

Flagship Investments Limited

ABN 99 080 135 913

Level 12, Corporate Centre One
2 Corporate Court
BUNDALL QLD 4217

PO Box 7536
GCMC
BUNDALL QLD 9726

Telephone 07 5644 4405
Facsimile 07 5574 1457

www.flagshipinvestments.com.au

26 February 2015

The Manager
Company Announcements Office
ASX Ltd
Exchange Centre
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Share Purchase Plan – documentation issued

Flagship Investments Limited (ASX: FSI) (**Company**) announced its intention to proceed with a share purchase plan (**SPP**) to the market on Monday, 23 February 2015. The record date to be registered as a shareholder for participation in the SPP is Friday, 20 February 2015.

The Company is now in the process of mailing to its Shareholders full plan documentation and, as required by the ASX Listing Rules, we are releasing this documentation to the market.

The following documents are being mailed to Shareholders:

- (a) offer letter;
- (b) SPP terms and conditions; and
- (c) application form.

Copies of these documents are **attached** to this release.

Yours faithfully



I W Harrison
Company Secretary

INVESTMENT OVERVIEW

OFFER DETAILS

Issue Price	A\$1.51 per Share
Application Amounts	Minimum of A\$500 (Minimum Application Amount) with staged increments of \$1,000 up to a maximum of A\$15,000 (Maximum Application Amount)
Record Date	7.00 pm AEDT 20 February 2015
Closing Date	5.00 pm AEDT 18 March 2015
Allotment Date	24 March 2015
Holding Statement Dispatch Date	24 March 2015
Quotation Date	25 March 2015

INTENDED USE OF FUNDS

The proceeds raised from this SPP will be invested in the portfolio and otherwise to generate working capital to strengthen the Company's balance sheet.

RISKS

Before making an investment decision, you should read the SPP terms and conditions set out below. The Company considers that the major risks associated with an investment in the Company include that the:

- 1 Australian securities market is subject to economic and financial considerations and the performance of the overseas financial markets. A downturn in the Australian economy would likely impact negatively on the Australian securities market and consequently on the performance of the Company;
- 2 size and constitution of the Company's investment portfolio may affect the risk of the portfolio. Investors are reliant upon investment choices made by the Manager in achieving diversity;
- 3 Company depends on the talent and experience of the Managing Director and Manager and to assess business risks and invest in Companies which themselves will become more profitable and successful in the future which will maintain investment performance;
- 4 Company's investment portfolio may be less diversified than other listed investment companies; and
- 5 price at which the Company's shares are trading on the ASX may continue to be below the NTA.

The past performance of the portfolio is not necessarily a guide to future performance of the Company

TERMS AND CONDITIONS

HOW DO I ACCEPT?

To participate, you should either:

- (a) return your Application Slip, together with a cheque, payable in Australian dollars to “Flagship Investments Limited” and crossed “Not Negotiable”; or
- (b) pay the Application Amount via BPAY, so that payment is received by 5.00 pm **AEDT on Wednesday 18 March 2015.**

BPAY instructions are set out on the Application Form. If you use BPAY, you do not need to return your Application Slip. Please make sure you use the specific Biller Code and unique Reference Number on your personalised Application Form. Your financial institution may implement earlier cut-off times with regard to electronic payment. You should take this into consideration when making payment.

If paying by cheque, use the reply paid envelope or deliver it to the address set out below. Applications received after the Closing Date will not be accepted.

Flagship Investments Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001

Funds received for applications by cheque or BPAY will be regarded as applications for the maximum number of Shares that those funds will pay for in full.

Importantly, while participation in the plan is optional, once applications are submitted, they cannot be withdrawn.

The Company’s market price may vary at any time during the offer period and the Company’s Shares may trade at a price that is lower than the Issue Price. Accordingly, you accept the risk that the market price of the Company’s Shares may fall below the Issue Price between the date of this offer and the Allotment Date, in which case you may have been able to buy the Shares at a lower price than the Issue Price.

By making an application, you represent to the Company the matters set out under the heading ‘Your Representations’ in these terms and conditions and in the Application Form.

HOW MANY SHARES?

Eligible Shareholders will receive the number of Shares equal to the Application Amount (subject to any scale-back) divided by the Issue Price. Fractions will be rounded down, and the difference (being any amount less than the Issue Price) may be retained by the Company.

The Issue Price does not exceed the limit prescribed by Listing Rule 7.2 (Exception 15) and ASIC Class Order 09/425 (as varied) (**Class Order**).

Shares issued under the SPP may be sold or transferred on the ASX at any time after the Quotation Date.

ELIGIBILITY TO PARTICIPATE

Participation in the SPP is optional and open to the Company’s Shareholders who, at 7.00 pm AEDT on Friday 20 February 2015 (**Record Date**), were Shareholders with a registered address in Australia or New Zealand (**Eligible Shareholders**).

Multiple holdings

If you are the only registered holder of the Company’s Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply in aggregate for a maximum of \$15,000 worth of Shares.

Joint holders

If you are a joint holder of the Company’s Shares, that joint holding is considered to be a single registered holding for the purpose of the SPP, and you are entitled to participate in the SPP in respect of that single holding only. If you are a joint holder and you receive more than one offer under the SPP, you may only apply in aggregate for a maximum of \$15,000 worth of Shares.

Trustee or nominee

If you are expressly noted on the Company’s share register as a trustee or nominee for a named beneficiary, you may only apply for one maximum parcel of Shares for each named beneficiary. If the Company’s share registry does not record a named beneficiary in respect of your trustee or nominee holding, the rules for multiple single holdings apply.

Custodians

If you are a custodian within the definition of 'custodian' in the Class Order and hold the Company's Shares on behalf of one or more persons (each a **Participating Beneficiary**), or on behalf of another custodian of the Company's Shares, you may apply for up to a maximum of \$15,000 worth of Shares for each Participating Beneficiary, subject to providing the Company a 'custodian certificate' in addition to the Application Slip, which certifies matters required by the Class Order. Please contact the Share Registry on 1800 095 862 or custodians@computershare.com.au to obtain the form of the custodian certificate.

Directors

Directors of the Company who are Eligible Shareholders may participate in the SPP.

OTHER INFORMATION

The Offer is non renounceable, which means that you cannot transfer your right to purchase Shares under the SPP to anyone else. Shares issued under the SPP will rank equally in all respects with existing fully paid Shares.

The SPP is intended to be a one-off offer to Eligible Shareholders, giving them an opportunity to purchase additional Shares without transaction costs or brokerage. However, the Board retains the right to make similar offers under future share purchase plans.

SCALE-BACK

The Company may, in its absolute discretion, scale-back applications under the SPP (including for the purpose of complying with Listing Rule 7.2, Exception 15) to the extent and in the manner that it sees fit, so that not more than 30% of the number of Shares already on issue are issued under the Plan.

A scale-back is a reduction in the allotments of Shares under the Plan (compared to the parcels applied for) that the Company may undertake if it receives applications under the SPP for more shares than it wishes to issue.

Factors that the Company may take into account in determining any scale-back include, compliance with regulatory requirements, the amount applied for by each Shareholder under the SPP, the number of Shares held at the Record Date and whether the

Shareholder remains on the register at the close of the SPP offer period. The Company may scale-back applications below the Minimum Application Amount. Scale-back decisions are made by the board and are final.

In any scale-back, the difference between the value of the Shares allotted and the Application Amount paid to the Company (only where the amount is greater than the Issue Price) will be refunded by cheque and mailed to you as soon as practicable following the Allotment Date. Any scale-back will be announced on the Allotment Date. No interest will be paid on any Application Amount received or refunded.

ASX QUOTATION

Following the issue and allotment of Shares under the SPP, the Company will apply to ASX for quotation of the Shares on the Official List and send an allotment notice to the Eligible Shareholder's registered address.

NO COSTS

Eligible Shareholders may subscribe without incurring brokerage costs, commission or other transaction costs.

THE COMPANY'S RIGHTS

The Company may reject any application for Shares under the SPP, which it believes does not comply with these terms and conditions, including where it appears that you are not an Eligible Shareholder, if a cheque is returned unpaid, the Application Form has not been properly completed, or where there are grounds for believing that the applicant is not acting in good faith. The Company may modify, suspend or cancel the SPP at any time. If the Company does this it will notify the ASX. If the SPP is cancelled all application money will be refunded to Shareholders without interest. Neither the Company nor the Board accepts or assumes any liability to Shareholders because of the variation, suspension or termination of the Plan.

The Company may settle, in any manner it deems fit, any anomalies or disputes in connection with the SPP and such decision shall be conclusive and binding on all applicants. The Company reserves the right to waive strict compliance with these terms and conditions.

YOUR REPRESENTATIONS

By completing and returning the Application Form or by making a BPAY payment, you:

- certify to the Company that you are an Eligible Shareholder;
- authorise the Company (and its officers and agents) to correct any error in, or omission from, your Application Slip and to complete an incomplete Application Slip;
- accept the risks associated with any refund that may be sent to your address or to your nominated bank account as shown on the Company's share register;
- acknowledge that the Company may at any time determine that your Application Slip is valid, even if the Application Slip is invalid;
- irrevocably and unconditionally agree to these terms and conditions; and
- acknowledge that the Company is not liable for any exercise of its discretions referred to in these terms and conditions.

OTHER IMPORTANT INFORMATION

This document is not an offer of securities in any place outside Australia or New Zealand and does not take into account your individual investment objectives, financial situation or particular needs. An investment in the Company is speculative. Therefore, you may want to obtain independent financial and taxation advice before making an investment decision. Full details of the SPP and how to participate in the SPP are set out in this booklet and the Application Form. The Company encourages you to read these two documents carefully.



Flagship Investments Limited
ABN 99 080 135 913

For all enquiries:

Phone:
 (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000

┌ 000001 000 FSI
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:

 See overleaf for details of the Offer and how to make your payment

Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (AEDT) 18 March 2015**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Flagship Investments Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Flagship Investments Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$15,000.

Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESSE sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Note that shares may be purchased in increments of \$1000 subject to purchase of the minimum value and not exceeding the maximum value. Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Flagship Investments Limited SPP Application Form
Payment must be received by 5:00pm (AEDT) 18
March 2015

Flagship Investments Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Flagship Investments Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Flagship Investments Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Flagship Investments Limited does not notify you of that event.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Flagship Investments Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer



Share Purchase Plan Application Form

X 9999999991

IND

STEP 1 Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **7:00pm (AEDT) 20 February 2015**

Minimum value available to purchase: **\$500**

Maximum value available to purchase: **\$15,000**

STEP 2 Make Your Payment

 Biller Code: 240184
Ref No: 1234 5678 9123 4567 89

Pay by Mail:

 Make your cheque, bank draft or money order payable to "**Flagship Investments Limited**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:

Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Contact your financial institution to make your payment from your cheque or savings account.

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (AEDT) 18 March 2015. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Flagship Investments Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (AEDT) 18 March 2015. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor the Flagship Investments Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Purchase Details for Flagship Investments Limited

Amount between \$500 and \$15,000 in \$1000 increments

A\$



You may apply for securities in \$1000 increments from a minimum of \$500 up to a maximum of \$15,000.

Entitlement No: 12345678

Payment must be received by 5:00pm (AEDT) 18 March 2015

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

123456789123456789+0000000001-3051+14