



5 June 2014

**By E-Lodgement**

National Stock Exchange of Australia  
Level 2, 117 Scott Street  
Newcastle NSW 2300

Dear Shareholder

**Proportional Offer to acquire shares in Vertua Limited ("Vertua or the Company") from Joe Public Property Management Pty Ltd as Trustee for the JPPM Unit Trust ("Joe Public")**

In my capacity as Chairman of the Board I am writing to you to advise that Joe Public today announced that it intends to make a take over offer to acquire some of the issued shares of Vertua. (Joe Public's announcement is appended to this letter)

Joe Public is the party referred to in several NSX Releases as having requested access to the Company's register of members potentially for the purposes of making a takeover offer.

The terms of the proposed conditional offer are complex (particularly in relation to its proportional nature). The Board of Directors of Vertua will meet as soon as possible to consider in detail the offer and formulate a response.

During this review the Board will give the matter serious consideration and will soon advise you in writing of its recommendation including the terms of the offer and the impact on shareholders.

The directors of Vertua advise you to **take no action in relation to Joe Public's offer** or any document received from Joe Public until you have received our Target's Statement which will include our recommendation.

I will continue to keep you informed of further developments concerning the offer, as they arise. In the meantime there is no requirement for you to take any action, other than reading carefully any information Vertua sends out to you in due course.

Yours sincerely

**Howard Woolcott**  
Chairman

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**Vertua Limited** ACN 108 076 295

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# JOE PUBLIC

## PROPERTY MANAGEMENT

5<sup>th</sup> JUNE 2014

### **JOE PUBLIC ANNOUNCES INTENTION TO MAKE A \$0.09 CASH PER SHARE PROPORTIONAL 3 FOR 8 OFFER FOR VERTUA LIMITED AND INTENTION TO SEEK BOARD REPRESENTATION**

Joe Public Limited (**JOE PUBLIC NZ**), through its wholly-owned subsidiary Joe Public Property Management Pty Limited ACN 164 964 712 as trustee for the JPPM Unit Trust (**JOE PUBLIC**), is a shareholder in Vertua Limited (**Vertua**). JOE PUBLIC today announced that it intends to make a conditional, proportional off-market offer to acquire 3 out of every 8 shares held by shareholders of Vertua for \$0.09 per share (**Offer**).

If all Vertua shareholders accept the Offer, JOE PUBLIC will increase its stake in Vertua from its current 2.99% to 39.37% for a total cash consideration of approximately \$277,427.50. Further shares may be acquired before the Offer opens.

JOE PUBLIC also announced that it intends to seek representation on the Vertua board to reflect its increased stake in Vertua.

#### **An Attractive Offer**

JOE PUBLIC considers that the Offer is attractive to Vertua shareholders. The offer price of \$0.09 per share is the highest price paid for Vertua shares on the National Stock Exchange (**NSX**) in the past 6 months. The offer of \$0.09 cash per share represents:

- a 5.88% premium over the 30 day volume weighted average price of \$0.085 per Vertua share up to and including 4<sup>th</sup> June 2014; and
- a 15.86% premium over the 60 day volume weighted average price of \$0.077 per Vertua share up to and including 4<sup>th</sup> June 2014; and

**Joe Public Property Management Pty Ltd**

A.C.N. 164 964 712

C/- Dolman Bateman, Suite 801, 11 Help Street, Chatswood, NSW 2067

- a 19.86% premium over the 90 day volume weighted average price of \$0.0751 per Vertua share up to and including 4<sup>th</sup> June 2014.

In addition to the premium, the Offer gives Vertua shareholders liquidity in their shares, a strong contrast to the limited volume of Vertua shares traded on the NSX in recent times. In particular, a total of only 444,802 Vertua shares were traded in the 5 months period up to 4<sup>th</sup> June 2014 on the NSX.

### **Background to Offer**

JOE PUBLIC has been in discussions with Vertua since January 2014 with regards to the direction of the company. JOE PUBLIC has been concerned about the direction that the company has been taking, and the continued reduction in shareholder value since the arrival of the major shareholder and board director Mr. Stephen Simonds.

JOE PUBLIC has made the company, the NSX and ASIC aware of a number of breaches of the Corporations Act by Hammond & Simonds, which have not been rectified or responded to to our satisfaction.

JOE PUBLIC feels that the only way to achieve fair value and liquidity for Vertua shareholders in light of the recent trading history of the company is to make the Offer.

### **Joe Public's intentions**

JOE PUBLIC continues to support the former Managing Director, Benjamin Doyle, who JOE PUBLIC feels brings to the company significant expertise and considerable experience in the property market.

JOE PUBLIC intends to appoint two directors to represent its interest and to subsequently complete a broad-based, general review of the property development opportunities available to Vertua, both in Australia and New Zealand. JOE PUBLIC brings with it substantial experience and expertise in the Australian and New Zealand property sectors as well as ready access to capital and development opportunities.

JOE PUBLIC believes that with strong leadership and direction, Vertua shareholders will be offered the best opportunity to realise and increase the underlying value of the company and the new opportunities that JOE PUBLIC will be able to bring to the company.

### **Changes are not dependent on an increased shareholding**

JOE PUBLIC intends to continue to acquire Vertua shares both on and off- market up to the 19.9% permitted by the Corporations Act, prior to the lodgment of its bidder's statement.

JOE PUBLIC's intended changes are not dependent on acquiring further Vertua shares in this way before the Offer opens.

### **Offer Conditions**

JOE PUBLIC's Offer is conditional on:

- **(No material adverse change)** no material adverse change occurring during the condition period (being changes of the kind set out in paragraph 1.1(e) of Appendix 1);
- **(No prescribed occurrences)** no prescribed occurrence occurring during the condition period; and
- **(No regulatory action)** no regulatory action occurring during the condition period which has, or which may have, a materially adversely impact upon the Offer.

The conditions of the Offer are set out in full in Appendix 1.

### **Funding**

JOE PUBLIC NZ has agreed to provide JOE PUBLIC with all amounts JOE PUBLIC would be required to pay under the Offer under a Loan Facility Agreement. The funds required by JOE PUBLIC NZ to provide the funds under the Loan Facility Agreement will be funded from existing moneys and undrawn facilities immediately available to JOE PUBLIC NZ. In aggregate, the funds available to JOE PUBLIC NZ materially exceed the maximum cash consideration that could be required to be paid under the Offer and all associated transaction costs.

**Timing**

JOE PUBLIC expects to dispatch its bidder's statement containing detailed information relevant to the Offer to all Vertua shareholders by the end of July 2014.

**Advisers**

Banki Haddock Fiora act as legal advisers to JOE PUBLIC.

END

## **Appendix 1 – Offer Conditions**

### **1.1 Defeating Conditions**

The Offer and any contract resulting from its acceptance is subject to the following conditions being fulfilled or waived by JOE PUBLIC.

#### **a) No prescribed occurrences**

None of the following events happen in the period between the Announcement Date and the end of the Offer Period:

- i. Vertua converting all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- ii. Vertua or a subsidiary of Vertua resolving to reduce its share capital in any way;
- iii. Vertua or a subsidiary of Vertua entering into a buy-back agreement or resolving to approve the terms of a buy-back agreement under section 257C(1) of 257D(1) of the Corporations Act;
- iv. Vertua or a subsidiary of Vertua making an issue of its shares or granting an option over its shares or agreeing to make such an issue or grant such an option;
- v. Vertua or a subsidiary of Vertua issuing, or agreeing to issue, convertible notes;
- vi. Vertua or a subsidiary of Vertua disposing, or agreeing to dispose, of the whole or a substantial part of its business or property;
- vii. Vertua or a subsidiary of Vertua charging, or agreeing to charge, the whole or a substantial part of its business or property;
- viii. Vertua or a subsidiary of Vertua resolving to be wound up;
- ix. The appointment of a liquidator or provisional liquidator of Vertua or of a subsidiary of Vertua

- x. The making of an order by a court for the winding up of Vertua or of a subsidiary of Vertua;
- xi. An administrator of Vertua or of a subsidiary of Vertua being appointed under section 436A, 436B or 435C of the Corporations Act;
- xii. Vertua or a subsidiary of Vertua executing a deed of company arrangement; or
- xiii. The appointment of a receiver, or a receiver and manager in relation to the whole, or a substantial part, of the property of Vertua or a subsidiary of Vertua.

**b) No action by Public Authority adversely affecting the Offer**

During the condition period:

- i. There is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
- ii. No action or investigation is instituted or threatened by any Public Authority with respect to Vertua or any subsidiary of Vertua; and
- iii. No application is made to any Public Authority (other than an application by JOE PUBLIC or any company within the JOE PUBLIC GROUP, an application under section 657G of the Corporations Act, or an application commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Offer,

in consequence of, or connection with, the Offer, which restrains or prohibits or threatens to restrain or prohibit, or may otherwise materially adversely impact upon the making of the Offer or seeks to require the divestiture by JOE PUBLIC of any Vertua Shares, or the divestiture of any assets by Vertua or by any subsidiary of Vertua or by any company within the JOE PUBLIC GROUP.

c) No material adverse change

- i. During the Condition Period, no matter, event or circumstance occurs, is announced or becomes known to Vertua (whether or not it becomes public) where that matter, event or circumstance has, has had, or could reasonably be expected to have, individually or when aggregated with all such matters, events or circumstances, the result that net profit after tax of the Vertua Group for any 12 month period (including the 12 months ending 30<sup>th</sup> June 2014) reduces or adversely affected by at least \$100,000.00,

except it does not include any event, change, condition, matter or thing which:

- ii. Was fully, fairly and accurately disclosed by Vertua before the Announcement Date in a public filing with the NSX or fully, fairly and accurately disclosed by Vertua in writing to JOE PUBLIC or JOE PUBLIC NZ before the Announcement Date, provided that in each case such disclosure was not misleading or deceptive in any material respect (including by omission); or
- iii. Is expressly consented to in writing by JOE PUBLIC or JOE PUBLIC NZ for the purpose of this condition.

## 1.2 Definitions

The following definitions apply in interpreting the Defeating Conditions:

**Announcement Date** means 5 June 2014

**Bid** means an off-market proportional takeover bid by JOE PUBLIC to acquire three out of every eight of each Vertua shareholders' Vertua shares under Chapter 6 of the Corporations Act.

**Condition Period** means the period beginning on the Announcement Date and ending at the end of the Offer Period.

**Corporations Act** means the Corporations Act 2001 (Cth), any regulations made under that Act and as modified by any relevant exemption or declaration by ASIC.



**Hammond & Simonds** means Hammond & Simonds Pty Ltd ACN 099 872 812.

**JOE PUBLIC** means Joe Public Property Management Pty Ltd ACN 164 964 712.

**JOE PUBLIC NZ** means Joe Public Limited, a company incorporated in New Zealand.

**JOE PUBLIC GROUP** means JOE PUBLIC and each of its related bodies corporate.

**NSX** means the National Stock Exchange of Australia.

**Offer** means each offer to acquire three out of every eight of each Vertua shareholder's Vertua shares to be made by JOE PUBLIC to Vertua shareholders in connection with the Bid.

**Offer Period** means the period in which Offers will remain open for acceptance.

**Public Authority** means any federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, administrative, statutory or judicial entity, arbitral body, commission, board, bureau or authority or agency.

**Related Body Corporate** has the meaning given in the Corporations Act.

**Shares** means fully paid class A ordinary shares in Vertua.

**Subsidiary** has the meaning given in the Corporations Act.

**Vertua** means Vertua Limited ACN 108 076 293.

References to \$ are references to Australian currency, unless stated otherwise.