Listing. These payments are contingent on the performance of the acquired business, Ottoway, over the payment period. It is anticipated that the set performance criteria will be met and can be reliably measured. As a result of this, E&A Limited has accounted for these future obligations as earn-out liabilities in accordance with requirements of AIFRS.

E&A Limited Group Earn-Out Liabilities

Numbers in \$AUD (000's)	Total
Current Earn-Out Settlement Liability	750
Non-current Earn-Out Liability	1,767
Total Vendor Liabilities	2,517

All vendor and earn-out liabilities are unsecured

10.12 Off Balance Sheet Arrangements and Contingent Liabilities

There are no off balance sheet arrangements or contingent liabilities in existence as at the date of this Prospectus.

Investigating Accountant's Report

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The Directors
 E&A Limited
 Level 27
 Westpac House
 91 King William Street
 ADELAIDE SA 5000

5 November 2007

Dear Sirs

Investigating Accountant's Report and Financial Services Guide

Investigating Accountant's Report

Introduction

KPMG Transaction Services (Australia) Pty Limited ("KPMG Transaction Services") has been engaged by E&A Limited (formerly Percheron Capital Pty Ltd) to prepare this report for inclusion in the Prospectus to be dated on or about 5 November 2007 in relation to the proposed underwritten issue of 5.5 million of new shares and the sale of 8.2 million of existing shares at \$1.00 per share.

Expressions defined in the Prospectus have the same meaning in this report.

Financial information

KPMG Transaction Services has been requested to prepare a report covering the pro forma historical and forecast financial information described below and disclosed in the Prospectus.

Pro forma E&A Limited historical financial information

The pro forma E&A Limited Group (E&A) historical financial information, as set out in sections 10.2, 10.7 and 10.8 of the Prospectus, comprises the unaudited:

- summary pro forma consolidated income statement for the year ended 30 June 2007;
- pro forma consolidated balance sheet as at 30 June 2007;
- summary pro forma consolidated statement of cash flows for the year ended 30 June 2007;
and
- notes to the financial information, as set out in section 15.1.



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The pro forma E&A historical financial information has been derived from:

- the audited single entity financial statements of:
 - E&A Limited (formerly Percheron Capital Pty Ltd) as at and for the year ended 30 June 2007;
 - Equity & Advisory Unit Trust and Equity & Advisory Ltd as at and for the year ended 30 June 2007;
 - Starboard Tack Pty Ltd as at and for the year ended 30 June 2007;
 - Heavymech Pty Ltd as at and for the year ended 30 June 2007;
 - Ottoway Engineering Pty Ltd (ACN 125 531 428) as at and for the 25 day period ended 30 June 2007;
 - Fabtech Holdings Pty Ltd as at and for the four month period ended 30 June 2007; and
 - Fabtech S.A. Pty Ltd as at and for the year ended 30 June 2007
 - Panado Pty Ltd as at and for the year ended 30 June 2007; and
 - Louminco Unit Trust and Louminco Pty Ltd as at and for the year ended 30 June 2007; and
- historical financial information for the year ended 30 June 2007 extracted from the unaudited monthly managements accounts for Ottoway Engineering Pty Ltd (ACN 008 204 644) and Costart Unit Trust and Techtonic Unit Trust (aggregated known as 'Whyalla Fabrication'),

after adjusting for the pro forma transactions and/or adjustments described in sections 10 and 15 of the Prospectus.

The single entity financial statements as at and for the year ended 30 June 2007 for E&A Limited (formerly Percheron Capital Pty Ltd), Equity & Advisory Unit Trust, Equity & Advisory Ltd, Starboard Tack Pty Ltd and Heavymech Pty Ltd were audited by KPMG in accordance with Australian Auditing Standards. The audit opinions issued relating to those financial statements were unqualified

The single entity financial statements as at and for the 25 day period ended 30 June 2007 for Ottoway Engineering Pty Ltd (ACN 125 531 428) were audited by KPMG in accordance with Australian Auditing Standards. The audit opinion issued relating to those Ottoway Engineering Pty Ltd (ACN 125 531 428) financial statements was unqualified.



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The single entity financial statements as at and for the four month period 30 June 2007 for Fabtech Holdings Pty Ltd were audited by KPMG in accordance with Australia Auditing Standards. The audit opinion issued relating to those financial statements were unqualified.

The financial statements for the year ended 30 June 2007 for Panado Pty Ltd, Louminco Unit Trust and Louminco Pty Ltd were audited, by their external auditor, in accordance with Australian Auditing Standards. The audit opinions issued relating to those financial statements were unqualified.

The financial statements as at and for the year ended 30 June 2007 for Fabtech SA Pty Ltd were audited by KPMG in accordance with Australian Auditing Standards. The audit opinion relating to those financial statements was qualified because:

- KPMG did not observe the counting of the physical inventory stated at \$0.23m as at 30 June 2006, since that date was prior to KPMG's appointment as external auditor of Fabtech SA Pty Ltd; and
- KPMG was unable to satisfy itself as to the inventory quantities at that date by other audit procedures.

Inventories, which were recorded at \$0.23m at 30 June 2006, represented 6% of Fabtech SA Pty Ltd's recorded assets at that date.

The directors of E&A are responsible for the preparation and presentation of the pro forma E&A historical financial information, including the determination of the pro forma transactions and/or adjustments.

The pro forma E&A historical financial information is presented in an abbreviated form insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

Forecast financial information

The directors' forecasts are set out in section 10.2 and 10.8 of the Prospectus and comprise:

- the summary pro forma forecast income statement for the year ending 30 June 2008;
- the summary forecast statutory income statement for the year ending 30 June 2008;
- the summary pro forma forecast statement of cash flows for the year ending 30 June 2008; and
- the summary forecast statutory statement of cash flows for the year ending 30 June 2008.



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The directors of E&A are responsible for the preparation and presentation of the directors' forecasts, including the directors' assumptions on which the directors' forecasts are based and the sensitivity of the directors' forecasts to changes in key assumptions.

The directors' forecasts have been prepared by the directors to provide investors with a guide to E&A's potential future financial performance based upon the achievement of certain economic, operating, developmental and trading assumptions about future events and actions that have not yet occurred and may not necessarily occur. The directors' assumptions underlying the directors' forecasts are set out in section 10.5 of the Prospectus.

There is a considerable degree of judgement involved in the preparation of any forecast. Consequently, the actual results of E&A during the forecast periods may vary from the directors' forecasts, and those variations may be materially positive or negative.

The sensitivity of the directors' forecasts to changes in key assumptions is set out in section 10.5 of the Prospectus, and the risks to which the businesses of E&A are exposed are set out in section 12 of the Prospectus. Investors should consider the directors' forecasts in conjunction with the analysis in those sections.

The directors' forecasts are presented in an abbreviated form insofar as they do not include all of the disclosures required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

Scope

Review of the pro forma E&A historical financial information

We have reviewed the pro forma E&A historical financial information in order to report whether anything has come to our attention which causes us to believe that the pro forma E&A historical financial information, as set out in sections 10.2, 10.7 and 10.8 of the Prospectus, does not present fairly:

- the pro forma historical financial performance of E&A for the year ended 30 June 2007;
- the pro forma historical cash flows of E&A for the year ended 30 June 2007; and
- the pro forma financial position of E&A as at 30 June 2007,

on the basis of the pro forma transactions and/or adjustments described in sections 10 and 15 of the Prospectus, and in accordance with the recognition and measurement principles prescribed in Accounting Standards and other mandatory professional reporting requirements in Australia, and accounting policies adopted by E&A disclosed in section 15.1 of the Prospectus.

Our review has been conducted in accordance with Australian Auditing Standard AUS 902 "Review of Financial Reports". We made such enquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances, including:



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- review of the pro forma transactions and/or adjustments made to the historical financial information of the entities comprising E&A;
- analytical procedures on the historical financial information of the entities comprising E&A;
- review of work papers, accounting records and other documents;
- a comparison of consistency in application of the recognition and measurement principles in Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by E&A disclosed in section 15.1 of the Prospectus; and
- enquiry of directors, management and others.

The procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Review of the directors' forecasts and directors' best-estimate assumptions

We have reviewed the directors' forecasts, set out in section 10.2 and 10.8 of the Prospectus, and the directors' best-estimate assumptions underlying the directors' forecasts, set out in section 10.5 of the Prospectus, in order to report whether anything has come to our attention which causes us to believe that:

- the directors' best-estimate assumptions, when taken as a whole, do not provide reasonable grounds for the preparation of the directors' forecasts;
- the directors' forecasts are not properly compiled on the basis of the directors' best-estimate assumptions or presented fairly in accordance with the recognition and measurement principles prescribed in Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by E&A disclosed in section 15.1 of the Prospectus; and consequently that
- the directors' forecasts themselves are unreasonable.

Our review has been conducted in accordance with Australian Auditing Standard AUS 902 "Review of Financial Reports". Our procedures consisted primarily of enquiry and comparison and other such analytical review procedures we considered necessary.

Our review of the directors' forecasts and the directors' best-estimate assumptions is substantially less in scope than an audit examination conducted in accordance with Australian Auditing Standards. A review of this nature provides less assurance than an audit. We have not performed an audit and we do not express an audit opinion on the directors' forecasts or the directors' best-estimate assumptions.



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Qualification

KPMG did not observe the counting of the physical inventory stated at \$0.23m as at 30 June 2006 for Fabtech SA Pty Ltd, since that date was prior to the appointment of KPMG as external auditor of Fabtech SA Pty Ltd. KPMG was also unable to satisfy itself as to the inventory quantities at that date by other audit procedures. Inventories, which were recorded at \$0.23m at 30 June 2006 represent 6% of Fabtech SA Pty Ltd's recorded assets at that date.

Review statements

Review statement on the pro forma E&A historical financial information

Based on our review, which is not an audit, except for the effects, if any, on the pro forma E&A historical financial information of the matter referred to in the qualification paragraph, nothing has come to our attention which causes us to believe that the pro forma E&A historical financial information, as set out in section 10.2, 10.7 and 10.8 of the Prospectus, does not present fairly:

- the pro forma historical financial performance of E&A for the year ended 30 June 2007;
- the pro forma historical cash flows E&A for the year ended 30 June 2007; and
- the pro forma financial position of E&A as at 30 June 2007,

on the basis of the pro forma transactions and/or adjustments described in sections 10 and 15 of the Prospectus, and in accordance with the recognition and measurement principles prescribed in Accounting Standards and other mandatory professional reporting requirements in Australia, and accounting policies adopted by E&A disclosed in section 15.1 of the Prospectus.

Review statement on the directors' forecasts and the directors' best-estimate assumptions

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

- the directors' best-estimate assumptions, set out in section 10.5 of the Prospectus, when taken as a whole, do not provide reasonable grounds for the preparation of the directors' forecasts;
- the directors' forecasts, set out in section 10.2 and 10.8 of the Prospectus, are not properly compiled on the basis of the directors' best-estimate assumptions or presented fairly in accordance with the recognition and measurement principles prescribed in Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by E&A disclosed in section 15.1 of the Prospectus; and consequently that
- the directors' forecasts themselves are unreasonable.



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The underlying assumptions are subject to significant uncertainties and contingencies, often outside the control of E&A. If events do not occur as assumed, actual results achieved by E&A may vary significantly from the directors' forecasts. Accordingly, we do not confirm or guarantee the achievement of the directors' forecasts, as future events, by their very nature, are not capable of independent substantiation.

Independence

KPMG Transaction Services does not have any interest in the outcome of this issue, other than in connection with the preparation of this report and participation in due diligence procedures for which normal professional fees will be received. KPMG is the auditor of E&A and from time to time, KPMG also provides E&A with certain other professional services for which normal professional fees are received.

Responsibility

KPMG Transaction Services has consented to the inclusion of this Investigating Accountant's Report in the Prospectus in the form and context in which it is so included, but has not authorised the issue of the Prospectus. Accordingly, KPMG Transaction Services makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

General advice warning

This report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Yours faithfully

Peter Matthey
Director

John Ranaldo
Director



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Financial Services Guide (“FSG”)

Dated 5 November 2007

KPMG Transaction Services

KPMG Transaction Services (Australia) Pty Limited ABN 65 003 891 718 (“KPMG Transaction Services” or “we” or “us” or “ours” as appropriate) holds an Australian Financial Services Licence (“AFSL”) issued by the Australian Securities and Investment Commission on 11 March 2004. Our AFSL number is 245402.

We have been engaged by E&A Limited (“E&A”) to issue general financial product advice, about E&A’s financial products, in the form of an Investigating Accountant’s Report to be provided to you. We are required to include this FSG because we have authorised the product issuer to include our Investigating Accountant’s Report in the Prospectus for E&A’s financial products.

Purpose of the FSG

The purpose of this FSG is to:

- help you decide whether to consider the Investigating Accountant's Report;
- contain information about remuneration to be paid to us in relation to the Investigating Accountant's Report;
- contain information on the financial services we are authorised to provide under our AFSL; and
- contain information on how you can complain against us.

Financial services we are licensed to provide

Our AFSL authorises us to provide financial product advice in relation to interests in managed investment schemes (excluding investor directed portfolio services) and securities (such as shares and debentures) to wholesale and retail clients.

General Financial Product Advice

In the Investigating Accountant's Report, we provide general financial product advice, not personal financial product advice. It has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on any advice contained in the Investigating Accountant's Report.

*E&A Limited**Investigating Accountant's Report and Financial Services Guide**5 November 2007***Fees, commissions and other benefits**

We charge fees for providing reports. These fees are agreed with, and paid by, the product issuer. Fees are agreed on either a fixed fee or a time cost basis. In this instance, E&A has agreed to pay us \$175,000 for providing the Investigating Accountant's Report.

Except for the fees referred to above, neither KPMG Transaction Services, nor its representative, or any of its employees, involved in the provision of the report, receive any pecuniary or other benefits, directly or indirectly, for or in connection with, the provision of the Investigating Accountant's Report.

All our employees receive a salary and our directors or employees may receive partnership distributions from KPMG or bonuses based on overall productivity, but not directly in connection with any engagement for the provision of a report.

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

Associations and relationships

Through a variety of corporate and trust structures, KPMG Transaction Services is ultimately wholly owned by, and operates as part of, KPMG's Australian professional advisory and accounting practice. Our directors may be partners in KPMG's Australian partnership. From time to time KPMG Transaction Services or KPMG and/or KPMG related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints

If you have a complaint, please raise it with us. All complaints must be in writing, addressed to The Complaints Officer, KPMG Transaction Services, PO Box H67, Australia Square, Sydney NSW 1213. When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

If you are not satisfied with the outcome of the above process, or our determination, you have the right to refer the matter to the Financial Industry Complaints Service Limited ("FICS"). FICS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry. Further details about FICS are available at the FICS website: www.fics.asn.au. FICS can also be contacted by telephone on 1300 78 08 08.

Contact details

You may contact us using the details set out at the top of our letterhead on page 1 of this FSG.

Risk Factors

Investors should be aware that there are a number of risks, both specific to E&A Limited and its businesses as well as to the market in general, which either individually or in combination may materially and adversely affect the future profitability and position of E&A Limited and the value of the Shares.

To fully understand the risks associated with an investment in E&A Limited, this Prospectus should be read in its entirety and careful consideration should be given to the risk factors described within this section. Investors should have regard to their own investment objectives and financial circumstances, and should consider seeking external professional guidance from their financial and legal advisors before making an investment in E&A Limited.

Please note that this Prospectus contains forward looking statements based on a number of relevant assumptions. Actual events and results, including the results of E&A Limited's operations, could differ materially from those anticipated and Shares offered under this Prospectus carry no guarantee with respect to return on capital, payment of dividends or the price at which the Shares will trade on the ASX.

This section describes a number of these risks associated with an investment in the Shares of E&A Limited. This list of risks is not exhaustive. Some of the risks may be mitigated by the use of safeguards and appropriate systems and actions put in place by E&A Limited, including the strategy of operating and financing the businesses on an individual non recourse basis.

Investment Risks

STOCK MARKET FLUCTUATIONS

The Shares once listed on the ASX may from time to time experience significant price and volume fluctuations, for reasons which may be beyond the control of E&A Limited. No assurances can be made that E&A Limited's market performance will not be adversely affected by any such market fluctuations or factors.

Generally, the Share price may reflect a diverse range of external market influences such as global hostilities and events, changes to government policy or regulation, general economic conditions including inflation and interest rates and general variations in the local and global market for listed stocks. Specific operational and business risks of E&A Limited may also affect the price of the Shares.

LIQUIDITY AND REALISATION

There is no guarantee that an active market in Shares will develop or that the price of the Shares will increase. Over the short term, there may be few or many potential buyers or sellers of the Shares on ASX at any time. This may affect the prevailing market price at which Shareholders are able to sell their Shares and may affect the volatility of the market price over time.

REGULATION

E&A Limited is subject to regulation across multiple jurisdictions. Unfavourable changes to the regulatory environment for consulting engineers, financial advisors and commercial operators either in Australia or in overseas markets may impact on E&A Limited. Given the nature of the industries, compliance with regulation (especially environmental and occupational health and safety) will be an ongoing challenge. While E&A Limited believes its processes for ensuring compliance are satisfactory and is planning a review of them in the months following listing, it is possible that prevention of a breach may not be effective in all cases.

REPUTATION AND ADVERSE PUBLICITY

The E&A Limited businesses rely to a large extent on developing and maintaining strong customer relationships and a reputation for high quality professional services. Consequently, dissatisfied clients or litigation occurring in relation to a transaction in which an E&A Limited business is involved in may be more damaging than in other businesses. The E&A Limited businesses may incur significant legal expenses in defending themselves against any litigation arising and may also suffer significant reputational and financial harm if any litigation is successful.

ECONOMIC RISKS

Changes in the general economic climate within which the E&A Limited businesses operate may adversely affect the financial performance of E&A Limited. Unfavourable financial or economic conditions may reduce the number and size of transactions on which E&A Limited businesses provide advisory or engineering services. The level of direct and indirect competition faced by E&A Limited businesses, industrial disruption, the rate of growth of the markets in which the E&A Limited businesses operate and interest rates are all economic factors that may impact the overall performance of the E&A Limited businesses.

INTEREST RATES

E&A Limited is potentially exposed to adverse interest rate movements that may increase the financial risk inherent in its businesses, in particular in relation to debt finance.

INFLATION RISK

An investment in the Shares may be affected by changes in the rate of inflation in a particular jurisdiction or geographic region.

TAXATION RISKS

Any change to the current rate of company income tax in any of the jurisdictions where E&A Limited businesses operate may impact on financial performance and cash flows, ability to pay dividends and the share price, which could impact Shareholder returns. Any changes to the current rates of income tax applying to individuals and trusts may similarly impact on Shareholder returns.

Tax liabilities are the responsibility of each individual investor. E&A Limited is not responsible for taxation or penalties incurred by investors. Investors should seek independent advice from their professional taxation advisors to ascertain the tax implications of their investment in E&A Limited.

ACCOUNTING STANDARDS & INTERNATIONAL FINANCIAL REPORTING STANDARDS

E&A Limited's accounting policies and methods are fundamental to how it records and reports its financial position and results of operations. For reporting periods beginning on or after 1 January 2005, E&A Limited and its Group Companies must comply with International Financial Reporting Standards as issued by the Australian Accounting Standards Board (AIFRS).

Further changes to Australian Accounting Standards and International Financial Reporting Standards could affect E&A Limited's reported earnings performance in any given period and its financial position from time to time.

Specific Risks**PROFESSIONAL NEGLIGENCE & INSURANCE**

As the E&A Limited businesses provide professional services, claims of professional negligence may be made against E&A Limited or one of the Group Companies. E&A Limited maintains appropriate professional indemnity insurance to cover such liabilities in the event of a claim of professional negligence.

A successful claim for professional negligence being made against E&A Limited or one of its Group Companies may adversely impact on the financial performance and position of E&A Limited, and may adversely affect the reputation of E&A Limited or its Group Companies.

INADEQUATE MANAGEMENT INFORMATION SYSTEMS

With the much larger network and diversity of businesses within the E&A Limited Group, effectively monitoring of individual business performance is imperative. Inefficient management systems could lead to cash flows issues, delays in identifying areas in need of improvement and reductions in the company's ability to cross-pollinate information.

INDUSTRY WIDE LABOUR SHORTAGE

The E&A Limited businesses capacity to take on large projects will be constrained by its ability to retain and recruit additional labour in a tight labour market.

ACQUISITIONS

E&A Limited has only recently completed the acquisition of a number of its businesses and will look to pursue further acquisitions in the future. The pursuit of growth through acquisition gives rise to various operational and financial risks, including but not limited to poor integration of the acquired businesses leading to higher than expected integration costs and financial underperformance of the acquired businesses. There is also the risk of identifying suitable acquisitions in the future that meet E&A Limited's criteria. Acquisition risk may have an adverse impact on the financial performance of E&A Limited. In any acquisition of a business there is a risk that negative aspects of the reputation of a business which has been acquired will be applied to or associated with the relevant E&A Limited business, including past litigation and disputes of the old owners. The damage to the reputation may occur regardless of the fact that the relevant E&A Limited business has excluded liability in relation to a particular circumstance or event.

DEPENDENCE ON KEY PERSONNEL

E&A Limited businesses are largely dependent on the talent and experience of its staff including a number of highly skilled individuals. E&A Limited's continued ability to compete effectively depends on the ability to retain and motivate existing employees as well as attracting new employees.

Given the diversity of E&A Limited's businesses, the businesses require staff who are professionally skilled in many areas, some of which may be considered niche specialties of engineering and financial advisory in which few practitioners are available for recruitment.

Should any key staff leave the E&A Limited businesses this may have a negative impact on E&A Limited's performance. Additionally, any key employees of the E&A Limited businesses who leave to work for a competitor may adversely impact E&A Limited's performance.

EMPLOYEE MISCONDUCT

As with all employers, E&A Limited runs the risk that employee misconduct may occur possibly resulting in regulatory sanctions and serious reputational or financial harm. Whilst E&A Limited believes that its processes for preventing employee misconduct are adequate, it is not always possible to avoid employee misconduct and the precautions taken to detect and prevent this activity may not be effective in all cases.

COMPETITION

E&A Limited businesses provide engineering and financial services across a range of industry sectors.

The financial services industry is intensely competitive and expected to remain so. Equity & Advisory is primarily concerned with the provision of financial advisory services in relation to mergers and acquisitions, divestments, commercial advice and other related services. Maintaining a competitive position within this market is highly dependent on developing strong relationships within the investment and financial services community. Equity & Advisory competes on the basis of a number of factors, including the quality of advice and service, innovation, reputation and price.

The five engineering firms currently held under the umbrella of E&A Limited also operate within a competitive environment. E&A Limited businesses compete here on such factors as the quality of service, innovation, reputation and price.

In this competitive environment, the emergence of new competitors or an increase in market share by existing competitors may impact the performance of E&A Limited.

CYCLICAL NATURE OF THE BUSINESS

Many of the clients and industries that E&A Limited businesses provide services to can be cyclical in nature. Although the E&A Limited businesses have a diverse client base, the cycles in these clients' businesses in Australia and overseas may adversely impact on E&A Limited's financial performance. The loss of major clients through industry cycles or for any other reason could also impact earnings of E&A Limited.

SOVEREIGN RISK

E&A Limited may from time to time do business on an international level. There are certain risks inherent in doing business on an international level, such as unexpected changes in regulatory requirements, tariffs, customs and other trade barriers, difficulties in staffing and managing foreign operations, political uncertainty, expropriation, nationalisation and war. There may also be fluctuations in currency exchange rates, technology export and import restrictions or prohibitions and delays from customers, brokers or government agencies. Any of these could impact the success of E&A Limited's international operations.

CONTRACT DETERMINATION

The majority of E&A Limited's work is through contracts which typically run from 3 months to 18 months. In any given year, the revenue of E&A Limited is largely generated from a relatively small number of contracts. A client may terminate a contract at relatively short notice. On such termination E&A Limited may be entitled to reimbursement of the costs of staff and facility demobilisation and relocation to their respective points of origin. E&A Limited may not subsequently be able to secure contracts to replace expired or terminated contracts and this may affect the revenue of E&A Limited.

LIABILITY FOR ADVICE/ARRANGING

E&A Limited's business Equity & Advisory provides corporate advice to third parties in relation to business transactions. In doing so Equity & Advisory could be held liable for this advice in certain circumstances. In order to mitigate this risk, Equity & Advisory carries professional indemnity insurance and wherever possible, seeks to contractually limit any potential liability to parties by way of contract to the fees paid on the transaction and generally includes express representations from the third party that E&A Limited has not provided any tax advice.

RELATIONSHIP WITH KEY FINANCIERS

In order to finance the transactions in which it is involved as either principal or advisor/arranger, E&A Limited accesses a wide variety of forms of debt and equity capital and associated providers. These sources vary widely depending upon the transaction in question. While management is confident that alternative sources of financing could be found if required, E&A Limited has enjoyed longstanding successful relationships with its existing financiers and is confident of this continuing.

INDUSTRY RISKS

E&A Limited operates across a diverse range of industry sectors. However, E&A Limited currently maintains a strong presence within the mining, resources, defence, water and financial services industries. General risks in relation to these industries include the impact of changes in regulation, competition, global demand for resources, climate changes, political environment and changes in technology.

IT RISKS

E&A Limited relies on various information systems, technology and software products to efficiently carry out its business. While E&A Limited has put in place procedures and plans to ensure that data is retained and that these systems are maintained to meet the demands of the business, widespread system failures may impact on E&A Limited's performance.

LITIGATION

E&A Limited may be directly or indirectly involved in litigation with the previous vendors from whom it has acquired businesses, existing clients, suppliers or employees.

Litigation is expensive and has the capacity to damage the reputation of E&A Limited or its businesses and expose E&A Limited or its businesses to significant legal costs irrespective of the merits of any claims.

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Material Agreements

13.1 Key Documents

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

13.2 Acquisition Agreements

The material terms of the four acquisitions by the various Group Company's are summarised in tables below.

Acquisition of Shares in Heavymech

Vendor	Virginia Anne Douglas, Paul Edward Buckman and Virginia Anne Douglas and William Fletcher Taylor in their capacity as trustees of the AG Brown Family Trust Fund
Purchaser	Starboard Tack Pty Ltd (a Group Company of E&A Limited)
Completion Date	3 July 2006
Benefit of Vendor Warranties	The Vendor has provided generic warranties in respect of Heavymech. Claims must be made by Purchaser within 15 months of the Completion Date, except where the claim relates to faulty workmanship in which case it must be made within 3 years of the Completion Date. The minimum claim must exceed \$25,000. The total liability of the Vendors is limited to their right of indemnity against the AG Brown Family Trust Fund.

Acquisition of Shares in Fabtech

Vendors	Wendy Bennett and Phillip Bennett
Purchaser	Fabtech Holdings Pty Ltd (a Group Company of E&A Limited)
Completion Date	16 July 2007
Purchase Price Adjustment	On the date which is 60 days after the Completion Date the Purchaser must pay the Vendors \$736,000 plus or minus the adjustment amount (which is determined by reference to the net tangible assets in the completion accounts). This amount is provided for in the Consolidated Accounts.
Benefit of Vendor Warranties	<p>The Vendors have provided generic warranties in respect of Fabtech. Claims must be made by the Purchaser within 3 years of the Completion Date. The minimum claim must exceed \$100,000. The total liability of the Vendors is limited to:</p> <ul style="list-style-type: none"> » the purchase price if the claim is made in the first year after Completion; » 75% of the Purchase Price if the claim is made in the second year after Completion; and » 50% of the Purchase Price if the claim is made in the third year after Completion.
Consultancy	The Purchaser entered into a consultancy agreement with Phillip Bennett for a period of 24 months from the Completion Date, with the first 12 months being for the exclusive services of Phillip Bennett.

Lease	The Purchaser entered into a lease agreement with the Vendors in relation to the Fabtech Premises. See the Lease summary in section 13.9.
Insurance	The Purchaser must maintain insurance for the business for three years following Completion including professional indemnity, indemnity insurance with respect to the assets and product liability insurance at similar levels to those maintained by the Vendors prior to Completion.
Restraint	The Vendors must not compete with the business for a maximum period of 5 years within, at a maximum the area of South Australia, except that the Vendors may operate a consultancy business specifying (but not producing) the products offered by Fabtech and offering quality inspection services, on and from 1 July 2008.

Acquisition of Ottoway Engineering Business

Vendor	A.C.N. 008 204 644 Pty Ltd (formerly Ottoway Engineering Pty Ltd)
Purchaser	Ottoway Engineering Pty Ltd (formerly SYMV Pty Ltd)
Completion Date	5 June 2007
Additional Purchase Price	The Vendor is entitled to receive the following conditional additional payments up to a maximum of \$1,000,000 (payable in two instalments of \$500,000 within 45 days of the anniversary of the Completion Date) if EBITDAR for the business exceeds \$1,875,000 each year in the two years following Completion.
Conditional Earn-Out Consideration	The Purchaser is required to pay the following conditional earn-out consideration for the three years following the Completion Date, a further payment (within 45 days of the anniversary of the Completion Date) equal to 25% of the amount by which EBITDAR exceeds \$1,875,000 for that Year, conditional upon the Chief Executive Officer Ron Burrows continuing his employment with Ottoway.
Deferred Purchase Amount	The Vendor is entitled to receive the sum of \$750,000 on the earlier of: » this Offer; or » 5 June 2009
Benefit of Vendor Warranties	The Vendor has provided generic warranties in respect of the Ottoway Business. Claims must be made by the Purchaser within two years of the Completion Date. The minimum claim must exceed \$10,000.
Employment of CEO	The Purchaser agreed to enter into an employment agreement with Ron Burrows for a period of 3 years after Completion.
Excluded Contract and Indemnity	<p>The Purchaser only accepted an assignment of selected contracts, all other contracts were excluded from the acquisition of the Ottoway Business ("Excluded Contract"). The Vendor has provided an indemnity to the Purchaser in respect of any liability associated with or connected to an Excluded Contract.</p> <p>Specifically, the Vendor's obligations pursuant to a contract to do work in relation to the construction of the Adelaide Airport were excluded. The Purchaser has no liability in relation to the Adelaide Airport contract.</p>
Lease	The Purchaser entered into a lease with the Vendor in respect of the Ottoway Premises.
Restraint	The Vendor and Ron Burrows must not compete with the Ottoway Business for a maximum period of 5 years in the area of South Australia. This does not prevent the Vendor or Ron Burrows from holding shares in any company competing with the business which is listed on the stock exchange, or from carrying on business to fulfil its obligations under the excluded contracts.
Guarantee	Stephen Young and Mark Vartuli have provided a personal guarantee in respect of the payment of the deferred purchase price amount of \$750,000.

Acquisition of Whyalla Fabrications Business

Vendor	Costart Pty Ltd ACN 007 993 768 and Tectonic Nominees Pty Ltd ACN 007 899 354.
Purchaser	Whyalla Fabrications Pty Ltd ACN 126 470 942 (formerly Thomco (No. 2141) Pty Ltd).
Completion Date	2 October 2007.
Deferred Payment	90 days after the Completion Date the Purchaser must pay the Vendor an adjustment amount being \$136,000 plus the value of stock and work in progress and plus or minus the amount by which employee entitlements are more or less than \$326,669 as at the Completion Date. A Bank Guarantee of \$736,000 has been provided by the Purchaser on account of the Deferred Payment.
Benefit of Vendor Warranties	The Vendor gives limited warranties in relation to title to the assets forming the Whyalla Business. The minimum warranty claim must exceed 20,000 and the maximum liability of the Vendor is \$200,000. Claims must be made by Purchaser within three months of the Completion Date.
Lease	The Purchaser agreed to take assignment of a lease with 16 Beerworth Ave Pty Ltd, Tectonic Nominees Pty Ltd and Gragio Nominees Pty Ltd in respect of the Whyalla Premises.
Restraint	Giovanni Muscio must not compete with the Whyalla Business for a maximum period of 5 years within, at a maximum the area of South Australia. This does not prevent Giovanni Muscio or his related entities from operating a dry crane hire or wet crane hire business.
Guarantee	E&A Limited provided a guarantee in relation to the Whyalla premises.
Stamp Duty	The agreement will be lodged with Revenue SA for assessment of Stamp Duty in accordance with statutory timeframes. This liability has been provided for in the Pro forma Consolidated Balance Sheet.

13.3 Underwriting Agreement

E&A Limited, the Vendor Shareholders and the Lead Manager and Underwriter have entered into an Underwriting Agreement as at the date of this Prospectus.

13.3.1 UNDERWRITING

The Lead Manager and Underwriter agrees to underwrite the subscription of all of the Offer Shares. The Lead Manager and Underwriter may appoint sub-underwriters to underwrite all or any of the Offer Shares.

13.3.2 FEES

E&A Limited must pay the Lead Manager and Underwriter an underwriting commission equal to 3.75% in relation to of the funds proposed to be raised from 10,700,000 Shares under the Offer plus 1.75% of the funds to be raised from 3,000,000 Shares under the Offer and a management fee equal to 0.75% of the funds proposed to be raised under the Offer. In addition, E&A Limited has agreed to pay the Lead Manager and Underwriter for certain agreed costs incidental to the fund raising, including legal fees capped at \$20,000 plus GST.

13.3.3 INDEMNITY AND RELEASE

Subject to certain conditions E&A Limited and the Vendor Shareholders jointly and severally indemnify the Lead Manager and Underwriter (and its related bodies corporate and each of their directors and employees) against, in general terms, all losses that result from any misleading or deceptive statement in or any omission from the Prospectus, or in material distributed or advertised in relation to the Prospectus or the Offer, certain issues resolved during the due diligence process, and any non-compliance with the Corporations Act, the Listing Rules or any other legal obligation in relation to the Offer or the Prospectus. Both E&A Limited and the Vendor Shareholders release and discharge the Lead Manager and Underwriter and any indemnified party from any claim that may be made by them to recover from the Lead Manager and Underwriter any, in general terms, losses arising as a result of the Lead Manager and Underwriter's or any indemnified party's participation in the preparation of the Prospectus of the Offer documents, except to the extent such results primarily from any fraud, wilful misconduct, or gross negligence on the part of the Lead Manager and Underwriter or any indemnified party.

13.3.4 TERMINATION

The Lead Manager and Underwriter may terminate the Underwriting Agreement at any time up to and including the date on which the Shares are allotted by E&A Limited in various situations. Examples (without limitation) include:

- » **indices fall:** a fall in the S&P/ASX 200 Index or All Ordinaries Index to 10% below its level as at close of business on the date prior to the date of the Prospectus;
- » **quotation:** approval for quotation having not been granted by the latest date in the Timetable;
- » **misleading Prospectus:** if there is a statement that is misleading or deceptive or likely to mislead or deceive, or an omission from the Prospectus;
- » **ASIC:** ASIC applies for a section 1324B order, gives notice of an intention to hold a hearing to consider a stop order, or prosecutes or gives notice of an intention to prosecute a Group Company (or its directors, officers or agents) in relation to the Prospectus, any Supplementary Prospectus or the Offer;
- » **material adverse change:** an event occurs which gives rise to a Material Adverse Effect or any adverse change in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Group Company, including if any forecast in the Prospectus becomes incapable of being met or unlikely to be met;
- » **management:** there is a change in the board of directors or senior management of E&A Limited, or a director dies or becomes incapacitated, or a director of a Group Company or the Vendor Shareholder is charged with an indictable offence;
- » **significant change:** a new circumstance arises that is materially adverse from the point of view of an investor;
- » **authorisation:** any authorisation material to the Prospectus is repealed, revoked or terminated;
- » **allotment:** E&A Limited or the Vendor Shareholders are prevented from allotting or transferring the Offer Shares within the time required;
- » **consent:** any person who has previously consented to the inclusion of its, his or her name in the Prospectus withdraws that consent;
- » **supplementary Prospectus:** the Lead Manager and Underwriter requires a Supplementary Prospectus to be lodged and E&A Limited fails to do so, or E&A Limited lodges a Supplementary Prospectus without the consent of the Lead Manager and Underwriter; and
- » **insolvency:** an insolvency event occurs in respect of E&A Limited or any Group Company.

13.3.5 REPRESENTATIONS AND WARRANTIES

E&A Limited and the Vendor Shareholders have provided certain representations and warranties to the Lead Manager and Underwriter in relation to the Prospectus, the Offer and the Group Companies.

13.4 Escrow Agreements

Each of the Executive Directors and their controlled or related entities have entered into a voluntary escrow agreement ("Voluntary Escrow Agreement") pursuant to which they agree to escrow all Shares held by them post Offer ("Escrow Shares"). The Escrow Shares will be held in escrow until the first anniversary of the Listing Date ("Escrow Period"). During the Escrow Period the Executive Directors and their controlled or related entities must not without the written consent of the Lead Manager and Underwriter:

- » sell, assign, transfer, or otherwise dispose of, or agree to sell, assign, transfer or otherwise dispose of the Escrow Shares;
- » create, agree to, or offer to create, or permit to be created, any encumbrance or security interest over any of the Escrow Shares; or
- » do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, or creating any encumbrance or security interest, over any of the Escrow Shares,

except where such transfer is to a related party.

Appropriate holding locks will be applied to the Escrow Shares. The Executive Directors and their controlled or related entities will not be restricted from transferring the Escrow Shares as a result of the acceptance of a takeover bid where:

- » the independent directors have recommended its acceptance;
- » the takeover bid is an offer for 100% of E&A Limited;
- » the Offer has a cash alternative;
- » the Offer represents a value greater than the Offer Price;
- » the takeover bid has not been initiated either directly or indirectly by a Holder of Escrow Shares; and
- » to the extent necessary to allow the Escrow Shares to be acquired under a scheme of arrangement or other reorganisation or acquisition of share capital.

In addition to the voluntary escrow arrangements for the Executive Directors, ASX may if required by the Listing Rules, require all or some of the shareholders (both Vendor Shareholders and Other Existing Shareholders) upon listing to enter into restriction agreements with these shareholders in the form set out in Appendix 9A to the ASX Listing Rules. The term and shares subject to such restriction agreements will be as determined by the ASX.

13.5 Deeds of Access, Indemnity and Insurance

E&A Limited has entered into standard deeds of indemnity and access with some of the officers of Group Companies as part of its Corporate Governance. Consistent with the Corporations Act, E&A Limited or the relevant Group Company has provided an indemnity in favour of each officer in certain circumstances and agreed to maintain directors' and officers' insurance cover in favour of each officer for seven years after the officer ceases their appointment as an officer of E&A Limited or the relevant Group Company. E&A Limited has also agreed to maintain and retain a complete record of the board papers for E&A Limited and make them available to each officer during their appointment and for a period of seven years after the officer ceases their appointment as an officer of E&A Limited.

Equity & Advisory has entered into deeds of indemnity and access on similar terms to those in place with E&A Limited, in respect of current and former officers of Equity & Advisory.

13.6 Executive Services Agreements

The Executive Services Agreements for senior executives with annual salaries in excess of \$350,000 are summarised in the table below.

The various E&A Limited businesses employ senior executives and managers under employment contracts which contain standard terms and conditions for agreements of this nature.

Other Key Executives, specifically, Messrs Bennett, Burrows, Donoso, Eccles, Goddard, Fairhead and Hiscock all have terms and conditions of engagement which include confidentiality, restraint on competition and intellectual property provisions.

Mr Burrow's employment contract entitles him to an additional earn-out payment of 25% of the amount by which EBITDAR exceeds \$1.875 million in either of the financial years ending 30 June 2008, 2009 and 2010 as described in Section 13.2 as an essential term of the acquisition of the Ottoway Engineering business.

Executive Services Agreements

Name	Stephen Young	Mark Vartuli
Group Company	Equity & Advisory	Equity & Advisory
Position/Title	Executive Chairman	Managing Director
Term	5 years	5 years
Remuneration	\$850,000 (excluding car allowance, car park and FBT) less directors fees received from E&A Limited businesses	\$450,000 (excluding car park and FBT) less directors fees received from E&A Limited businesses
Termination by Company	6 months notice or breach	6 months notice or breach
Termination by Employee	After 5 year term, with 12 months notice	After 5 year term, with 6 months notice
Restraint	12 month non-solicitation and non-competition if resigns, terminated for cause or payment in lieu of notice. 12 months non-solicitation if 5 year term expires or termination on notice.	6 month non-solicitation and non-competition if resigns, terminated for cause or payment in lieu of notice. 6 month non-solicitation if 5 year term expires or termination on notice.
Review	Annual performance review	Annual performance review
Other	Conditional upon E&A Limited listing on the ASX	Conditional upon E&A Limited listing on the ASX

13.7 Finance Facilities

The finance facilities for each Group Company are summarised below.

E&A Limited businesses Finance Facilities

FACILITY	USE	LIMIT	SECURITY
Equity & Advisory – National Australia Bank			
Overdraft	Short term working capital	\$500,000	Fixed and Floating Charge
Commercial Bill	To be repaid by 30 June 2008	\$131,000	
Leasing	Acquisition of Plant & Equipment	\$100,000	
Bank Guarantee	Lease	\$85,000	
Ottoway Engineering – ANZ Bank			
Overdraft	Short term working capital	\$250,000	Fixed and Floating Charge
Invoice Finance	Working capital 80% of invoice	\$2,250,000	Personal Guarantee Mark Vartuli (\$375,000);
Commercial Bill (1)	Acquisition of business	\$3,500,000	
Commercial Bill (2)	Refinance asset finance upon acquisition of business	\$500,000	Personal Guarantee Stephen Young (\$1,125,000)
Leasing	Acquisition of Plant & Equipment	\$500,000	
Credit Card	n/a	\$20,000	
Documentary Credit	Payment of imported goods under documentary credit arrangements	\$80,000	
Louminco – ANZ Bank			
Overdraft	Short term working capital	\$995,000	Fixed and Floating Charge over Louminco
Commercial Bill	Panado Share Buy Back	\$1,500,000	Fixed and Floating Charge over Panado to secure Guarantee and Indemnity from Panado.
Credit Card	Working capital	\$45,000	
Bank Guarantee	For use from time to time when required	\$250,000	
Other Finance	Export finance	\$88,000	
Louminco obtained a temporary increase in its overdraft facility from \$495,000 to \$995,000. The ANZ Banking Facilities may be changed from the existing financier during the Offer Period on no materially less favourable terms.			
Louminco has a number of additional hire purchase facilities with various leasing financiers in relation to motor vehicles, fork lifts and copiers, printers and scanners.			
Fabtech and Fabtech Holdings – National Australia Bank			
Invoice Finance	Working capital 80% of invoice	\$1,500,000	Fixed and floating charge over Fabtech and Fabtech Holdings
Commercial Bill	Acquisition of business	\$2,500,000	
Credit Card	Travel expenses	\$20,000	Guarantee and Indemnity from Fabtech in respect of Fabtech Holdings;
Bank Guarantee and Letters of Credit	Overseas purchases or materials and Retention monies	\$1,750,000	
			Guarantee and Indemnity from Fabtech Holdings in respect of Fabtech.

FACILITY	USE	LIMIT	SECURITY
Starboard Tack and Heavymech – National Australia Bank			
Commercial Bill	To cover \$50,000 amortisation of quarterly basis	\$1,800,000	Fixed and floating charge over Heavymech and Starboard Tack;
Credit Card	Miscellaneous business expenses	\$10,000	
Whyalla Fabrications – National Australia Bank			
Invoice Finance	Working capital 80% of invoice	\$2,000,000	Fixed and floating charge
Commercial Bill	To cover \$375,000 amortisation per quarter until Sept 08 after which \$125,000 per quarter	\$4,750,000	
Credit Card	Miscellaneous work expenses	\$50,000	
Bank Guarantee and Letters of Credit	Deferred Purchase Consideration	\$750,000	
E&A Limited – No Facility			
TOTAL LIMIT		\$25,924,000	

E&A Limited Group Companies must pay the respective lenders under the Finance Facilities interest at predominantly variable rates specific to each Finance Facility. Other fees and charges are payable in certain circumstances.

Each of the Finance Facilities contains a number of representations, warranties and undertakings (including financial covenants and reporting obligations) from the respect E&A Limited Group Companies in favour of the respective lenders. These representations, warranties and undertakings are usual for financing facilities of this type.

The Finance Facilities also contain certain events of default, which are also usual for financing facilities of this type. If an E&A Limited Group Company commits an event of default, the lender may be entitled to terminate all or part of its obligations under the respective Finance Facilities, take action to recover amounts (including exercise of their rights under the respective securities and recovery of assets under leasing facilities) and may charge the relevant E&A Limited Group Company additional fees and interest. There are no cross guarantees between E&A Limited Group Companies, except as specified in the table above. Generally a breach by one E&A Limited Group Company will not entitle a lender to take action to recover from another. Liability to a financier for any breach will be isolated to the relevant E&A Limited Group Company and Finance Facility which is in breach.

Under the respective Finance Facilities each E&A Limited Group Company has agreed to indemnify the lender against all losses, liabilities, costs (including break costs) and expenses (including legal expenses on a full indemnity basis), taxes and imposts arising directly or indirectly in connection with the Finance Facilities or any failure by the relevant E&A Limited Group Company to perform its obligations under the relevant Finance Facility.

13.8 Contract Summary

E&A Limited Group Companies regularly enter into contracts for the provision of goods or services to the mining, resources, water, defence and financial services sectors. Summarised below are the contracts which in the context of the Group Companies of E&A Limited, the Directors consider to be material.

E&A Limited is not party to any contracts other than in respect of this Offer, the appointment of directors, insurance, and the deeds of indemnity described in Section 13.5

LOUMINCO

ONESTEEL

Louminco has been engaged by OneSteel to provide specified mechanical engineering management services at OneSteel's Whyalla steelworks. The contract originally commenced on 31 May 1998, and was renegotiated on 1 May 2004 for a further term of 3 years. The contract has been renewed for an additional year, and there is a further option to renew (at the discretion of OneSteel) for an additional year. The maximum term is 5 years. In addition to each party's rights to terminate for default or force majeure with 30 days notice, OneSteel may terminate the contract at any time with 6 months notice. The contract contains a number of representations, warranties and undertakings and indemnities of a type that are usual for contracts of this type.

Louminco has been advised by OneSteel that they intend to renegotiate the scope of services of the contract and Louminco's management expect that the contract will be renewed and the scope of services increased on terms and pricing to be agreed. It is not anticipated that this will impact on the Pro forma Forecast Earnings for FY08.

ALCAN GOVE

Louminco has entered into a forward purchasing agreement with Alcan Gove Pty Limited ("Alcan Gove") which expires on 14 November 2007. Subject to Louminco meeting agreed key performance indicators the contract will be extended annually. Louminco assigns all intellectual property created as a result of the performance of the services during the term of the contract to Alcan Gove. Alcan Gove may terminate the agreement with 30 days notice if Louminco is in default, or immediately if Louminco becomes the subject of an Insolvency Event. If Alcan Gove receives a quotation from another supplier at a price lower than that offered by Louminco, then Alcan Gove must offer Louminco the opportunity to match that price. If Louminco does not reduce the price Alcan Gove may remove that product from the agreement.

BHP BILLITON LTD

Louminco contracts with BHP Billiton to manufacture and supply equipment. The terms of the current contract have expired and a new contract is currently under negotiation.

MT ISA MINES LIMITED (XSTRATA)

Louminco contracts with Mt Isa Mines to manufacture and supply equipment. The terms of the current contract have expired and a new contract is currently under negotiation with a term of 24 months and 12 month reviews.

OTTOWAY

SANTOS LIMITED

Ottoway has a contract with Santos Limited for the provision of fabrication services. The benefit of this contract was assigned to Ottoway under the Ottoway Acquisition Agreement. The contract commenced on 1 January 2007 and is for a period of 1 year, subject to Santos's right (in its absolute discretion) to exercise two options to extend the contract for a further period of one year under each option. Santos has broad termination rights including in relation to default, insolvency and in the circumstances where the services are not of a satisfactory standard in the opinion of Santos. The contract contains a number of representations, warranties and undertakings and indemnities of a type that are usual for contracts of this type. Ottoway provides an indemnity in favour of Santos in relation to, in general, any loss suffered by Santos as a result of Ottoway providing the services, which liability is capped at \$15,000,000. Santos is currently negotiating a new contract directly with Ottoway.

BEACH PETROLEUM LIMITED

Ottoway has a contract with Beach Petroleum Limited for the provision of minor services, including the supply of all labour, equipment, materials, transportation and any other items necessary to perform the piping and fabrication and installation services. The benefit of this contract was assigned to Ottoway under the Ottoway Acquisition Agreement. The contract commenced on 1 February 2006 and expires on 1 February 2008. Either party may terminate the contract with 30 days written notice. Ottoway must maintain insurances appropriate to the provision of the services. Ottoway provides an indemnity in favour of Beach Petroleum in relation to, in general, any loss suffered by Beach Petroleum as a result of Ottoway providing the services.

OTHER MATERIAL CONTRACTS

Ottoway provides services to BHP Billiton, Newmont and Straits Resources pursuant to purchase orders. Ottoway is in the process of developing and implementing standard terms and conditions of contract for contracting with all customers.

FABTECH

Fabtech contracts with a majority of its customers in accordance with Fabtech's standard terms and conditions. Fabtech regularly tenders and commences for new projects. The period for each project generally ranges from 3–6 months.

The following contracts are material.

BARWON WATER

There is a contract with Barwon Region Water Authority to design and install liners and covers in association with construction work for the Montepellier Basin No 2. The contract incorporates terms from the initial tender, the Australian Standard General Conditions of Contract, drawings and other correspondence and specifications between the parties.

EXACT MIX

There is a contract with Exact Mix to supply geonet and geomembrane liners in the Angas Zinc mine at Strathalbyn. The contract is subject to Fabtech's standard terms and conditions.

EARTHTECH

There is a contract with EarthTech to supply a liner and cover to the Wy Yung Basin No.1. The contract documentation incorporates AS2127-1992 and AS4300-1995 together with various design, drawing and tender specifications.

NORTH EAST WATER

There is a contract with North East Water to design and construct a synthetic liner for use in the Bypass Road Reclaimed Water Storage. The terms of the contract are referable to the initial tender documentation.

SERVICES AGREEMENTS

Equity & Advisory has entered into a service agreement with each of Louminco, Ottoway, Heavymech, Whyalla Fabrications and Fabtech, pursuant to which Equity & Advisory provides corporate advisory, strategic planning, management, accounting and administrative services to the relevant Group Company. The annual fee for services is 5% of the earnings before tax (plus GST) for the relevant Group Company. The agreements are subject to standard termination rights for each party in relation to default, insolvency and with one months notice.

Various E&A Limited businesses contract with each other for goods and services in accordance with their standard terms and conditions.

13.9 Leases Summary

The E&A Limited Group Companies are lessees of a number of properties in South Australia and Queensland. E&A Limited Group Companies generally occupy these premises under leases. The leases which the Directors consider to be material are summarised in table below.

Summary of Material Leases

PREMISES	E&A LIMITED GROUP COMPANY	LESSOR	USE OF PREMISES	TERMS AND OPTIONS TO RENEW	OTHER
22 Duncan Court, Ottoway, SA	Ottoway Engineering Pty Ltd	A.C.N. 008 204 644 Pty Ltd ¹	Office and workshop	Five (5) years and six (6) months commencing on 1 June 2007 and there are three (3) renewal terms of five (5) years each.	Subject to the Ottoway Option.
9–12 Beerworth Ave, Whyalla, SA	Whyalla Fabrications Pty Ltd	Tectonic Nominees Pty Ltd, 16 Beerworth Ave Pty Ltd and Gragio Nominees Pty Ltd ¹	Office and workshop	Five (5) years and one (1) month commencing on 1 September 2007 together with three (3) rights of renewal each for five (5) years.	Subject to the Whyalla Option. Lease is in name of Costart Pty Ltd but was assigned to Whyalla Fabrications under Whyalla Acquisition Agreement.

13. MATERIAL AGREEMENTS

PREMISES	E&A LIMITED GROUP COMPANY	LESSOR	USE OF PREMISES	TERMS AND OPTIONS TO RENEW	OTHER
717 Grand Junction Road, Northfield, SA	Heavymech Pty Ltd	Regent Street Properties Pty Ltd ²	Heavy Engineering	Two (2) years commencing on 31 January 2008 together with two (2) rights of renewal each for a further term of five (5) years	N/A
53 South Tce, Wingfield, SA	Fabtech	Phillip John Bennett and Wendy Blanche Bennett	Design, fabrication and assembly of synthetic membranes, linings, covers and polypropylene materials	Five (5) years commencing on 16 July 2007 and there are three (3) renewal terms of five (5) years each	N/A
37-43 Plymouth Road, Wingfield, SA	Louminco	Sternberg Investments Pty Ltd ACN 081 092 195	Office and warehouse	Ten (10) years commencing in October 2007 and expiring in October 2017. There are two rights of renewal of five (5) years	Agreement to lease subject to negotiation of formal lease
14 Duchess Road, Mt Isa, QLD	Louminco	Regent Street Properties Pty Ltd ACN 086 388 0432	Office, warehouse, factory & workshop facilities	Commences on 1 August 2007 and expires on 31 July 2012, together with an option to extend the lease for a further term of 5 years	Agreement to lease subject to negotiation of formal lease
Level 27, 91 King William Street, Adelaide, SA	Equity & Advisory	Sandhurst Trustees Limited & Perpetual Trustee Company Limited	Office accommodation	A lease term of 5 years commencing on 1 July 2007 with a renewal option of a further five (5) years.	Agreement to lease subject to negotiation of formal lease

Note 1: The Ottoway Option and Whyalla Option are further described in Section 14.3.

Note 2: Regent Street is a related party. Refer to Section 14.3.

The above lease arrangements contain a number of terms and conditions and indemnities of a type that are usual for agreements of their type, including terms and conditions and indemnities given by the relevant E&A Limited Group Companies in favour of the lessors as set out above.

13.10 Share Options

Mr Graham Fairhead, Executive Director of Fabtech, as a long term employment incentive is entitled to non transferable share options which entitle Mr Fairhead to acquire 559,911 Shares in the issued capital of E&A Limited with an exercise price equivalent to the Offer Price. The share options only vest with Mr Fairhead in the event Mr Fairhead make a further ongoing commitment to E&A Limited by entering into a new employment contract with E&A Limited upon the expiry of his existing employment contract which expires on 1 May 2010.

14

Additional Information

14.1 Registration and Company Background

E&A Limited was incorporated in South Australia on 12 July 1999 as a proprietary limited company limited by shares called Percheron Capital Pty Ltd. On 4 October 2007, E&A Limited was converted to a public company limited by shares and changed its name from Percheron Capital Pty Ltd to E&A Limited.

E&A Limited has six wholly owned Group Companies as set out in Sections 6 and 7. The business of E&A Limited is conducted through the Group Companies, and E&A Limited does not actively undertake any business activities. The establishment of E&A Limited including the acquisition of each Group Company is set out in Section 15.3.

14.2 Constitution and Rights Attaching to Shares

The rights attaching to the Shares are as set out in the Constitution, as regulated by the Corporations Act, the Listing Rules and other statutory and common law requirements.

A summary of the rights attaching to ordinary Shares in E&A Limited under the Constitution is set out below. This summary is qualified by the full terms of E&A Limited's Constitution (a full copy of E&A Limited's Constitution is available from E&A Limited on request, free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of E&A Limited's Constitution with statutory and common law requirements. For an investor to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the investor should seek legal advice.

GENERAL

Subject to the Constitution and the terms of issue of a Share, attached to each Share is the right to receive notice of, attend and vote at all meetings of Shareholders, to receive dividends, and in a winding up to participate equally in the distribution of assets of E&A Limited subject only to the amounts unpaid on any Share.

VOTING

At a meeting of Shareholders, subject to the Constitution, the Corporations Act and the Listing Rules, on a show of hands each Shareholder present in person or by proxy has one vote. A resolution put to vote at a meeting must be decided on a show of hands unless a poll is demanded. At the taking of a poll, each Shareholder present in person or by proxy has one vote for each fully paid Share, and for each partly paid Share a fraction of a vote equivalent to the proportion which the amount paid bears to the total amount paid and payable. A Shareholder is entitled to be counted in a vote only in respect of Shares on which all calls due and payable have been paid.

GENERAL MEETINGS AND NOTICES

A director of E&A Limited may call a general meeting and the directors must call an annual general meeting in accordance with the Corporations Act. The Shareholders may request or call and arrange to hold a general meeting in accordance with the Corporations Act.

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of E&A Limited and to receive all notices, financial statements and other documents required to be sent to ordinary Shareholders under the Constitution of E&A Limited, the Corporations Act and the Listing Rules.

The quorum for a meeting of Shareholders is 5 Shareholders entitled to vote at the meeting.

DIVIDENDS AND SHARE PLANS

The Directors may pay to Shareholders interim and final dividends as they see fit. The Directors may fix the amount, the time for payment and the method of payment.

The Directors may establish and make rules for a dividend reinvestment plan/or a dividend election plan in relation to any dividend payable by E&A Limited.

The Directors may declare dividends on a class of Shares to the exclusion of and in different amounts than other classes. Dividends on partly paid shares must not exceed the proportion which the amount paid bears to the total amount paid and payable on that Share.

ISSUE OF SHARES

Subject to the Constitution, the Corporations Act, the Listing Rules and any special rights conferred on holders of existing Shares or a class of Shares, the Directors may issue or otherwise dispose of, or grant options in respect of Shares, to such persons on such terms as they think fit. In particular, the Directors may issue shares with preferred, deferred or special rights or restrictions in relation to dividends, voting, return of capital and payment of calls.

E&A Limited may issue preference shares which are or at the option of E&A Limited are to be, liable to be redeemed. Holders of preference shares will only have the right to vote at a meeting convened for the purpose of reducing capital, in certain circumstances upon winding up, where the resolution effects the rights attached to the preference shares, when a dividend on the preference shares are in arrears or on a resolution to approve the terms of a buy-back.

TRANSFER OF SHARES

Generally, all Shares in E&A Limited are freely transferable subject to the procedural requirements of the Constitution, and to the provisions of the Corporations Act, the Listing Rules and the rules of the relevant Clearing and Settlement Facility. The Directors may decline to register an instrument of transfer received where refusal is permitted under the Listing Rules. The Directors must refuse to register the transfer of restricted securities during the relevant escrow period (except as permitted by the Listing Rules or ASX) or any other transfer as required by the Listing Rules. If the Directors decline to register a transfer E&A Limited must give reasons for the refusal.

PROPORTIONAL TAKEOVER PROVISIONS

The registration of a transfer of Shares which would give effect to a proportional takeover bid is prohibited unless and until an approving resolution approving the proportional takeover bid is passed. The proportional takeover provisions will cease to have effect on the third anniversary of the adoption of the constitution, unless renewed.

SMALL SHAREHOLDINGS

Subject to the Listing Rules, and compliance with the procedure set out in the Constitution, E&A Limited may issue a notice of divestment to a Shareholder holding a parcel of non-marketable shares. Unless the Shareholder objects to the divestment, E&A Limited must sell off the Shares as agent of the shareholder with all consideration received by E&A Limited to be paid by the relevant Shareholder.

WINDING UP

Subject to any special rights attaching to a class of shares, if E&A Limited is wound up, the liquidator in a winding up may with the sanction of a special resolution of the Shareholders, divide the assets of E&A Limited among the Shareholders.

LIABILITY OF SHAREHOLDERS

As the Shares under this offer will be issued fully paid, Shareholders will not be subject to any further call for money by the Directors and therefore Shares will not become liable to forfeiture.

VARIATION OF RIGHTS

The rights attaching to the Shares may only be varied, modified or cancelled with the prior written consent of at least 75% of the holders of votes in that class or by a special resolution of the holders of the Shares in that class at a meeting of those holders.

DIRECTORS – APPOINTMENT, RETIREMENT AND REMOVAL

The minimum number of Directors is three (3) and the maximum is ten (10). Currently, there are five Directors. Directors are not required to hold any Shares.

Directors may be appointed by resolution of the Shareholders at a general meeting. The Directors may appoint a Director either in addition to existing Directors or to fill a casual vacancy, and such Director will hold office until the next annual general meeting.

Directors may only be removed by resolution of the Shareholders at a general meeting.

A Director must retire from office at the end of the third annual general meeting following that Directors last appointment or three years, whichever is longer. If there is more than one Executive Director, then the requirement to retire will not apply to just one Executive Director. A retiring Director is eligible for re-election.

DECISIONS OF DIRECTORS

The quorum for a meeting of Directors is two. Questions arising at a meeting of Directors are decided by a majority of votes cast by Directors entitled to vote on the resolution. The Chairman has a casting vote.

OFFICERS' INDEMNITY

To the full extent permitted by the law and to the extent not covered by insurance, E&A Limited must indemnify each person who is or has been an officer of E&A Limited against all losses and liabilities incurred by that person as an officer of E&A Limited and to a person other than E&A Limited, except to the extent such liability arises out of conduct by the Officer which involves a lack of good faith, or is contrary to the express instructions of E&A Limited. The indemnity extends to costs and expenses incurred in defending proceedings in which judgement is given in favour of the person or in which the person is acquitted or in connection with an application related to such proceeds whether relief is granted to the person under the Corporations Act.

ALTERATION TO THE CONSTITUTION

The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting. At least 28 days' notice of the meeting at which the special resolution is proposed must be given.

14.3 Related Party Benefits

STEPHEN YOUNG AND RELATED ENTITIES

Port Tack, Regent Street and the Vendor Shareholders are all entities which are held by or for the benefit of Stephen Young, the Chairman of E&A Limited and accordingly such entities are related parties of E&A Limited.

(A) REGENT STREET ACQUISITION OF HEAVYMECH PREMISES

Regent Street entered into an agreement dated 5 November 2007 to acquire the Heavymech Premises for \$1,200,000.00, with settlement on 31 January 2008. A deposit of \$120,000 was paid upon execution. The related party benefits resulting from the purchase of the Heavymech Premises were approved by the shareholders of E&A Limited on 5 November 2007 in accordance with section 208 of the Corporations Act.

(B) REGENT STREET LEASE OF HEAVYMECH PREMISES

Regent Street entered into a lease agreement dated 5 November 2007 with Heavymech to lease the Heavymech Premises for \$100,000.00 per annum (plus GST). The lease will commence on settlement of the acquisition of the Heavymech premises by Regent Street, being 31 January

2008, and continue for a period of 2 years together with two rights of renewal for further periods of 5 years each. The related party benefits resulting from execution of the Heavymech Premises were approved by the shareholders of E&A Limited on 5 November 2007 in accordance with section 208 of the Corporations Act.

(C) REGENT STREET LEASE OF MT ISA PREMISES

Regent Street has entered into a lease agreement in relation to the Mt Isa Premises for \$48,273.00 per annum (plus GST). The lease will be effective from 1 August 2007 and will expire 31 July 2012. There is an option to extend the lease for a further period of 5 years. The related party benefits resulting from the execution of the Mt Isa agreement to lease were approved by the shareholders of E&A Limited on 5 November 2007 in accordance with section 208 of the Corporations Act.

(D) OTTOWAY PREMISES PUT & CALL OPTION

Port Tack has entered into the Ottoway Option with the owners of the Ottoway Premises which may be exercised on or before 5 December 2007. Ottoway has entered into a lease with the owners of the Ottoway Premises which is summarised in Section 13.9, the benefit of which will be assigned to Port Tack as a result of the exercise of the Ottoway Option. The rental for the Ottoway Premises is initially \$240,000 per annum (plus GST). The Ottoway Lease commenced on 1 June 2007 and will continue for a period of 5 years and 6 months together with three rights of renewal for further periods of 5 years each. In contemplation of the exercise of the Ottoway Option, in accordance with section 208 of the Corporations Act on 5 November 2007 the shareholders of E&A Limited approved any financial benefit which may flow from the exercise of the option. The approval will be effective until 2 February 2009.

(E) WHYALLA PREMISES CALL OPTION

Port Tack has entered into the Whyalla Option with the owners of the Whyalla Premises which may be exercised in the three year period commencing between 2 October 2009 and 2 October 2012. Whyalla Fabrications has obtained an assignment of the benefit of a lease with the owners of the Whyalla Premises which is summarised in Section 13.9. The rights of the current owners of the Whyalla premises under the Whyalla Lease will be assigned to Port Tack as a result of the exercise of the Whyalla Option. The rental for the Whyalla Premises is initially \$150,000 per annum (plus GST). The Whyalla Lease commenced on 1 September 2007 and will continue for a period of 5 years and 1 month together with three rights of renewal for further periods of 5 years each. As the Whyalla Option cannot be exercised until 2 October 2009, at this time shareholders cannot provide a valid approval for the related party benefits to Port Tack which may result from the exercise of the Whyalla Option.

(F) VENDOR SHAREHOLDERS

The Underwriting Agreement, as summarised in Section 13.3, provides for the Lead Manager and Underwriter to underwrite the subscription for all of the Offer Shares including the shares to be transferred by the Vendor Shareholders. E&A Limited has agreed to pay all of the fees associated with the Underwriting Agreement. The payment of the fees by E&A Limited provides a financial benefit to each of the Vendor Shareholders. The related party benefits resulting from the execution of the Underwriting Agreement were approved by the shareholders of E&A Limited on 5 November 2007 in accordance with section 208 of the Corporations Act.

STEPHEN YOUNG

In his personal capacity Stephen Young receives a financial benefit from E&A Limited in accordance with the terms of his executive services agreement. A summary of the terms of the Executive Services Agreement is provided in Section 13.6. The related party benefits resulting from the execution of the Executive Services Agreement were approved by the shareholders of E&A Limited on 5 November 2007 in accordance with section 208 of the Corporations Act.

MARK VARTULI

In his personal capacity Mark Vartuli receives a financial benefit from E&A Limited in accordance with the terms of his executive services agreement. A summary of the terms of the Executive Services Agreement is provided in Section 13.6. The related party benefits resulting from the execution of the Executive Services Agreement were approved by the shareholders of E&A Limited on 5 November 2007 in accordance with section 208 of the Corporations Act.

GROUP COMPANIES

Various Group Companies have entered into service agreements with Equity & Advisory. The terms of the Service Agreements are set out in Section 13.9. As Equity & Advisory is a public company and the Group Companies are each related parties of Equity & Advisory, the related party benefits resulting from the execution of the Service Agreements were approved by the sole shareholder of Equity & Advisory, E&A Limited, on 5 November 2007 in accordance with section 208 of the Corporations Act.

14.4 Sell Down by Vendor Shareholders

Set out below are the details of the Shares being offered by the Vendor Shareholders as part of the Offer. The Vendor Shareholders are all controlled or related entities of Stephen Young, who has been integral in the formation and management of E&A Limited.

Vendor Shareholder Equity Holding in E&A Limited

VENDOR SHAREHOLDER	PRE-OFFER SHARES	PRE-OFFER %	POST-OFFER SHARES	POST-OFFER %
Port Tack Pty Ltd ¹	25,479,125	50.49%	17,309,470	30.91%
Maresa Pty Ltd	5,340,996	10.58%	5,340,996	9.54%
Stephen Young	5,344,290	10.59%	5,344,290	9.54%
Total	36,164,411	71.66%	27,994,756	49.99%

Note 1: Includes Shareholding of controlled entities.

The Vendor Shareholders have appointed the Lead Manager and Underwriter as their attorney to sign all documents required to enable these Shares to be offered for sale by way of this Prospectus.

14.5 Interests of Directors

Except as set out in this Prospectus, no Director of E&A Limited has, or has had in the two years before the date of this Prospectus, any interests in:

- » the formation or promotion of E&A Limited;
- » property acquired or proposed to be acquired by E&A Limited in connection with its formation or promotion or the Offer; or
- » the Offer.

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- » any Director to induce him to become, or to qualify as, a Director; or
- » any Director of E&A Limited for services which he has provided in connection with the formation or promotion of E&A Limited or the Offer.

14.5.1 DIRECTORS' SHARES

The Directors current and future intended interests in the Shares of E&A Limited are as follows:

Directors' Shareholdings in E&A Limited

DIRECTOR	PRE-OFFER SHARES	PRE-OFFER %	POST-OFFER SHARES	POST-OFFER %
Stephen Young ¹	36,164,411	71.66%	27,994,756	49.99%
Mark Vartuli	10,100,099	20.02%	10,100,099	18.04%
Michael Terlet	501,410	0.99%	501,410	0.90%
Michael Abbott	nil	nil	250,000	0.45%
David Klingberg	nil	nil	50,000	0.09%

Note 1: As set out in Section 5.4 the Vendor Shareholders, entities associated with or controlled by Stephen Young will sell 8,169,655 Shares (21.67%) into the Offer as described in Section 5.4.

14.5.2 REMUNERATION OF DIRECTORS

The Constitution provides that subject to the Corporations Act and the Listing Rules, Non-Executive Directors may be paid, as remuneration for their services, a fixed sum not exceeding the aggregate maximum sum determined from time to time by Shareholders in general meeting. The aggregate maximum sum may be divided amongst the Non-Executive Directors in such manner and proportion as the Directors agree. Currently, a maximum aggregate amount of \$300,000 per annum is approved to be paid to Non-Executive Directors of E&A Limited. Non-Executive Directors may not be paid a commission on or a percentage of profits or operating revenue.

The fees to be paid by E&A Limited to Non-Executive Directors upon Listing are as follows:

NON-EXECUTIVE DIRECTOR	FEE PER ANNUM
Michael Abbott	\$65,400
Michael Terlet	\$65,400
David Klingberg	\$65,400

Where a Non-Executive Director provides services outside the scope of ordinary duties of a Director, E&A Limited may pay a fixed sum determined by the Directors, in addition to or instead of the Director's remuneration. No payment may be made if the effect of the payment would be to exceed the aggregate maximum amount of Director's remuneration determined by the Shareholders at general meeting.

The Directors may determine the remuneration of the Executive Directors by way of salary or commission or participation in profits, but must not include a commission on, or a percentage of, operating revenue.

All Directors are also entitled to be paid reasonable, accommodation and travelling expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors.

Subject to the Corporations Act and Listing Rules, E&A Limited may provide termination benefits to a Director or his dependants on retirement or loss of office, including payment of a gratuity, pension or allowance. The remuneration of directors is also governed by the Corporate Governance policies described in Section 9.

14.5.3 OTHER INTERESTS

Stephen Young either personally or through his controlled or related entities:

- » has the related party interests described in Section 14.3;
- » held interests in all of the Group Companies prior to acquisition by E&A Limited as disclosed in Section 15.3;
- » is employed by E&A Limited pursuant to an executive services agreement which is described in Table 13E and will from time to time receive fees to act as a director of Group Companies.

Mark Vartuli either personally or through his controlled or related entities:

- » held interests in some of the Group Companies prior to the acquisition by E&A Limited as disclosed in Section 15.3;
- » is employed by E&A Limited pursuant to an executive services agreement which is described in Section 13.6 and will from time to time receive fees to act as a director of Group Companies;

Michael Abbott either personally or through his controlled or related entities has previously provided legal advice to Group Companies in accordance with his standard professional fees. The fees received by Michael Abbott over the past two years were not considered to be material.

Michael Terlet either personally or through his controlled or related entities held interests in some of the Group Companies prior to acquisition by E&A Limited as disclosed in Section 15.3.

David Klingberg either personally or through his controlled or related entities is a consultant to the board of Thomson Playford who have provided legal advice to the Offer.

14.5.4 DIVIDEND

On 13 March 2007, E&A Limited received a dividend of \$1,249,860 pertaining to the buyback of shares held by E&A Limited in Panado. As at 30 June 2007, Panado declared a total dividend of \$357,740 of which, \$17,887 is payable to Michael Terlet through his controlled or related entities, and \$268,305 is payable to E&A Limited. This dividend has been declared and recognised in the Annual Financial Reports of Panado and E&A Limited at 30 June 2007, but remains unpaid.

As at 30 June 2007 E&A Limited declared a dividend of \$1,000,000 which is payable from the dividends received by E&A Limited and is payable to the shareholders as at 30 June 2007, being Stephen Young and his controlled or related entities. This dividend has been declared and recognised in the Annual Financial Report of E&A Limited at 30 June 2007 but remains unpaid.

In addition, Starboard Tack has declared a dividend payable of \$53,569 as at 30 June 2007 of which Stephen Young through his controlled or related entities is entitled to receive \$26,249, but remains unpaid.

14.4.5 DISTRIBUTIONS

As set out in Section 15.3.5, the business of Equity & Advisory which was previously held by the Equity & Advisory Trust, was sold to Equity & Advisory as part of the Restructure on 1 July 2007. Stephen Young and Mark Vartuli are beneficiaries of the Equity & Advisory Trust and will receive distributions following the realisation of debtors and the payment of creditors of the Equity & Advisory Trust.

14.4.6 LOANS

As at 30 June 2007, Stephen Young and/or his controlled entities have net outstanding loans payable to the underlying E&A Limited businesses totalling \$0.1 million.

Stephen Young has confirmed his intention to repay these loans upon Listing, which has been adjusted accordingly in the Pro forma Consolidated Balance Sheet outlined in Section 10.7.

14.6 Interests of Promoters, Experts and Advisors

Except as set out below, no promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus (or entity in which they are a partner or director) holds, has and has not had in the two years before the date of this Prospectus, any interest in:

- (a) the Shares in E&A Limited (including entitlement to be issued or acquire Shares in E&A Limited);
- (b) property acquired or proposed to be acquired by E&A Limited in connection with its formation or promotion of the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of E&A Limited or the Offer.

Thomson Playford have acted as lawyers to E&A Limited and in that capacity have been involved in providing legal advice to E&A Limited in relation to the Offer. E&A Limited

have agreed to pay Thomson Playford \$120,000 (excluding GST & Disbursements) for services provided up until the date of this Prospectus. Thomson Playford may be paid further amounts in accordance with its time-based charges for services provided after the date of this Prospectus.

KPMG TS has prepared the Investigating Accountant's Report included in Section 8. E&A Limited have agreed to pay KPMG TS \$175,000 (excluding GST & Disbursements) for services provided up until the date of this Prospectus. KPMG TS may be paid further amounts in accordance with its time-based charges for services provided after the date of this Prospectus.

KPMG has acted as tax advisor and in that capacity has been involved in providing tax advice to E&A Limited in relation to the Offer. E&A Limited have agreed to pay KPMG \$30,000 (excluding GST & Disbursements) for services provided up until the date of this Prospectus. KPMG may be paid further amounts in accordance with its time-based charges for services provided after the date of this Prospectus.

Link Market Services have been appointed to act as the Share Registry in relation to the Offer.

ABN AMRO Morgans Corporate Limited has acted as Lead Manager and Underwriter and is entitled to an underwriting fee and management fee on the terms set out in section 13.3.2.

The amounts disclosed above are exclusive of any amount of goods and services tax payable by E&A Limited in respect of those amounts.

No person, except the persons referred to in Sections 14.2 and 14.3 have any interest in the promotion or formation of E&A Limited.

14.7 Expenses of Offer

The total expenses of the Offer payable by E&A Limited will be approximately \$1.6 million (excluding GST). These expenses include accounting fees, legal fees, underwriting fees, ASX and ASIC fees, the cost of advertising, printing and distributing this Prospectus and other miscellaneous expenses. These costs include \$0.4 million in fees payable to Equity & Advisory which will be retained within E&A Limited for the benefit of all Shareholders and is eliminated on consolidation for financial reporting purposes. No amount is included in this amount for brokerage commission, facilitation and/or administration fees.

14.8 ASX Admission and Quotation

E&A Limited will apply to ASX for admission to the Official List and quotation of the Shares on ASX within seven days after the date of this Prospectus.

14.9 Privacy

If you apply for Shares, you will provide personal information to E&A Limited and the Share Registry. E&A Limited and the Share Registry collect, hold and use your personal information in order to assess your Application, provide facilities and services to Applicants and carry out appropriate administration.

E&A Limited and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers and third parties (which may be located outside Australia) including:

- » the Share Registry for ongoing administration of the register;
- » legal, financial and professional advisors; and
- » the printers and the mailing house for the purposes of preparation and distribution of statements and for handling of mail;

provided such disclosure complies with the Privacy Act.

If an Applicant becomes a Shareholder, the Corporations Act requires E&A Limited to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in E&A Limited's public register must remain there even if that person ceases to be a Shareholder. Information contained in E&A Limited's register is also used to facilitate distribution payments and corporate communications (including E&A Limited's financial results, annual reports and other information that E&A Limited may wish to communicate to its Shareholders) and compliance by E&A Limited with legal and regulatory requirements.

If you do not provide the information required on the Application Form, E&A Limited may not be able to accept or process your Application.

In accordance with the Privacy Act an Applicant may request access to the information that E&A Limited or the Share Registry holds about that person. A fee may be charged for access. Access requests must be made in writing to E&A Limited's registered office.

14.10 E&A Limited Tax Status and Financial Year

The Directors expect E&A Limited will be taxed in Australia as a public company. The financial year of E&A Limited ends on 30 June annually. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed. The Group Companies have not consolidated for tax.

14.11 Taxation Implications

An investment in Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in E&A Limited are urged to take independent financial advice about the taxation and other consequences of acquiring and selling Shares.

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

14.12 Litigation and Claims

Having regard to the nature and breadth of the business and the consulting industry in general, E&A Limited may from time to time be involved in litigation and claims resolution. As at the date of this Prospectus, to the knowledge of the Directors, there is no current, pending or threatened litigation which would not be covered by professional indemnity or general and commercial liability insurance, or which has not already been provided for in the accounts of E&A Limited, which is likely to have a material effect on the financial performance of E&A Limited.

14.13 Governing Law

This Prospectus and the contracts that arise from the acceptance of Applications under this Prospectus are governed by the laws of South Australia and each Applicant submits to the exclusive jurisdiction of the courts of South Australia and the Commonwealth of Australia.

14.14 Consents

CONSENTS FOR LODGEMENT

Each Director has given and has not withdrawn, as at the date of this Prospectus, his written consent to the lodgement of this Prospectus.

Each Vendor Shareholder who is an individual and each director of a each Vendor Shareholder who is a body corporate has given and has not withdrawn, as at the date of this Prospectus, his or her written consent to the lodgement of this Prospectus.

CONSENTS TO BE NAMED

None of the parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, other than as specified below. Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for any part

of this Prospectus other than the reference to its name and a statement (if applicable) being included in this Prospectus with the consent of that party, as specified below.

- » Each Director has given and has not withdrawn, his written consent to be named as a Director of E&A Limited in the form and context in which he has been named.
- » Thomson Playford has given, and has not withdrawn, its written consent to be named as Lawyers to E&A Limited in respect of the Offer in the form and context in which it is named.
- » KPMG TS has given, and has not withdrawn, its written consent to be named as the Investigating Accountant in the form and context in which it is named and for the inclusion of its Report on Directors' Forecasts in Section 10 being included in the form and context in which it is included.
- » Link Market Services has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named. Link Market Services has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to E&A Limited. Link Market Services has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the prospectus.
- » KPMG has given, and not withdrawn, its written consent to be named as auditors and tax advisors in the form and context in which it is named.
- » ABN AMRO Morgans Corporate Limited the Lead Manager and Underwriter has given, and not withdrawn, its written consent to be named as Lead Manager and Underwriter in the form and context in which it is named.
- » Taylor Collison the Broker to the Offer has given, and not withdrawn, its written consent to be named as the Broker to the Offer in the form and context in which it is named.

A copy of the consents referred to in this Section 14 are available for inspection during normal business hours free of charge at the registered office of Level 27, 91 King William Street, Adelaide, SA 5000.

14.15 Prospectus Availability

On request a paper copy of this Prospectus (and attached Application Form) will be sent free of charge by E&A Limited during the period of the Offer. This Prospectus (and attached Application Form) is also available in electronic form at www.abnamromorgans.com.au

While E&A Limited believes that it is unlikely that during the period of the Offer the electronic version of this Prospectus or the Application Form will be tampered with or altered in any way, E&A Limited cannot give any absolute assurance that this will not occur. Any investor in doubt concerning the validity or integrity of an electronic copy of this Prospectus should immediately request a paper copy of this Prospectus directly from E&A Limited.

APPLICATION FORMS

The Application Form may only be distributed attached to a complete and unaltered copy of this Prospectus. The Application Form included with this Prospectus contains a declaration that the investor has personally received the complete and unaltered Prospectus prior to completing the relevant Application Form.

E&A Limited will not accept any completed Application Form if it has reason to believe that the Applicant has not received a complete paper copy or electronic copy of this Prospectus or if it has reason to believe that the Application Form or electronic copy of this Prospectus has been altered or tampered with in any way.

EXPIRY DATE

No Shares will be offered or issued on the basis of this Prospectus after the Expiry Date being 4 December 2008, the date which is 13 months after the date of this Prospectus.

14.16 Foreign Ownership Restrictions

Acquisitions of interests in shares in Australian companies such as E&A Limited by foreign persons may be subject to review and approval by the Treasurer of the Commonwealth of Australia under the Foreign Acquisitions and Takeovers Act 1975 (Cth). Investors who are foreign persons should consult their professional advisors to determine whether the Foreign Acquisitions and Takeovers Act 1975 (Cth) may affect their holding of Shares.

14.17 Statement of Directors

The Directors report that after due enquiries by them:

- » since the date of the financial statements in the financial information in Section 10, there have not been any circumstances that have arisen, nor are they aware of any circumstances which may arise that have materially affected or will materially affect the assets and liabilities, financial position and performance, profits or losses or prospects of E&A Limited, other than as disclosed in this Prospectus; and
- » they have reasonable grounds to believe, and do believe, that this Prospectus contains no statements that are false or misleading and that there are no material omissions from the Prospectus.

14.18 Authorisation

This Prospectus is authorised by each of the Directors of E&A Limited.

This Prospectus is signed for and on behalf of the Directors of E&A Limited by:

Chairman

Dated: 5 November 2007

Additional Financial Information

15.1 Summary of Significant Accounting Policies

(A) BASIS OF PREPARATION

This Financial Information has been prepared in accordance with the 'recognition and measurement' requirements of Australian equivalents to International Financial Reporting Standards ("AIFRS") and Australian Accounting Interpretations issued by the Accounting Standards Board. However, the 'disclosure' requirements of these Standards and interpretations have only been complied with to the extent considered necessary by the Directors.

The financial information has been prepared in accordance with the historical cost convention.

(B) ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the financial information in Section 10 of the Prospectus are set out below. These accounting policies have been consistently applied unless otherwise stated

(C) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Amounts disclosed as revenue are net of returns, allowances and duties and taxes paid. Revenue is recognised when goods have been despatched to a customer, or a service has been provided to a customer pursuant to a sales order.

Contract revenue and expenses are recognised in accordance with the percentage of completion method unless the outcome of the contract cannot be reliably estimated. For fixed price contracts, the stage of completion is measured by reference to costs incurred to date as a percentage of estimated total costs for each contract.

Dividend revenue is recognised when the right to receive the payment is established.

(D) INCOME TAX

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- » when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- » when the taxable temporary difference is associated with investments in Group Companies, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- » when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- » when the deductible temporary difference is associated with investments in Group Companies, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is

probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(E) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority, in this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(F) FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At balance date amounts receivable and payable in foreign currencies are translated into Australian currency at the rates of exchange current at that date. Resulting exchange variances are brought to account in determining the profit or loss for the year.

(G) PRINCIPLES OF CONSOLIDATION

The Pro forma Historical Consolidated Balance Sheet incorporates the assets and liabilities of all Group Companies of E&A Limited as if they had been acquired on 1 July 2006. Pro forma consolidated financial statements incorporate the assets and liabilities of all entities controlled by E&A Limited as at 30 June 2007 and the results of all controlled entities for the year then ended. E&A Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full.

(H) INVESTMENTS

Interests in listed and unlisted entities, other than controlled entities in the consolidated financial statements, are brought to account at cost. Controlled entities are accounted for in the consolidated financial statements in accordance with Section 15.1(I).

(I) BUSINESS COMBINATIONS

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control. Cost is measured as the fair value of the assets given, or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the company's share of the identifiable net assets acquired is recorded as goodwill (refer to Section 15.1(J)). If the cost of acquisition is less than the company's share of the fair value of the identifiable net assets of the Group Company acquired, the difference is recognised directly in the Income Statement, but only after a reassessment of the identification and measurement of the net assets acquired.

(J) GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired Group Company/business unit at the date of acquisition. Goodwill on acquisition of business units is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment loss.

(K) IMPAIRMENT OF ASSETS

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(L) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment has been recorded at cost. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. When assets are sold or retired, their cost and accumulated depreciation are removed from the accounts and any gain or loss from their disposal is included in the Income Statement.

(M) DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT

Depreciation is calculated to write off the net cost of each item of property, plant and equipment over its expected useful life as follows:

Land	Not depreciated
Buildings	20 years
Plant and Equipment	5–20 years
Furniture and Fittings	5–20 years
Motor Vehicles	4–10 years

(N) LEASES

A distinction is made between finance leases which effectively transfer, from the lessor to the lessee, substantially all the risks and benefits incidental to ownership of leased non current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the lower of its fair value and present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The leased asset is amortised on a straight-line basis over the term of the lease, or where it is likely that the entity will obtain ownership of the asset, the life of the asset. Lease assets held at reporting date are being amortised over three to five years.

Operating lease payments are charged to the income statement in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(O) INVENTORIES

Raw materials and work in progress are valued at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the first in first out basis.

In the case of manufactured items, cost comprises materials, labour and an appropriate proportion of fixed and variable factory overhead expenses.

(P) TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables.

(Q) TRADE AND OTHER PAYABLES

Trade and other payables are carried at amortised cost. These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid.

(R) INTEREST BEARING LIABILITIES

Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of other payables.

(S) EMPLOYEE ENTITLEMENTS**(I) WAGES AND SALARIES AND ANNUAL LEAVE**

Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current rates of pay in respect of employees' services up to that date.

(II) LONG SERVICE LEAVE

A liability for long service leave is recognised for all employees with legal entitlement to long service leave and is measured as the amount unpaid at the reporting date in respect of employees' services up to that date. The amount is discounted to determine its present value.

(III) SUPERANNUATION

Contributions are made by the entity to employee superannuation funds and are charged as expenses when incurred.

(T) BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs include:

- » interest on bank overdrafts and short-term and long-term borrowings;
- » amortisation of line fees, discounts or premiums relating to borrowings;
- » amortisation of ancillary costs incurred in connection with the arrangement of borrowings;
- » finance lease interest; and
- » bank charges.

15.2 Notes to the Financial Information

15.2.1 CASH

Cash – current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	4
Change in cash position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	1,944
Change in cash position after acquisition of Whyalla Fabrications	(207)
Cash proceeds of the Offer (for new equity issued)	5,530
Net cash inflow on repayment of related party receivables / payables	205
Repayment of Ottoway vendor settlement liability	(750)
Costs of the IPO	(1,582)
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	5,144

15.2.2 TRADE AND OTHER RECEIVABLES – CURRENT

Trade and other receivables – current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	348
Change in receivables position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	13,098
Repayment of related party receivables	(362)
Elimination of intercompany trade receivables	(86)
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	12,998

15.2.3 INVENTORIES

Inventories – current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in inventory position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	4,545
Change in inventory position after acquisition of Whyalla Fabrications	955
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	5,500

15.2.4 OTHER

Other – current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in inventory position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	126
Change in inventory position after acquisition of Whyalla Fabrications	13
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	139

15.2.5 OTHER FINANCIAL ASSETS

Other financial assets – non current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	1,580
Elimination of investment in Panado upon consolidation	(1,578)
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	3

15.2.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment – non current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in fixed asset position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	6,789
Change in fixed asset position after acquisition of Whyalla Fabrications	1,670
Balance per the Pro Forma Consolidated Balance Sheet as at 30 November 2007	8,459

15.2.7 GOODWILL AND INTANGIBLES

Goodwill and Intangibles – non current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Goodwill in existing E&A Limited Group Operating Businesses	7,931
Goodwill arising out of E&A Limited Group Restructure	29,844
Goodwill on acquisition of Whyalla Fabrications	4,145
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	41,921

15.2.8 DEFERRED TAX ASSETS

Deferred tax asset – non current assets	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	20
Change in deferred tax asset position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	437
Deferred tax effect of costs of the Offer	474
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	932

15.2.9 INTEREST BEARING LIABILITIES – CURRENT

Interest bearing liabilities – current liabilities	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in current interest bearing liabilities position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group restructure	8,433
Change in current interest bearing liabilities after acquisition of Whyalla Fabrications	750
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	9,183

15.2.10 TRADE & OTHER PAYABLES – CURRENT

Trade and other payables – current liabilities	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	87
Change in current trade & other payables after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	13,765
Change in current trade & other payables after acquisition of Whyalla Fabrications	1,420
Repayment of Ottoway vendor settlement liability	(750)
Repayment of related party payables / loans	(157)
Elimination of intercompany trade payables	(86)
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	14,279

15.2.12 PROVISIONS – CURRENT

Provisions – current liabilities	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	1,000
Change in provisions after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	1,526
Change in provisions after acquisition of Whyalla Fabrications	407
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	2,932

15.2.13 TAX LIABILITIES – CURRENT

Tax – current liabilities	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in current tax liabilities after acquisition of E&A Limited Group investee companies	995
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	995

15.2.14 INTEREST BEARING LIABILITIES – NON CURRENT

Interest bearing liabilities – non current liabilities	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in non-current interest bearing liabilities position after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	4,215
Change in non-current interest bearing liabilities position after acquisition of Whyalla Fabrications	4,000
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	8,215

15.2.15 OTHER LIABILITIES – NON CURRENT

Other liabilities – non current	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in non current other liabilities after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	60
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	60

15.2.16 TRADE & OTHER PAYABLES – NON CURRENT

Trade & other payables – non current	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in loans & other payables after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	1,801
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	1,801

15.2.17 TAX LIABILITIES – DEFERRED

Deferred tax liabilities	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	73
Change in deferred tax liabilities after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	577
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	651

15.2.18 PROVISIONS – NON CURRENT LIABILITIES

Provisions – non current liabilities	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	–
Change in current tax liabilities after acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	156
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	156

15.2.19 ISSUED CAPITAL – EQUITY

Issued capital – equity	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	560
Issue of Shares as for consideration for acquisition of E&A Limited Group investee companies as part of E&A Limited Group Restructure	32,298
Proceeds of the Offer	5,530
Costs of the Offer applied against equity, net of tax benefit.	(315)
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	38,074

15.2.20 RETAINED EARNINGS – EQUITY

Retained Earnings – equity	\$A 000's
Balance per Statutory Historical E&A Limited Balance Sheet as at 30 June 2007	232
Elimination of pre-acquisition retained earnings on consolidation of E&A Limited Group investee companies	(689)
Offer costs associated with the Offer, net of tax benefit	(792)
Balance per the Pro Forma Consolidated Balance Sheet as at 30 June 2007	(1,249)

15.3 E&A Limited Group Restructure

On 1 July 2007 E&A Limited (formerly Percheron Capital Pty Ltd) acquired the remaining shares in Panado and all of the shares in, Starboard Tack, Ottoway Engineering and Equity & Advisory. On 16 July 2007 E&A Limited acquired Fabtech Holdings. The consideration for the shares in each of the entities was the issue of shares in E&A Limited ("Restructure"). The Shares were issued at fair value to each of the vendors at an issue price of \$0.80 per share. Following the Restructure E&A Limited incorporated a Group Company entity to acquire the Whyalla Fabrication Business. E&A Limited converted to a public company on 4 October 2007.

A summary of the Restructure is set out below.

15.3.1 E&A LIMITED

Immediately prior to the Restructure, there were 10,088,028 fully paid ordinary shares issued in E&A Limited. The Shares were held by Mark Edwin Goddard (18), Stephen Elliott Young (5,344,290) and Maresa Pty Ltd (4,743,720).

15.3.2 LOUMINCO

Prior to the Restructure, E&A Limited held 150,016 (75%) of the 200,016 issued shares in Panado and the remainder were held by Segundo Eduardo Donoso (14,464), M.T. & J.T. Pty Ltd (10,000), E.D. Consulting & Engineering Services Pty Ltd (15,536) and Leoton Investments Pty Ltd (10,000) ("Panado Shareholders"). Panado holds all of the units in the Louminco Unit Trust and all of the shares in Louminco (the trustee of the Louminco Unit Trust). The Louminco Unit Trust operates the Louminco Business.

On 1 July 2007 E&A Limited acquired the remaining 25% of the issued shares in Panado from the Panado Shareholders.

15.3.3 HEAVYMECH

Prior to the Restructure, the issued shares in Starboard Tack were held by E.D. Consulting & Engineering Services Pty Ltd (60,000), Maeston Investments Pty Ltd (42,000) and Port Tack Pty Ltd (98,000) ("Starboard Tack Shareholders"). Starboard Tack acquired all of the shares in Heavymech in July 2006. A summary of the acquisition agreement is set out in Section 13. On 1 July 2007 E&A Limited acquired 100% of the issued shares in Starboard Tack from the Starboard Tack Shareholders.

15.3.4 OTTOWAY

Prior to the Restructure, the issued shares in Ottoway Engineering were held by Vars Enterprises Pty Ltd (2,500,500) and Port Tack Pty Ltd (7,500,000) ("Ottoway Shareholders"). Ottoway acquired all of the assets to operate the Ottoway Business on 5 June 2007. A summary of the acquisition agreement is set out in Section 13. On 1 July 2007 E&A Limited acquired 100% the issued shares in Ottoway from the Ottoway Shareholders.

15.3.5 EQUITY & ADVISORY

Prior to the Restructure, the issued shares in Equity & Advisory were held by Vars Enterprises Pty Ltd (20) and Maresa Pty Ltd (80) ("Equity Shareholders"). Equity & Advisory was the trustee of the Equity & Advisory Unit Trust which operated the Equity & Advisory Business. Prior to the Restructure, Equity & Advisory in its personal capacity acquired the Equity & Advisory Business from the Equity & Advisory Unit Trust for cash consideration, such that immediately prior to the Restructure Equity & Advisory owned and operated the Equity & Advisory Business. On 1 July 2007 E&A Limited acquired 100% the issued shares in Equity & Advisory from the Equity Shareholders.

15.3.6 FABTECH

Prior to the Restructure, the issued shares in Fabtech Holdings were held by Vars Enterprises Pty Ltd (1,763,476) and Port Tack Pty Ltd (3,238,000) ("Fabtech Shareholders"). Fabtech Holdings acquired all of the shares in Fabtech which operates the Fabtech Business on 16 July 2007. A summary of the acquisition agreement is set out in Section 13. On 16 July 2007, immediately after the completion of the acquisition of the shares in Fabtech, E&A Limited acquired 100% of the issued shares in Fabtech Holdings from the Fabtech Shareholders.

15.3.7 WHYALLA FABRICATIONS

On 2 October 2007, E&A Limited through its wholly owned Group Company Whyalla Fabrications (formerly Thomco (No. 2141) Pty Ltd) acquired the assets required to operate the Whyalla Business. A summary of the acquisition agreement is set out in Section 13.

The corporate structure of the E&A Limited immediately after the Restructure, is diagrammatically set out in Section 6. The E&A Limited Group Companies have not consolidated for tax purposes and will continue to operate as separate entities. All stamp duty in respect of the restructure and acquisition of the E&A Limited Businesses has been assessed and paid except in respect of the acquisition of Whyalla Fabrications. The acquisition of agreement for Whyalla Fabrications will be submitted for stamping in accordance with the relevant statutory requirements.

Percheron Capital Pty Ltd converted to a public company, adopted a new constitution and changed its name to E&A Limited on 4 October 2007.

15.4 Controlled Entities Note

AASB 3 – PURCHASE METHOD

Controlled Entities

Name	Country of incorporation	Percentage Owned 30 June 2007	Pro forma Percentage Owned 30 June 2007
Parent Entity			
E&A Limited	Australia	100	100
Subsidiaries of parent entity			
Panado Pty Ltd	Australia	75	100
Louminco Pty Ltd	Australia	75	100
ILS Limited	Hong Kong	75	100
Starboard Tack Pty Ltd	Australia	0	100
Heavymech Pty Ltd	Australia	0	100
Fabtech Holdings Pty Limited	Australia	0	100
Fabtech S.A. Pty Ltd	Australia	0	100
Ottoway Engineering Pty Ltd	Australia	0	100
Equity & Advisory Ltd	Australia	0	100
Whyalla Fabrications Pty Ltd	Australia	0	100

Details of the fair value of assets and liabilities acquired and goodwill as part of Group Restructure

\$000	Total
Equity Issued	32,298
Total Purchase consideration	32,298
Fair value of net identifiable assets acquired (refer below)	2,454
Goodwill	29,844
Total	32,298

Fair value of identifiable assets and liabilities acquired as part of Group Restructure

\$000	Total
Cash and cash equivalents	1,452
Trade and other receivables	7,205
Inventories	3,657
Other current assets	23
Property, plant and equipment	6,171
Goodwill and Intangibles	7,689
Deferred tax assets	276
Trade and other payables	(10,855)
Current interest bearing liabilities	(10,974)
Tax liabilities	(845)
Provisions	(1,072)
Other Payables	(33)
Deferred tax liabilities	(537)
Acquisition of remaining 25% minority interest in Panado Pty Ltd	299
Total	2,454

15.5 Reconciliation of Pro forma Historical Consolidated Financial Information to Statutory Historical Financial Information

Reconciliation of Pro forma Historical Consolidated Financial Information to Statutory Historical Financial Information

Numbers in \$AUD (000's)	FY07 EBIT	FY07 Revenue
Statutory Historical EBIT / Revenue ¹	1,195	–
Pro forma adjustments:		
Add full year contribution of the E&A Limited acquired businesses	10,496	83,962
Remove intra - group transactions	(1,299)	(1,754)
Normalisation adjustments	(1,406)	–
Pro-forma Historical Consolidated EBIT / Revenue²	8,986	82,208

Notes:

1. The Statutory Historical EBIT and Revenue presented reflects E&A Limited as a stand-alone holding entity at 30 June 2007. E&A Limited did not have 100% ownership interest in the operating businesses at this point in time. The FY07 EBIT amount includes dividends received from E&A Limited's investment in Panado Pty Ltd, which is eliminated on consolidation.
2. The Pro forma Historical Consolidated EBIT and Revenue presented reflects the full year earnings impact of a 100% interest in Whyalla Fabrications had the acquisition date been 1 July 2006. Further details are described below.

DESCRIPTION OF MATERIAL PRO FORMA HISTORICAL ADJUSTMENTS

The Pro forma Historical Consolidated Income Statement presented reflects the actual results of operations up to 30 June 2007 had the E&A Limited businesses operated under the present E&A Limited Group structure.

The key pro forma adjustments made to the Statutory Historical Consolidated Income Statement for the year ended 30 June 2007 are described below:

- » During the course of the year a number of the group businesses did not pay market rent to the landlord. Adjustments have been made in respect of those entities to reflect market rental rates for the historical period presented.
- » An adjustment has been made to reflect the corporate cost structure of the businesses under the control of E&A Limited, as opposed to the cost structure of the privately owned and operated businesses; and
- » An expense has been recognised to reflect the corporate costs of operating a publicly listed company, assuming E&A Limited had been listed on the ASX for the entire historical period.
- » The intra-group transactions eliminated include:
 1. sales and purchases between businesses held within the E&A Limited Group; and
 2. dividends received from businesses held within the E&A Limited Group.

PRO FORMA HISTORICAL CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2007

The pro forma adjustments in respect of cashflows are consistent with the pro forma adjustments to the Historical Consolidated Income Statement for the year ended 30 June 2007, as detailed above.

15.6 Reconciliation of Pro forma Forecast Consolidated Financial Information to Statutory Forecast Consolidated Financial Information

Reconciliation of Pro forma Forecast Consolidated Financial Information to Statutory Forecast Consolidated Financial Information

Numbers in \$AUD (000's)	FY08 NPAT	FY08 EBIT	FY08 Revenue
Statutory Forecast Consolidated NPAT / EBIT / Revenue ¹	5,267	8,805	89,415
Pro forma adjustments:			
Add full year contribution of Whyalla Fabrications in FY08	810	1,281	5,280
Remove intra - group transactions	-	-	(2,533)
Remove Offer costs	512	732	-
Pro-forma Forecast Consolidated NPAT / EBIT / Revenue²	6,589	10,818	92,162

Notes:

1. The Statutory Forecast Consolidated NPAT, EBIT and Revenue presented includes earnings and revenue contribution of Whyalla Fabrications from its effective date of acquisition 2 October 2007. Accordingly, it does not reflect the full year earnings impact of Whyalla Fabrications.
2. The Pro forma Forecast Consolidated NPAT, EBIT and Revenue presented reflects the full year earnings impact of a 100% interest in Whyalla Fabrications had the acquisition date been 1 July 2007. Further details are described below.

DESCRIPTION OF MATERIAL PRO FORMA FORECAST ADJUSTMENTS

The Statutory Forecast Consolidated Income Statement is presented on the same basis as the financial information that will be included in E&A Limited Group's audited annual report for the year ending 30 June 2008. Accordingly, the Statutory Forecast Consolidated Income Statement reflects the anticipated actual results of operations up to 30 June 2008.

The Pro forma Forecast Consolidated Income Statement for the year ended 30 June 2008 assumes that the operating and financing structures expected to be in place at completion of the Offer were in existence for the full year commencing 1 July 2007, including the acquisition of Whyalla Fabrications as if it had occurred at 1 July 2007.

The key pro forma adjustments to the Statutory Forecast Consolidated Income Statement for the E&A Limited Group to arrive at the Pro forma Forecast Consolidated Income Statement for the year ending 30 June 2008 are described below:

- » E&A Limited acquired Whyalla Fabrications as effective from 2 October 2007. The results of operations and financial position of this entity will be consolidated by E&A Limited for accounting purposes in its financial statements. Accordingly, the Statutory Forecast Consolidated Income Statement reflects the forecast results of Whyalla Fabrications from the date of acquisition (ie. 2 October 2007). The Pro forma Forecast Consolidated Income Statement assumes that Whyalla Fabrications was acquired by E&A Limited on 1 July 2007 and therefore reflects a full year forecast earnings contribution from this entity.

- » An expense has been recognised to reflect the corporate costs of operating a publicly listed company, assuming E&A Limited had been listed on the ASX for the entire historical period
- » The recognition of a full year expense to reflect the corporate costs of operating a publicly listed company, assuming E&A Limited had been listed on the ASX for the entire forecast period. Total related costs of \$0.25 million have been recognised.
- » The removal of approximately \$732,000 of Offer costs recorded in the Statutory Forecast Consolidated Income Statement. This figure reflects costs associated with this Offer and is non-recurring. E&A Limited does not intend to undertake further equity raisings in the forecast period.
- » The intra-group transactions eliminated include:
 1. sales and purchases between businesses held within the E&A Limited Group consistent with FY07 transactions;
 2. Management fees totalling \$379,500 charged by Equity & Advisory to businesses held within the E&A Limited Group.
 3. Non-recurring advisory fees charged by Equity & Advisory to businesses held within the E&A Limited Group in relation to the Offer.

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Glossary

TERM	MEANING
AIFRS	Australian equivalents of International Financial Reporting Standards
Applicant	A person that lodges an Application Form pursuant to this Prospectus
Application	An application to subscribe for Shares under this Prospectus made on the Application Form attached to, or accompanying, the Prospectus, and accompanied by the relevant Application Monies
Application Form	The form attached to this Prospectus on which Applications for Shares can be made
Application Monies	The monies payable in connection with an Application, being the amount of money accompanying an Application Form
ASIC	Australian Securities and Investments Commission
Associate (of an Officer)	A person who an Officer proposes to act in concert with, either formally or informally including, without limitation, members of the Officer's family and entities, such as companies and trusts, controlled by the Officer
ASTC Settlement Rules	The settlement rules of the ASX Settlement & Transfer Corporation Pty Ltd (ABN 49 008 504 532)
ASX	The securities exchange maintained by ASX Limited (ABN 98 008 624 691)
Board	The Board of Directors of E&A Limited
Broker Firm Offer	Invitation under this Prospectus to Australian resident retail clients of brokers who have received a firm allocation from their broker
Broker to the Offer	Taylor Collison Ltd ABN 53 008 172 450
Chairman	Chairman of E&A Limited
CHESS	Clearing House Electronic Subregister System, operated in accordance with the Corporations Act
Closing Date	Date by which valid Applications must be received by the Share Registry being 5:00 pm Adelaide Time on 7 December 2007 or such other date and time determined by E&A Limited
Constitution	The Constitution of E&A Limited
Corporations Act	Corporations Act 2001 (Commonwealth)
Directors	The Directors of E&A Limited
Directors' Forecasts	The Forecast financial information for E&A Limited for the Forecast Period set out in Section 10
Earnings Per Share	Pro forma NPAT divided by total number of shares on issue following the Offer
E&A Limited	E&A Limited (ACN 088 588 425)
E&A Limited businesses	The E&A Limited trading businesses, namely Equity & Advisory, Fabtech, Louminco, Heavymech, Ottoway and Whyalla Fabrications
E&A Limited Group	E&A Limited consolidated entities
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Taxation, Depreciation and Amortisation
EBITDAR	Earnings Before Interest, Taxation, Depreciation and Amortisation and Rent
Pro forma Enterprise Value	Market Capitalisation plus Pro forma consolidated Net Debt
EPS	Earnings Per Share
Equity	Issued Share Capital plus retained earnings
Equity & Advisory	Equity & Advisory Ltd ACN 077 487 944
Equity & Advisory Business	The corporate finance business operated by Equity & Advisory

TERM	MEANING
Equity & Advisory Lease	The agreement to lease in respect of the Equity & Advisory Premises
Equity & Advisory Premises	The premises located at level 27, 91 King William Street, Adelaide, SA, 5000
Equity Shareholders	Has the meaning set out in Section 15.3.5
Escrow Period	As defined in Section 13.4
Escrow Shares	As defined in Section 13.4
Executive Directors	Refers to Mr. Stephen Young and Mr. Mark Vartuli
Exposure Period	The seven day period from the date of this Prospectus (excluding public holidays). ASIC may extend this to 14 days
Historical Financial Information	Comprises the following: <ul style="list-style-type: none"> » Summary Pro forma Historical Consolidated Income Statement of the E&A Limited Group; » Statutory Historical Balance Sheet of E&A Limited as at 30 June 2007; » Pro forma Consolidated Balance Sheet of E&A Limited as at 30 June 2007; and » Summary Pro forma FY07 Historical Consolidated Statement of Cash Flows of the E&A Limited Group
Fabtech Acquisition Agreement	The Agreement summarised in Section 13.2
Fabtech Business	The geomembrane fabrication of liners and floating covers business operated by Fabtech
Fabtech Holdings	Fabtech Holdings Pty Ltd ACN 124 436 951
Fabtech Premises	The premises located at 53 South Terrace Wingfield SA 5013
Fabtech	Fabtech S.A. Pty Ltd ACN 060 001 765
Fabtech Shareholders	Has the meaning set out in Section 15.3.6.
Finance Facility	The finance facilities described in Section 13.7
Forecast	The Pro forma Forecast financial information for E&A Limited for the Forecast Period
Forecast Financial Information	Comprises the following: <ul style="list-style-type: none"> » Summary Pro forma FY08 Forecast Consolidated Income Statement of the E&A Limited Group; » Summary Statutory FY08 Forecast Consolidated Income Statement of the E&A Limited Group; » Summary Pro forma FY08 Forecast Consolidated Statement of Cash Flows of the E&A Limited Group; and » Summary Statutory FY08 Forecast Consolidated Statement of Cash Flows of the E&A Limited Group
Forecast Period	The 12 month period ending 30 June 2008
FY	Financial Year
Group Businesses	The businesses owned and operated by the Group Companies
Group Company (Companies)	Each of E&A Limited, Equity & Advisory, Panado, Louminco, Starboard Tack, Heavymech, Ottoway, Fabtech Holdings, Fabtech and Whyalla Fabrications
Heavymech	Heavymech Pty Ltd ACN 007 682 144
Heavymech Acquisition Agreement	The Agreement summarised in Section 13.2
Heavymech Business	The quality machining services business operated by Heavymech
Heavymech Lease	The Lease in respect of the Heavymech premises
Heavymech Premises	The premises located at 717 Grand Junction Road Northfield SA 5085
HIN	Holder identification number
IAR	Investigating Accountant's Report

TERM	MEANING
Insolvency Event	<p>(a) a receiver, manager, receiver and manager, trustee in bankruptcy, administrator, Controller or similar officer is appointed in respect of a person or any asset of a person;</p> <p>(b) a liquidator or provisional liquidator is appointed in respect of a corporation;</p> <p>(c) any application (not being an application withdrawn or dismissed within 7 days) is made to a court for an order, or an order is made, or a meeting is convened, or a resolution is passed, for the purpose of:</p> <p>(i) appointing a person referred to in paragraphs (a) or (b);</p> <p>(ii) winding up a corporation; or</p> <p>(iii) proposing or implementing a creditors scheme of arrangement;</p> <p>(d) any event or conduct occurs which would enable a court to grant a petition, or an order is made, for the bankruptcy of an individual or his estate under any Insolvency Provision;</p> <p>(e) a moratorium of any debts of a person, or an official assignment, or a composition, or an arrangement (formal or informal) with a not less than a majority of person's creditors in number or value, or any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person's creditors or a trustee, is ordered, declared, or agreed to, or is applied for and the application is not withdrawn or dismissed within 7 days;</p> <p>(f) a person becomes, or admits in writing that it is, is declared to be, or is deemed under any applicable law to be, insolvent or unable to pay its debts; or</p> <p>(g) any writ of execution, garnishee order, mareva injunction or similar order, attachment, distress or other process is made, levied or issued against or in relation to any asset of a person</p>
Insurance Cover	E&A Limited's Director's and Officer's liability insurance policy in place from time to time
KPMG	KPMG ABN 51 194 660 183
KPMG TS	KPMG Transaction Services (Australia) Pty Ltd ACN 003 891 718
Lead Manager and Underwriter	ABN AMRO Morgans Corporate Limited ABN 32 010 539 607
Link Market Services	Link Market Services Ltd ABN 54 083 214 537
Listing	Listing of the Shares on ASX
Listing Date	The date when E&A Limited commences trading on the ASX
Listing Rules	The listing rules of the ASX
Louminco	Louminco Pty Ltd ACN 007901 359
Louminco Business	The procurement, management and maintenance services business operated by Louminco
Louminco Premises	The premises located at 164 Plymouth Road Wingfield SA 5013
Market Capitalisation	Offer Shares multiplied by the Offer Price
Mt Isa Lease	The agreement to lease in respect of the Mt Isa Premises
Mt Isa Premises	The premises located at 164 Duchess Road Mt Isa QLD 4825
NPAT	Net Profit After Tax
Net Debt	Interest Bearing Debt less Cash
New Shareholders	Shareholders who acquire the Offer Shares
New Shares	Issue of 5,530,345 shares of the Offer Shares
Non Executive Directors	Michael Abbott, Michael Terlet and David Klingberg
Offer	Offer of Shares under this Prospectus
Offer Period	The period from the date of this Prospectus until the Closing Date
Offer Price	\$1.00 per Share
Official List	The official list of entities that the ASX has admitted and not removed from listing
Offer Shares	The 13,700,000 Shares being offered under this Prospectus
Ottoway	Ottoway Engineering Pty Ltd ACN 125 531 428
Ottoway Acquisition Agreement	The Agreement summarised in Section 13.2
Ottoway Business	The piping and fabrication engineering services business operated by Ottoway

TERM	MEANING
Ottoway Lease	The Lease in respect of the Ottoway Premises
Ottoway Option	The put and call option in respect of the Ottoway Premises
Ottoway Premises	The property located at 22 Duncan Court Ottoway SA 5013
Ottoway Shareholders	Has the meaning set out in Section 15.3.4
Panado	Panado Pty Ltd ACN 057 040 534
Panado Shareholders	Has the meaning set out in Section 15.3.2
PE	Price Earnings Ratio
Privacy Act	Privacy Act 1988 (Commonwealth)
Pro forma Price Earnings Multiple	Offer Price divided by Pro forma EPS
Prospectus	This document (including the electronic form of this Prospectus), and any supplementary or replacement Prospectus in relation to this document
Regent Street	Regent Street Properties Pty Ltd ACN 086 388 0432
Register	The E&A Limited Share Register
Registry	The Registry for this Offer is Link Market Services Pty Limited
Restructure	Has the meaning set out in 15.3.3
Settlement	The date on which the Offer Shares are allotted
Shares	Fully paid ordinary shares in the capital of E&A Limited
Shareholder	An owner of Shares
SRN	Shareholder reference number
Starboard Shareholders	Has the meaning set out in Section 15.3.3
Starboard Tack	Starboard Tack Pty Ltd ACN 099 969 632
Thomson Playford	Thomson Playford Lawyers ABN 21 442 367 363
Underwriting Agreement	The underwriting agreement entered into between the Lead Manager and Underwriter, E&A Limited and the Vendor Shareholders as at the date of this Prospectus
Vendor Shareholders	Stephen Young and his controlled or related entities
Voluntary Escrow Agreement	As defined in Section 13.4
Whyalla Acquisition Agreement	The Agreement summarised in Section 13.2
Whyalla Business	The steel fabrication business operated by Whyalla Fabrications
Whyalla Fabrications	Whyalla Fabrications Pty Ltd ACN 126 470 942
Whyalla Lease	The Lease in respect of the Whyalla Premises
Whyalla Option	The call option over the Whyalla Premises
Whyalla Premises	The premises situated at 9–12 Beerworth Avenue Whyalla SA 5600

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Application Forms



ABN 22 088 588 425

EAL IPO001

EAL IPO001

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Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

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The Australian Securities and Investment Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus.

The Prospectus contains important information about investing in the shares. You should read the Prospectus before applying for shares.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of 2,000 Shares and thereafter in multiples of 500. You may be issued all of the Shares applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, E&A Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from E&A Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHESSE participant or sponsored by a CHESSE participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHESSE for this HIN is different to the details given on this form, your Shares will be issued to E&A Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
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Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

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Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.



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Corporate Directory

Directors

Mr Stephen Young (Chairman)
Mr Mark Vartuli
Mr Michael Abbott
Mr Michael Terlet AO
Mr David Klingberg AM

Company Secretary

Mr Mark Seatree

Principal Office

Level 27, 91 King William Street
Adelaide, SA

www.ealimited.com.au

Lead Manager and Underwriter

ABN AMRO Morgans Corporate Limited
Level 29, Riverside Centre
123 Eagle Street
Brisbane QLD 4000
Phone: 134 226

Level 1
70 Hindmarsh Square
Adelaide SA 5000
Phone: 08 8464 5000

www.abnamromorgans.com.au

Financial Advisor

Equity & Advisory Ltd
Level 27, 91 King William Street
Adelaide, SA

www.equityadvisory.com.au

Legal Advisors

Thomson Playford Lawyers
101 Pirie Street
Adelaide SA 5000

Investigating Accountant

KPMG Transaction Services (Australia) Pty Limited
151 Pirie Street
Adelaide SA 5000

Share Registry

Link Market Services Limited
Level 9, 333 Collins Street
Melbourne, VIC 3000
Phone: 1300 554 474

Broker to the Offer

Taylor Collison Ltd
Level 2, 12 Pirie Street
Adelaide SA 5000
Phone: 08 8217 3900

www.taylorcollison.com.au

