Prospectus

Babylon Pump & Power Limited

(ACN 009 436 908)

Partially underwritten pro-rata non-renounceable rights offer

This Prospectus contains:

(i) a pro rata non-renounceable entitlement offer of up to approximately 253,919,074 Shares at an issue price of $0.05 per Share to Eligible Shareholders to raise up to approximately $12.7 million (before costs) on the basis of two (2) new Shares for every one (1) Share held as at the Record Date (**Offer**); and

(ii) an offer to Eligible Shareholders (and other investors) to apply for Shares comprising Shortfall Shares not applied for and issued under the Offer at an issue price of $0.05 per Share (**Shortfall Offer**).

The Offer is partially underwritten by Leeuwin Wealth as to $7.27 million[1] and is subject to a minimum subscription of 145.4 million Shares being subscribed for under the Offer/Shortfall Offer by the Offer Closing Date (**Minimum Subscription**).

The Offer is conditional on Shareholders approving the Offer at a Shareholders meeting to be held on Friday 21 August 2026 (**General Meeting**). If Shareholder approval is not obtained, the Offer will not proceed and all Application Monies will be refunded as soon as practicable.

The Offer closes at 5.00pm (AWST) on Monday 24 August 2026 unless extended or withdrawn in accordance with the ASX Listing Rules.

The Prospectus includes a number of ancillary offers to specific investors as detailed in Sections 4.20, 4.21 and 4.22.

Joint Lead Manager – Leeuwin Wealth

Joint Lead Manager – Cumulus Wealth

IMPORTANT NOTICE

This Prospectus is important and should read it in its entirety before deciding to participate in any Offers. If, after reading this Prospectus, you have any questions about the Shares being offered under this Prospectus or any other matter, you should consult your stockbroker, accountant, solicitor or other professional adviser. The Shares offered by this Prospectus should be considered highly speculative.

[1] Comprising $2.5 million in cash subscriptions and $4.77 million in debt for equity swaps, increasing to $8.5 million, including $6.0 million of debt for equity swaps, if Shareholders do not approve the issue of the Deferred Consideration Shares at the General Meeting. Refer to Sections 2.5 and 8.5.5.3 for details.

IMPORTANT NOTICES

General

This Prospectus is dated 21 July 2026 and was lodged with ASIC on that date with the consent of all Directors. None of ASIC, ASX or their respective officers or employees takes any responsibility for the contents of this Prospectus.

This Prospectus is important and should be read in its entirety before deciding to participate in the Offer, the Shortfall Offer, the Convertible Loan Options Offer or the Underwriter Options Offer (together the **Offers**). In particular, you should consider the risk factors set out in Section 7 of this Prospectus in light of your personal circumstances (including financial and taxation issues) and seek advice from your accountant, financial advisor, stockbroker, lawyer, tax advisor or other independent and qualified advisor if you have any questions.

Transaction Specific Prospectus

In preparing this Prospectus, regard has been had to the fact the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisors. This Prospectus is a transaction specific prospectus prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and it is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to ASX.

No Exposure Period

An exposure period does not apply to the Offers.

Expiry Date

No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

Not financial product advice

The information in this Prospectus is not financial product advice and has been prepared without taking into account your financial and investment objectives, financial situation or particular needs (including financial or taxation issues).

Some of the risks that investors and their professional advisors should consider before deciding whether to invest in the Company are set out in Section 7 of this Prospectus. There may be additional risks to those that should be considered in light of your personal circumstances.

Disclaimer

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

Except to the extent required by law, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company, the payment of a return on the Shares or the future value of the Shares. The business, financial condition, operating results and prospects of the Company may change after the date of this Prospectus. You should be aware that past performance is not indicative of future performance. Any new or change in circumstances that arise after the date of this Prospectus will be disclosed by the Company to the extent required and in accordance with the Corporations Act.

Eligible Shareholders

The Offer is being made to all Shareholders as at the Record Date.

Overseas Shareholders

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of law.

No action has been taken to permit a public offer under this Prospectus in any jurisdiction other than Australia.

This Prospectus may not be distributed to any person, and the securities offered may not be offered or sold, to registered shareholders in any country outside Australia except to the extent permitted below.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these Securities is being made in reliance on the *Financial Markets Conduct Act 2013* and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Singapore

This document and any other materials relating to the new Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the new Shares may not be issued, circulated or distributed, nor may the new Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are (i) an existing shareholder of the Company; (ii) an "institutional investor" (as such term is defined in the SFA) or; (iii) an "accredited investor" (as such term is defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the new Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire new Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the new Shares may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly, the offer of new Shares is being made on a private placement basis to existing Shareholders of the Company and does not constitute a public offering in Mauritius. As such, this Prospectus has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. This Prospectus is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

Notice to custodians and nominees

The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offers is compatible with applicable foreign laws.

Completion of an Application Form, or payment by BPAY® or EFT in accordance with an Application Form, will be taken by the Company to constitute a representation that there has been no breach of those requirements.

Nominees and custodians may not distribute this Prospectus and may not permit any beneficial shareholder to participate in the Offers in any country outside Australia to beneficial shareholders resident in other countries unless lawful and practical for the Company to make the Offers.

Applications for Shares

Applications for Securities offered pursuant to this Prospectus can only be submitted in accordance with the instructions on a relevant Application Form.

Obtaining a copy of this Prospectus

You can obtain a copy of this Prospectus, free of charge, by contacting Automic Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414, during normal business hours or by email at corporate.actions@automicgroup.com.au.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone Automic Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414, or by email at corporate.actions@automicgroup.com.au and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at http://www.babylonpumpandpower.com.

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

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

The Offers contemplated by this Prospectus are only available in electronic form to persons receiving an electronic version within Australia or otherwise in a country where it is lawful for the Offers to be made under the Prospectus.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, except where permitted by the Corporations Act, you cannot withdraw your Application once it has been accepted.

Defined Terms

A number of terms used in this Prospectus are defined in Section 10 of the Prospectus.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company and the Underwriter will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (http://www.babylonpumpandpower.com). By making an application, under an Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Risk factors

Potential investors should be aware that subscribing for and holding Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed companies not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities.

Forward-looking statements

Some of the statements appearing in this Prospectus are in the nature of forward looking statements, including statements of intention, opinion and belief and predictions as to possible future events. Such statements are not statements of fact and are subject inherent risks and uncertainties (both known and unknown) which may or may not be within the control of the Company. You can identify such statements by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and are predictions or indicative of future events.

Although the Directors believe these forward looking statements (including the assumptions on which they are based) are reasonable as at the date of this Prospectus, no assurance can be given that such expectations or assumptions will prove to be correct. Actual outcomes, events and results may differ, including due to risks set out in Section 7 of this Prospectus.

The Company and its Directors, officers, employees and advisors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company does not intend to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

Contents

1. Corporate directory

Directors

James Cullen
(Non-Executive Chair)

Michael Shelby
(Managing Director)

Patrick Maingard
(Non-Executive Director)

Chris Radin
(Non-Executive Director)

Joint Company Secretaries

Josh Merriman

Kate Stoney

Registered office

1 Port Place
High Wycombe WA 6057

Telephone: (08) 9454 6309
Email:
admin@babylonpumpandpower.com
Website: www.babylonpumpandpower.com

Share Registry*

Automic Registry Services

Level 5
191 St Georges Terrace
Perth WA 6000

Telephone: (02) 9698 5414
Email: hellocorporate.actions@automic.com.au
Website: www.automicgroup.com.au

Auditor*

BDO Audit Pty Ltd

Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Solicitors

EMK Lawyers
Suite 1
519 Stirling Highway
Cottesloe WA 6012

Joint Lead Manager/Partial Underwriter

Leeuwin Wealth Pty Ltd
AFSL 561 674
Suite 1
1292 Hay Street
West Perth WA 6005

Joint Lead Manager

Cumulus Wealth Pty Ltd
AFSL 524 450
Level 7
330 Collins Street
Melbourne VIC 3000

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

2. Key Offer Information

2.1 Indicative Timetable

Action	Date
Lodge Prospectus with the ASIC and ASX	Tue 21 July 2026
Ex-date for Offer	Fri 24 July 2026
Record Date for determining Entitlements	7.00pm (AEST) Mon 27 July 2026
Prospectus and Application Forms made available and announced to ASX Offer and Shortfall Offer open	Thu 30 July 2026
Last day to extend Offer Closing Date	Before 12.00pm (AEST) Wed 19 August 2026
Shareholder meeting	10am (WST) Fri 21 August 2026
Closing Date of the Offer*	(5.00pm WST) Mon 24 August 2026
Shares quoted on a deferred settlement basis	Tue 25 August 2026
Announcement of results of the Offer* Issue date of Shares under the Offer to Eligible Shareholders and to Underwriter or nominees Lodgement of Appendix 2A and Appendix 3G	Fri 28 August 2026

* The dates above are indicative only and are subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Offer Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

2.2 Effect of Offer on capital structure[1]

Shares	Minimum Subscription	Fully Subscribed
Shares on issue at the date of this Prospectus	126,959,537	126,959,537
Shares offered under the Offer[2]	145,400,000	253,919,074
Total Shares on issue after completion of the Offer	**272,359,537**	**380,878,611**
Deferred Consideration Shares[3]	24,600,000	24,600,000
Convertible Loan Shares[4]	0	20,000,000
Service Shares[5]	1,000,000	1,000,000

Total Shares on issue[6]	297,959,537	426,478,611
Options	**Minimum Subscription**	**Fully Subscribed**
Options on issue at the date of this Prospectus	Nil	Nil
Options offered pursuant to the Offer	Nil	Nil
Underwriter Options (exercise price $0.10, expiring 3 years from issue)[7]	23,333,333	23,333,333
Total Options on issue after completion of the Offer	**23,333,333**	**23,333,333**
Convertible Loan Options (exercise price $0.10, expiring 3 years from the date of issue)[8]	20,000,000	20,000,000
Total Options on issue	**43,333,333**	**43,333,333**

Notes:

1 Based on the capital structure of the Company as at 20 July 2026, the last practical date prior to lodgement of this Prospectus (**Last Practicable Date**) and based on the Assumption.

2 The number of Shares to be issued depends on the total number of Shares on issue, and the number of Eligible Shareholders, at the Record Date, and the effect of rounding. The Minimum Subscription is anticipated to comprise $2.5 million in cash subscriptions and $4.77 million of short term debt is discharged by way of sub-underwriting as detailed in Section 4.6 (**Debt Conversion**).

3 Subject to Shareholder approval, being sought at the General Meeting. Under the Blue Hire SSA, Byron Ynema and Royal Haze Pty Ltd (**Royal Haze**) (together, the **Blue Hire Vendors**) are expected to become entitled, before completion of the Offer, to total deferred consideration for the sale of Blue Hire (as announced to ASX on 1 August 2025) of $8.2 million (**Deferred Consideration**), comprising $6.97 million in cash (**Deferred Cash**) and, subject to Shareholder approval (being sought at the General Meeting) $1.23 million in Shares (**Deferred Consideration Shares**). If Shareholder approval is obtained, 24,600,000 Shares will be issued (at a deemed issue price of $0.05 per Share) as Deferred Consideration Shares on the date the Offer is completed. Byron Ynema will receive 31.12% of the Deferred Consideration Shares and Royal Haze 68.88%. If Shareholder approval for the Deferred Consideration Shares is not obtained, they will not be issued and the Deferred Cash owed will increase to $8.2 million, the Underwriting will increase to $8.5 million and the $3.77 million of Subordinated Sub-underwriting by the Blue Hire Vendors will increase to $5.0 million. This is intended to allow the Company to comply with the NAB Condition requiring at least $5.0 million of the Deferred Consideration to the Blue Hire Vendors to be satisfied by the issue of Shares. Refer to Sections 4.6, 8.5.4, 8.5.5.3 and 8.5.6 for further details.

4 The Company has raised $1.0 million in convertible loans (**Convertible Loans**), with each lender (**Convertible Loan Lender**) agreeing to sub-underwrite the Offer up to the amount of its Convertible Loan by way of debt for equity conversion (**Convertible Loan Sub-underwriting**). Refer to Section 4.6 for further details and Sections 8.5.1 and 8.5.5 of this Prospectus for summarise of the Convertible Loan Agreements and Convertible Loan Sub-underwriting Agreements. The Minimum Subscription assumes the Convertible Loan Sub-underwriting is fully called on and the Convertible Loans fully discharged rather than being converted into Shares. To the extent more than $2.5 million in cash subscriptions are received, the Convertible Loan Sub-underwriting will not be fully called on, and Convertible Loans will not be fully discharged via the Convertible Loan Sub-underwriting but the Convertible Loan Lenders may elect to convert any outstanding Convertible Loan (and accrued interest) into Shares at $0.05 per Share at the same time the Offer completes. The Full Subscription assumes that all the Convertible Loan Lenders elect to convert their Convertible Loans in this manner (up to a further ~36,000 Shares will be issued in satisfaction of accrued and unpaid interest in this scenario).

5 Subject to obtaining Shareholder approval at the General Meeting, 1,000,000 Shares will be issued to Director Jamie Cullen (or his nominee) for services rendered.

6 Subject to Shareholder approval at the General Meeting, up to an aggregate maximum total of 4,766,660 Shares (**Director Fee Shares**) may be issued following completion of the Offer, with the actual number depending on the extent, if any, to which Non-Executive Directors agree to be

issued Director Fee Shares in satisfaction of their accrued and unpaid Director fees for calendar year 2026 and the VWAP Share price that applies at the time Shares are issued.

7 Under the Underwriting Agreement, the Company has agreed, subject to Shareholder approval (being sought at the General Meeting) to issue the Underwriter or its nominees, on successful completion of the Offer, with 23,333,333 million unlisted Options ($0.10 exercise price, 3 year term) (**Underwriter Options**) in part consideration for acting as Underwriter to the Offer. Refer to Section 6.2 for the terms and conditions of the Underwriter Options. If Shareholders do not approve the issue of the Underwriter Options, the deemed value of the Underwriter Options (being 1.885 cents each) will be payable to the Underwriter (or its nominees). Refer to Section 8.5.4 of this Prospectus for a summary of the Underwriting Agreement.

8 Under the Convertible Loan Agreements, the Company will issue, subject to Shareholder approval (being sought at the General Meeting) the Convertible Loan Lenders with unlisted Options ($0.10 exercise price, 3 year term from issue) (**Convertible Loan Options**), with the number issued to each Convertible Loan Lender being determined by dividing the Convertible Loan Lender's Advance by $0.05. Refer to Section 6.2 for the terms and conditions of the Convertible Loan Options. If Shareholder approval for the Convertible Loan Options is not obtained, the agreed value of the Convertible Loan Options (being 1.885 cents each) that are not issued to a Convertible Loan Lender will be added to their Convertible Loan Advance and be repayable in July 2027 subject to the NAB Subordination Deed.

2.3 Key Risks

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out below with additional risks specified in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares and Options in the future.

The following is a summary of the key risk factors (please refer to Section 7 of this Prospectus for a more extensive list of risk factors):

(a) **Reinstatement to Trading**

The Company's Shares were suspended from trading at the Company's request on 22 April 2026. Upon successful completion of the Offer, the Company intends to apply to ASX to lift the suspension from quotation of its securities.

If the Minimum Subscription is achieved, the Company considers it will be in a sufficient financial position for the suspension in trading of its Shares to be lifted by ASX, noting that the resumption of trading is subject to ASX being satisfied (in its discretion) that the Company is in compliance with the Listing Rules, including Listing Rule 12.2. Given the decision is in the ASX's sole discretion, no assurance can be given that the voluntary suspension will be lifted.

If ASX were to refuse to restate the Company's Shares to trading, investors would be unable to exit their investment by trading on the ASX unless and until such time as the ASX was satisfied that the suspension should be lifted.

(b) **Dilution**

Upon completion of the Offer, assuming that the Offer is fully subscribed, the number of Shares in the Company will increase from 126,959,537 currently on issue to 380,878,611. This means that each Share will represent a significantly lower proportion of the ownership of the Company and a Shareholder who does not take up its Entitlement will be diluted by 66.67%.

(c) **Going Concern**

The Company's Half Yearly Report for the half year ended 31 December 2025 (**Half Yearly Report**) included notes on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.

The continuing viability of the Company and its ability to continue as a going concern and meet its debts and commitments as and when they fall due are dependent on a number of factors, including:

(i) the successful completion of the Offer and associated Debt Conversion;

(ii) the ability of the Company to maintain or improve underlying levels of activity;

(iii) the ability of the Company to maintain or improve operational throughput and efficiencies across the organisation and maintain or improve levels of utilisation of rental assets; and

(iv) the successful sourcing of funding to support growth capital expenditure.

In the Half Yearly Report, the Company recorded a loss of $875,554, after adding back acquisition related deferred consideration and impairment of the Pilbara Truck Pty Ltd business. The Company also recorded net cash inflows from operating activities of $4,239,912 and net current liabilities of $4,987,240.

The Directors believe that if the Minimum Subscription is achieved, the Company will have sufficient funds to adequately meet the Company's working capital needs.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial statements.

(d) **NAB Conditions**

The Company's principal loan facilities are provided by National Australia Bank Limited (**NAB**) and are subject to a General Security Agreement over all present and future rights, property and undertakings of the Group. As announced to ASX on 24 June 2026, NAB has agreed to waive the Company's $1.0 million June and September 2026 quarterly repayments, reduce quarterly payments going forward and extend the maturity date of the Company's facilities to 1 July 2027, subject to the following conditions (**NAB Conditions**)[2]:

(i) the Company completing the Offer by 31 August 2026, resulting in the Company raising cash equity of not less than $3.5 million, with $1.20 million to be paid to NAB on completion of the Offer; and

(ii) at least $5.0 million of the Deferred Consideration owed before completion of the Offer to the Blue Hire Vendors being satisfied

[2] The Company must also dispose of its maintenance business by 14 August 2026.

through the issue of Shares, with any additional Deferred Cash payment (being no more than $4.33 million) deferred post 1 July 2027 after the extended maturity date for NAB's revised facilities.

The Offer is intended to allow the Company to satisfy the NAB Conditions. If the Offer is not able to be successfully completed by 31 August 2026 (or such later date as NAB may agree) or the NAB Conditions are otherwise unable to be satisfied, NAB may treat this as a breach of the Company' revised facilities with the potential for NAB to exercise its rights under its secured loan facilities.

(e) **Executive Management**

The responsibility of overseeing the day-to-day operations and the Company's strategic management depends substantially on its senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(f) **Additional requirements for capital**

The Company believes that the funds raised under the Offer, together with existing cash flow, will be sufficient to meet working capital requirements if only the Minimum Subscription is achieved.

The Offer is intended to reduce debt and provide working capital to stabilise operations and reposition the Company following the recapitalisation to support the raising of additional funds if and when required.

If required, any additional equity financing may dilute shareholdings. Any debt financing, if available, may involve restrictions on the Company's activities. If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations or dispose of assets, as the case may be.

The Company's ability to raise funds through the issue of Shares or other securities is subject to share market conditions from time to time.

There is no certainty that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company and its Shareholders. If the Company is unable to raise additional funds when required, it may not be able to continue as a going concern.

The Company may require additional capital in the future to continue operations, implement operational improvements and pursue its business strategy.

The Company's future capital requirements, and the Company's ability to satisfy those requirements, depend on numerous factors, many of which are beyond the control of the Company.

2.4 Related Party benefits

A Convertible Loan Lender, and Partial Sub-underwriter by way of Convertible Loan Sub-underwriting, is Kahala Holdings Pty Ltd (**Kahala**), an entity controlled by Non-Executive Chairman, Mr Jamie Cullen (**Mr Cullen**), and therefore a related party of the Company.

The $150,000 Convertible Loan provided by Kahala (**Related Party Convertible Loan**) is on the same terms as other Convertible Loan Lenders, save that conversion is subject to Shareholder approval that is being sought at the General Meeting. The Convertible Loan Sub-underwriting is on the same terms as the other Convertible Loan Sub-underwriting,

Kahala will, subject to Shareholder approval, be issued 3,000,000 Shares if the Related Party Convertible Loan is fully converted/discharged and 3,000,000 Convertible Loan Options, Kahala will also be issued, subject to Shareholder approval, 1,000,000 Underwriter Options.

Refer to Sections 4.6, 8.5.1 and 8.5.5 of this Prospectus for further details on the Convertible Loans and Convertible Loan Sub-underwriting.

2.5 Substantial Shareholder benefits

(a) **Convertible Loan Lenders / Convertible Loan Sub-underwriters**

The following two entities associated with substantial shareholders in the Company (5%+) are Convertible Loan Lenders (each having loaned $250,000 to the Company), and Partial Sub-underwriters of the Offer by way of Convertible Loan Sub-underwriting:

(i) TH Rose & Sons Pty Ltd (**TH Rose**), an Associate of Byron Ynema (**Mr Ynema**) who, with his Associates, hold an 8.66% Shareholding; and

(ii) Belgravia Strategic Equities Pty Ltd (**Belgravia**), an Associate of Geoffrey Lord (**Mr Lord**) who, with his Associates, hold a 24.80% Shareholding.

The Convertible Loans and Convertible Loan Sub-Underwriting Agreements are on same terms as for other Convertible Loan Lenders and Convertible Loan Sub-underwriters

TH Rose and Belgravia are each entitled to be issued 5,000,000 Shares (if their Convertible Loans are fully converted/discharged) and, subject to Shareholder approval (being sought at the General Meeting), 5,000,000 Convertible Loan Options. They will also each be issued, subject to Shareholder approval, 1,666,667 Underwriter Options. No sub-underwriting fees are payable to the Convertible Loan Sub-underwriters.

Refer to Sections 4.6, 8.5.1 and 8.5.5 of this Prospectus for further details on the Convertible Loans and Convertible Loan Sub-underwriting.

(b) **Subordinated Sub-underwriters**

Mr Ynema and his Associate Royal Haze Pty Ltd (**Royal Haze**) (together the **Blue Hire Vendors**) (being 8.66% Shareholders) are anticipated to become entitled, before completion of the Offer, to $8.2 million of Deferred

Consideration of which $6.97 million is Deferred Cash and, subject to Shareholder approval (being sought at the General Meeting), $1.23 million will be satisfied through the issue of 24.6 million Deferred Consideration Shares on completion of the Offer. Refer to Section 8.5.6 for further details.

The Blue Hire Vendors have agreed with the Underwriter to provide up to $3.77 million in subordinated sub-underwriting of the Offer, to be satisfied by debt for equity conversion of Deferred Cash (**Subordinated Sub-underwriting**). No fees or benefits are payable to the Blue Hire Vendors for this sub-underwriting. The Subordinated Sub-underwriting will not be relieved by the first $7.5 million of cash subscriptions received under the Offer.

If Shareholders do not approve the issue of the Deferred Consideration Shares, the Deferred Cash owed to the Blue Hire Vendors will increase to $8.2 million, the Underwriter has agreed to increase the Underwritten Amount by $1.23 million to $8.5 million and the Subordinated Sub-underwriting will increase to $5.0 million to be satisfied by debt for equity conversion of Deferred Cash. This is intended to allow the Company to comply with the NAB Condition requiring at least $5.0 million of the Deferred Consideration to the Blue Hire Vendors to be satisfied by the issue of Shares.

Refer to Section 8.5.5 of this Prospectus for further details on the Subordinated Sub-underwriting.

If the Convertible Loan Sub-underwriting by TH Rose, and the Subordinated Sub-underwriting by the Blue Hire Vendors, are fully effected, Mr Ynema and his Associates will increase their Voting Power in the Company from 8.66% as at the Last Practicable Date to up to 38.93% on a Minimum Subscription basis. Refer to Sections 5.7 and 5.8 of this Prospectus for further details on the effect of the Offer on control of the Company.

Joint Lead Manager and Corporate Advisor

Cumulus Wealth, a 12.13% Shareholder, has been appointed a Joint Lead Manager and Corporate Advisor to the Offer and is entitled to fees under the JLM Mandate as detailed in Section 8.5.3 of this Prospectus.

3. Letter from the Chair

Dear Shareholders,

On 24 June 2026, the Company announced a proposed recapitalisation and strategic reset designed to strengthen Babylon's financial position and support the next phase of growth in its specialist water management rental business. The announcement highlighted that:

(a) the Company's specialist rental business continues to perform strongly, with the Blue Hire and Matrix acquisitions successfully integrated and delivering ahead of expectations;

(b) the strong performance of the rental business has been partly offset in FY26 by difficult trading conditions in the Maintenance segment and costs associated with the unsuccessful acquisition process;

(c) Babylon's transition to a focused water management rental platform, where margins, earnings visibility and growth prospects are strongest, is progressing following the sale of Ausblast and the impending exit from the Maintenance segment;

(d) revised funding arrangements had been negotiated with NAB, subject to satisfaction of certain conditions, providing a pathway to greater balance sheet flexibility; and

(e) the Company was progressing a recapitalisation plan to strengthen its balance sheet, provide additional working capital and fund expansion of the rental fleet.

In conjunction with these initiatives, the Company's Shares have remained suspended from trading on the ASX while Babylon progresses a capital raise intended to stabilise its financial position and provide the capital required to pursue identified growth opportunities. The capital raise is designed to:

(a) restore working capital flexibility following the downturn in the Maintenance segment and costs incurred in connection with the unsuccessful proposed acquisition process (as announced to ASX on 19 May 2026);

(b) satisfy the conditions applying to the Company's revised loan facilities with NAB (as announced to ASX on 24 June 2026) (**NAB Conditions**);

(c) materially reduce short-term debt and improve Babylon's overall funding profile; and

(d) fund fleet expansion and asset refurbishment required to meet existing customer demand and pursue identified growth opportunities in the water management rental business.

The Offer provides eligible shareholders with the opportunity to participate in Babylon's recapitalisation and support the Company's transition to a focused, better-capitalised water management rental business

The Offer has a Minimum Subscription of 145.4 million Shares, anticipated to comprise $2.5 million of cash subscriptions and $4.77 million of debt converted to equity.

If the Minimum Subscription is achieved, the $2.5 million of cash raised (before costs) will replenish the Company's working capital and fund the $1.2 million payment due to NAB on completion of the Offer. In addition, up to $4.77 million of short-term debt will be converted into equity through sub-underwriting arrangements. Completion at the Minimum Subscription level would materially improve Babylon's funding position and provide a stronger platform from which to pursue future growth funding as opportunities arise.

To the extent subscriptions exceed the Minimum Subscription, additional proceeds will be applied to the costs of the Offer, the orderly payment of current creditors, general working capital and investment in revenue-generating equipment, particularly pumps and related assets for the water equipment hire and water testing businesses.

If the Offer is Fully Subscribed, the Company will raise approximately $12.7 million before costs, providing the Company with substantially greater financial flexibility to invest in additional rental equipment, refurbish existing assets and support growth over the next 12 months. The additional capital would also allow Babylon to maintain appropriate working capital headroom and, where prudent, further reduce debt.

Babylon's underlying rental business continues to benefit from strong customer demand, improving fleet utilisation and the successful integration of Blue Hire and Matrix. The Board believes that a successful recapitalisation will allow the Company to convert more of this demand into revenue and earnings by investing in additional fleet capacity and returning existing assets to service.

The Issue Price of $0.05 per Share represents a 37.5% discount to the 10-day VWAP up to 19 April 2026, being the final day that the Company's Shares traded on the ASX prior to the Company's suspension from trading.

Shareholders should read this Prospectus carefully in its entirety before deciding whether or not to participate in the Offer. In particular, applicants should consider the key risk factors outlined in Section 7.

On behalf of your Board, I invite you to consider participating in the Offer and supporting Babylon as it strengthens its balance sheet, completes its strategic transition and pursues the next phase of growth in its specialist water management rental business. I thank you for your continued support.

Yours faithfully,

Jamie Cullen
Non-Executive Chair
Babylon Pump & Power Ltd

4. Details of the Offers

4.1 Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of two (2) new Shares for every one (1) Share held by Eligible Shareholders registered at the Record Date at an issue price of $0.05 per Share.

The ratio of 2:1 is required to ensure the total amount to be raised allows:

(a) the Company to raise sufficient funds to meet the NAB Conditions given:

   (i) at least $2.5 million in cash (before costs) is required to overcome a working capital shortfall and to repay NAB $1.20 million on completion of the Offer as required by the NAB Conditions; and

   (ii) a shortfall to the Rights Issue of at least $5.0 million is required for the Blue Hire Vendors to sub-underwrite and convert up to $5.0 million in Deferred Consideration to meet the NAB Conditions;

(b) the Company to raise additional amounts in excess of the above to fund capital expenditure required to pursue growth opportunities in the Company's water equipment hire business.

All of the Shares offered under this Prospectus will following issue rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.1 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

Fractional entitlements will be rounded up to the nearest whole number.

The issued capital of the Company on a fully diluted basis as at the Last Practicable Date is 126,959,537 and on completion of the Offer (assuming the Offer is Fully Subscribed, the Deferred Consideration Shares, Service Shares, Convertible Loan Options and Underwriter Options are issued and the Convertible Loans converted) would be 469,811,944 Shares.

Assuming the Offer is fully subscribed (on an undiluted basis) then the Company will raise approximately $12,695,954 under the Offer (before costs).

The total amount raised under the Offer will be reduced by the amounts the Convertible Loan Lenders and the Blue Hire Vendors subscribe for under their respective Sub-underwriting Agreements, as their sub-underwriting commitments are to be satisfied through the discharge of an equivalent amount of debt owed to the Convertible Loan Lenders and the Blue Hire Vendors by the Company. See Section 4.6 below for details.

The purpose of the Offer and the intended use of funds raised are set out in Sections 5.1 and 5.4 of this Prospectus.

The Shares in your Entitlement that are not taken up will form part of the Shortfall (see Section 4.4 below).

4.2 Minimum Subscription

The minimum subscription for the Offer is 145.4 million Shares being subscribed for under the Offers by the Offer Closing Date (whether by cash subscription or Debt Conversion, with 50.0 million Shares anticipated to be issued for cash totalling $2.5 million (before costs) and 95.4 million Shares issued for Debt Conversion) (**Minimum Subscription**).

No securities will be issued until Applications for the Minimum Subscription have been received. If the Minimum Subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus to all Applicants and, in accordance with section 724 of the Corporations Act, allow all Applicants one month to withdraw their Applications and be repaid their Application monies.

4.3 Condition of the Offer

The Offer is conditional on Shareholders approving the Offer at the General Meeting. If Shareholder approval is not obtained, the Offer will not proceed and all Application Monies will be refunded as soon as practicable.

4.4 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Closing Date of the Offer in the Board's discretion.

The issue price for each Share to be issued under the Shortfall Offer will be $0.05, being the price at which Shares have been offered under the Offer.

All Shares issued under the Shortfall Offer shall be issued on the same terms as Shares being offered under the Offer.

Eligible Shareholders (unless subject to ASX Listing Rule 10.11 such as a Director) may apply for additional Shares under the Shortfall in accordance with the Entitlement and Acceptance Form and by paying the appropriate Application Monies in accordance with the instructions provided with the Entitlement and Acceptance Form.

Additionally, other investors who are not currently Shareholders who wish to participate in the Shortfall may apply for Shortfall Shares by following the instructions provided with the Shortfall Application Form and paying the appropriate Application Monies.

If you are not a Shareholder and wish to participate in the Shortfall Offer, please contact the Company.

4.5 Joint Lead Managers

Leeuwin Wealth and Cumulus Wealth (**Joint Lead Managers**) have been appointed as joint lead managers and corporate advisors to the Offer under a mandate summarised in Section 8.5.3 of this Prospectus (**JLM Mandate**).

4.6 Partial Underwriting and Sub-underwriting of the Offer

Leeuwin Wealth (**Underwriter**) has been appointed as partial underwriter to the Offer pursuant to an underwriting agreement dated 21 July 2026 (**Underwriting Agreement**) and has agreed to underwrite up to $7.27 million[3] of the Offer. The Underwritten Amount will consist of:

(a) $3.5 million in general underwriting, to be relieved by the first $2.5 million of cash subscriptions and $1.0 million of debt for equity conversion; and

(b) $3.77 million[4] in subordinated underwriting[5].

Under the Underwriting Agreement, the Company has agreed to:

(a) pay the Underwriter (or its nominees) an underwriting/lodgement fee of 4.0% plus GST on gross cash proceeds raised under the Offer (excluding an agreed Chairman's list); and:

(b) subject to Shareholder approval and successful completion of the Offer, issue the Underwriter (or its nominees) 23,333,333 unlisted Options ($0.10 exercise price, expiring 3 years from the issue date) (**Underwriter Options**).

Refer to Section 8.5.4 for a summary of the material terms of the Underwriting Agreement and Section 6.2 for the terms and conditions of the Underwriting Options.

The Underwriter has advised the Company that it entered into sub-underwriting agreements (**Sub-underwriting Agreements**) with partial sub-underwriters for $7.27[6] million of the Offer (**Partial Sub-underwriters**) as follows:

(a) $3.5 million in general sub-underwriting (**General Sub-underwriting**), of which $2.5 million is being provided by general sub-underwriters (**General Sub-underwriters**) and $1.0 million is being provided by the Convertible Loan Lenders by way of debt for equity conversion of their Convertible Loans (**Convertible Loan Sub-underwriting**)[7]; and

(b) $3.77 million[8] in subordinated sub-underwriting[9] (**Subordinated Sub-underwriting**) by the Blue Hire Vendors by way of debt for equity conversion of Deferred Cash[10].

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[3] Increasing up to $8.5 million if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting.

[4] Increasing to up to $5.0 million if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting.

[5] The underwriting is subordinated as it will not be relieved by the first $7.5 million of cash subscriptions received under the Offer and Shortfall Offer.

[6] Increasing up to $8.5 million if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting. Refer to Section 8.5.4 for the material terms of the Underwriting Agreement.

[7] The Convertible Loan Sub-underwriting forms part of the General Sub-underwriting and will be relieved by cash subscriptions to the Offer in excess of $2.5 million. Refer to Sections 8.5.1 and 8.5.5.2 of this Prospectus for the material terms and conditions of the Convertible Loan Agreements and Convertible Loan Sub-underwriting Agreements.

[8] Increasing to up to $5.0 million if Shareholders do not approve the issue of the Deferred Consideration Shares at the General Meeting. Refer to Section 8.5.5.3 for the material terms and conditions of the Subordinated Sub-underwriting Agreement.

[9] The sub-underwriting is subordinated as it will not be relieved by the first $7.5 million of cash subscriptions received under the Offer and Shortfall Offer. If the Subordinated Sub-underwriting is not fully effected, the Deferred Cash owed by the Company will be deemed to be reduced by the amount actually discharged by the Subordinated Sub-underwriting, with the remaining amount of Deferred Cash payable on 3 July 2027.

[10] Under the Blue Hire SSA, the Blue Hire Vendors are expected to become entitled, before completion of the Offer, to total deferred consideration for the sale of Blue Hire (as announced to ASX on 1 August 2025) of $8.2 million (**Deferred Consideration**), comprising $6.97 million in cash (**Deferred Cash**) and, subject to Shareholder approval (being sought at the General Meeting) $1.23 million in Shares (**Deferred Consideration Shares**). If Shareholder approval is obtained, 24,600,000 Shares will be issued (at a deemed issue price of $0.05 per Share)

Under the Sub-underwriting Agreements, the Underwriter has agreed that:

(a) subject to Shareholder approval, each General Sub-underwriter and Convertible Loan Sub-underwriter will be issued (as nominee of the Underwriter) one (1) Underwriter Option for every three (3) Shares they sub-underwrite; and

(b) each General Sub-underwriter will be paid a sub-underwriting fee of $1.0% plus GST on amounts sub-underwritten.

Refer to Section 8.5.5 for a summary of the material terms of the Sub-underwriting Agreements.

The Partial Sub-underwriters, which include a related party and substantial Shareholders of the Company (or their Associates), are detailed below.

Partial Sub-underwriter	**Sub-underwritten Amount**	**Offer Shares sub-underwritten**	**% of Offer sub-underwritten**
Kahala Holdings Pty Ltd (**Kahala**)[1]	$150,000	3,000,000	1.2%
Belgravia Strategic Equities Pty Ltd (**Belgravia**)[2]	$250,000	5,000,000	2.0%
Byron Ynema & Associates (**Mr Ynema**) comprising: [3, 4]	$4,020,000 – $5,250,000	8,400,000 – 105,000,000	31.7% - 41.4%
1. TH Rose & Sons Pty Ltd (**TH Rose**)[5]	$250,000	5,000,000	2.0%
2. Byron Ynema[6]	$1,173,224 - $1,556,000	23,464,480 – 31,120,000	9.2% - 12.3%
3. Royal Haze Pty Ltd (**Royal Haze**)[6]	$2,596,777 – $3,444,000	51,935,520 – 68,880,000	20.5% - 27.1%
Other Convertible Loan Sub-underwriters	$350,000	7,000,000	2.8%
General Sub-underwriters	$2,500,000	50,000,000	19.7%
Total	**$7,270,000 - $8,500,000**	**145,400,000 – 170,000,000**	**57.3% - 67.0%**

Notes:

1 Kahala is an entity controlled by Non-Executive Chairman, Mr Jamie Cullen (**Mr Cullen**), and therefore a related party of the Company. Kahala:

a. has provided a $150,000 Convertible Loan to the Company (**Related Party Convertible Loan**) on the same terms as unrelated Convertible Loan Lenders except that conversion is subject to Shareholder approval being sought at the General Meeting;

b. has executed a Convertible Loan Sub-underwriting Agreement to provide Convertible Loan Sub-underwriting up to the amount of its Convertible Loan on the same terms as other Convertible Loan Sub-underwriters (with equal priority and no sub-underwriting fee payable); and

c. will, subject to Shareholder approval, be issued 1,000,000 Underwriter Options.

2 Belgravia is controlled by Geoffrey Lord who, with his Associates, have a 24.8% Shareholding as at the Last Practicable Date. Belgravia:

as Deferred Consideration Shares on the date the Offer is completed. Byron Ynema will receive 31.12% of the Deferred Consideration Shares and Royal Haze 68.88%. If Shareholder approval for the Deferred Consideration Shares is not obtained, they will not be issued and the Deferred Cash owed will increase to $8.2 million, the Underwriting will increase to $8.5 million and the $3.77 million of Subordinated Sub-underwriting by the Blue Hire Vendors will increase to $5.0 million. Refer Section 8.5.5.3 for the material terms and conditions of the Subordinated Sub-underwriting Agreement.

a. has provided a $250,000 Convertible Loan to the Company on the same terms as other Convertible Loan Lenders (**Lord Convertible Loan**);

b. has executed a Convertible Loan Sub-underwriting Agreement to provide Convertible Loan Sub-underwriting up to the amount of its Convertible Loan on the same terms as other Convertible Loan Sub-underwriters (with equal priority and no sub-underwriting fee payable); and

c. will, subject to Shareholder approval, be issued 1,666,667 Underwriter Options. For clarity, no sub-underwriting fee is payable in respect of the Convertible Loan Sub-underwriting by Belgravia.

3 Byron Ynema (**Mr Ynema**) controls TH Rose, and jointly controls Royal Haze with his wife. Byron Ynema and Royal Haze (the **Blue Hire Vendors**) together have an 8.7% Shareholding in the Company resulting from the Company acquiring the Blue Hire business in August 2025. Byron Ynema is now the Company's Chief Operating Officer.

4 The higher sub-underwritten amount, number of sub-underwritten Shares and percentage of the Offer sub-underwritten will apply if Shareholders do not approve the issue of Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting.

5 TH Rose:

a. has provided a $250,000 Convertible Loan to the Company on the same terms as other Convertible Loan Lenders (**Ynema Convertible Loan**);

b. has executed a Convertible Loan Sub-underwriting Agreement to provide Convertible Loan Sub-underwriting up to the amount of the Ynema Convertible Loan on the same terms as other Convertible Loan Sub-underwriters (with equal priority and no sub-underwriting fee payable); and

c. will, subject to Shareholder approval, be issued 1,666,667 Underwriter Options

6 The Blue Hire Vendors have executed a Subordinated Sub-underwriting Agreement to sub-underwrite the Offer by way of debt for equity conversion of Deferred Cash. No fees or Underwriter Options are payable.

4.7 Allocation of Shortfall Shares

The Directors reserve the right to issue any Shortfall Shares at their discretion, subject to the Underwriting Agreement and Sub-underwriting Agreements.

The Board intends to allocate Shortfall Shares as follows:

(a) firstly, to Eligible Shareholders (other than any Partial Sub-underwriters) who have validly applied for Shortfall Shares under the Shortfall Offer before the Offer Closing Date and who do not require Shareholder approval for Shortfall Shares to be issued to them, with pro rata scale back if necessary subject to the Board's discretion; and

(b) then, in the Board's discretion, to new investors determined by the Board and the Joint Lead Managers that apply for Shortfall under the Shortfall Offer before completion of the Offer (other than the Partial Sub-underwriters); and

(c) then, to the Partial Sub-underwriters, including by way of Debt Conversion in the following priority:

(i) first to Subordinated Sub-underwriters in proportion to their rights to Shares under the Subordinated Sub-underwriting Agreement until their sub-underwriting commitments are discharged;

(ii) then to the Convertible Loan Sub-underwriters reflecting the proportion their Advance bears to $1.0 million in total Advances) until their sub-underwriting commitments are discharged; and

(iii) then to the General Sub-underwriters (with each General Sub-underwriter issued Shares reflecting the proportion of $2.5m of General Sub-underwriting that they have agreed to sub-underwrite until their sub-underwriting commitments are discharged); and

(d) finally, to new investors determined by the Board and the Joint Lead Managers that apply for Shortfall under the Shortfall Offer after the Closing Date of the Offer (other than the Partial Sub-underwriters),

with allocations (and any pro rata scale back) taking into account the following factors, namely, the need to:

(e) give preference to existing Shareholders of the Company in recognition of their ongoing support;

(f) consider any new potential long-term or cornerstone investors identified; and

(g) ensure an appropriate Shareholder base for the Company.

Except for the issue of Shares in accordance with the Underwriting Agreement and Sub-underwriting Agreements, no Shortfall will be issued to a party if the effect would be to increase that party's Voting Power in the Company to an amount greater than 20%.

Refer to Section 5.8 of this Prospectus for details with respect to the Partial Sub-underwriters who could potentially increase their Voting Power in the Company above 20.0% as a result of their sub-underwriting commitment, depending on the Entitlements and Shortfall Shares subscribed for by the Offer Closing Date.

Notwithstanding any other provision of this Prospectus, the Directors reserve the right to issue an Applicant a lesser number of Shortfall Shares than applied for or no Shortfall Shares at all. All decisions regarding the allocation of Shortfall Shares will be made by the Directors, and will be final and binding on all Applicants under the Shortfall Offer. As such, there is no guarantee that any Shortfall Shares applied for will be issued to Applicants.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Shares applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Shares under the Shortfall Offer any application monies will be pro rata returned (without interest) in accordance with the provisions of the Corporations Act.

4.8 Acceptance – what Eligible Shareholders may do

An Eligible Shareholder's acceptance of the Offer must be in accordance with the Entitlement and Acceptance Form accompanying this Prospectus.

Other than where you apply for Shortfall Shares, your acceptance must not exceed your Entitlement as shown on that form.

You may participate in the Offer (and Shortfall Offer) as follows:

(a) accept your **full** Entitlement:

(b) accept your **full** Entitlement and apply for Shortfall under the Shortfall Offer;

(c) accept **part** of your Entitlement; or

(d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

4.9 Acceptance – what new investors may do

Investors who are not Eligible Shareholders who wish to apply for Shortfall Shares should follow the instructions on the Shortfall Application Form provided with this Prospectus.

4.10 Return of Application Forms

Eligible Shareholders do NOT need to return their Entitlement and Acceptance Form to the Company provided payment is made for Shares applied for using BPAY® or EFT (for overseas and supported by an email address via which the Applicant can be contacted) in accordance with the instructions provided with an Application Form.

Eligible Shareholders can obtain their Entitlement and Acceptance Form details online at https://portal.automic.com.au/investor/home.

Investors who wish to subscribe for Shortfall Shares under the Shortfall Offer do NOT need to return a Shortfall Application Form to the Company provided payment is made for Securities applied for using BPAY® or EFT in accordance with the instructions on the Shortfall Application Form.

4.11 No payment by cheque

The Company has resolved that Applications cannot be paid for by cheque.

4.12 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form which can be accessed online at the offer website https://portal.automic.com.au/investor/home. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

(a) you do not need to submit the Entitlement and Acceptance Form if you pay by BPAY® but are taken to have made the declarations on that Entitlement and Acceptance Form; and

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies paid by BPAY®.

4.13 By Electronic Funds Transfer (EFT)

If you are an Eligible Shareholder resident outside Australia, and unable to pay using BPAY®, you may make payment by Electronic Funds Transfer (**EFT**). Please follow the instructions on your Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

(a) you must make payment to the entitlement offer bank account using your unique entitlement reference number for payment. **You must quote your unique entitlement reference number as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your Application and the Securities not being issued (and the funds refunded);** and

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which are covered in full by your application monies.

4.14 Cut-off for Receipt of BPAY® and EFT Payments

Applicants should be aware of the cut off time for payment to the Company's Share Registry, which for the Offer is 5.00pm (ASWT) on the Closing Date. Applicants should also be aware of their own financial institutions cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure that funds are submitted correctly so that payment is received by the closing date and time including taking into account any delay that may occur as a result of payments being made after 5.00pm (AWST) and/ or on a day that is not a business day.

Any application monies received for more than your final allocation of Shares (only where the amount is $1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

4.15 ASX quotation

Application for Official Quotation of the Shares offered pursuant to this Prospectus on the ASX will be made within 7 days of the date of this Prospectus.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three (3) months after the date of this Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application Monies for the Securities within the time prescribed under the Corporations Act, without interest.

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

4.16 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out in Section 2.1 of this Prospectus.

Shortfall Shares that have been applied for before the completion of the Offer will be issued contemporaneously with completion of the Offer. Shortfall Shares applied for after completion of the Offer will be issued progressively until the Shortfall Offer closes.

Where the number of Shares and Options issued is less than the number applied for, or where no issue is made, surplus Application Monies will be refunded without any interest to the Applicant as soon as practicable.

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

Holding statements for Shares and Options issued under the Offer will be provided in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Holding statements for any Shortfall Shares issued under the Shortfall Offer will be provided as soon as practicable after their issue.

4.17 CHESS and Issuer Sponsorship

The Company will not be issuing share certificates for the Shares and Options offered under this Prospectus. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Investors who are issued Shares and Options under this Prospectus will be provided with a holding statement (similar to a bank account statement) that sets out the number of Shares and Options issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

4.18 Foreign shareholders

The Offer is being made to all Shareholders on the Record Date, including those with registered addresses outside Australia. The Company therefore does not need to appoint a nominee for the purposes of section 615 of the Corporations Act or ASX Listing Rule 7.7.1(c).

4.19 Rounding

Fractional entitlements will be rounded up to the nearest whole number. All references to numbers of Securities to be issued pursuant to this Prospectus are expressed subject to rounding.

4.20 Convertible Loan Options Offer

The Convertible Loan Options Offer is a conditional offer of 20 million Options to the Convertible Loan Lenders, with the number of Convertible Loan Options offered to a Convertible Loan Lender determined by dividing the principal amount advanced under their Convertible Loan (**Advance**) by $0.05, rounded down to the nearest whole number.

The Convertible Loan Options Offer is conditional on Shareholders approving the issue of the Convertible Loan Options at the General Meeting.

The Convertible Loan Offer is only made to and capable of acceptance by the Convertible Loan Lenders or their nominees. Convertible Loan Lenders should contact the Company if they wish to participate in the Convertible Loan Options Offer.

4.21 Underwriter Options Offer

The Underwriter Options Offer is a conditional offer of 23,333,333 million Options to the Underwriter or its nominees as consideration for acting as Underwriter in relation to the Offer.

The Underwriter Options Offer is conditional on Shareholders approving the issue of the Underwriter Options at the General Meeting.

The Underwriter Options Offer is only made to and capable of acceptance by the Underwriter, or its nominees, being the Partial Sub-underwriters. The Underwriter will advise Partial Sub-underwriters of how to apply under the Underwriter Options Offer.

4.22 Cleansing Share Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 1,000 Shares at an issue price of $0.05 per Share to raise approximately $50 (before expenses) (**Cleansing Share Offer**).

The Cleansing Share Offer may only be extended to specific parties on invitation from the Company. Application Forms will only be provided by the Company to such parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. Please refer to Section 6.1 for further information regarding the rights and liabilities attaching to the Shares.

The Company is seeking to raise only a nominal amount under the Cleansing Share Offer and, accordingly, the purpose is not to raise capital.

The primary purpose of the Cleansing Share Offer is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the date the Cleansing Share Offer closes (including prior to the date of this Prospectus), in particular any Deferred Consideration Shares, Service Shares and Director Fee Shares issued without disclosure.

The Opening Date of the Cleansing Share Offer will be 9:00am WST on 27 August 2026 and the Closing Date for the Cleansing Share Offer will be 5:00pm WST on 30 September 2026. The Board reserves the right to extend the Cleansing Share Offer or close the Cleansing Share Offer early without notice.

4.23 ASX Waivers – Listing Rules 7.11.3 and 7.15

ASX Listing Rule 7.11.3 provides that the ratio or securities offered under a pro rata rights issue must not be greater than one security for each security held. ASX Listing Rule 7.11.3 does not apply where the offer is renounceable and the issue price is not more than the VWAP for securities in that class, calculated over the last 5 days on which sales in the securities were recorded before the day on which the issue was announced.

The Company's Shares have been suspended from official quotation since 22 April 2026 and will continue to be suspended during the Offer.

As such, the Company cannot make the Offer on a renounceable basis in order to comply with ASX Listing Rule 7.11.3. The Company therefore sought, and ASX granted, a waiver of ASX Listing Rule 7.11.3 to the extent necessary to permit the Company to proceed with the Offer on the terms set out in this Prospectus.

The Company has chosen an Offer ratio of two (2) Shares for every one (1) Share held (**Ratio**) for the following reasons:

(a) if a ratio of 1:1 was used, the Company would only be able to raise (based on the Issue Price, which was selected in consultation with the Joint Lead Managers), up to a maximum of ~$6.35 million (before costs);

(b) this would not allow the Company to raise sufficient funds to meet the NAB Conditions given:

  (i) at least $2.5 million in cash (before costs) is required to overcome a working capital shortfall and to repay NAB $1.20 million as required by the NAB Conditions; and

  (ii) a shortfall to the Rights Issue of at least $5.0 million is required for the Blue Hire Vendors to sub-underwrite and convert up to $5.0 million in Deferred Consideration to meet the NAB Conditions;

(c) in addition, a ratio of 1:1 would not allow the Company to raise additional amounts in excess of the above to fund capital expenditure required to pursue growth opportunities in the Company's water equipment hire business; and

(d) a ratio of 2:1 allows sufficient capacity for the Company to achieve the above objectives.

It is a condition of the waiver that the Company obtain Shareholder approval for the terms of the Offer. A resolution will be put to Shareholders at the General Meeting to seek to satisfy this condition. The votes of substantial shareholders, underwriters or sub-underwriters of the Offer, any brokers or managers of the Offer, and any of their respective Associates will be excluded from voting on the resolution. The Company has otherwise complied with the conditions of the waiver.

The Company has also been granted a waiver of ASX Listing Rule 7.15 to permit the Company to undertake the Offer with a record date that is prior to the General Meeting, on the condition that the Company's securities are not reinstated to trading prior to the General Meeting. Without this waiver, the Company would need to undertake the Offer after the general meeting, delaying the receipt of funds from the Offer at a time when the Company urgently requires additional working capital and to complete a capital raise during August 2026 to meet the NAB Conditions.

ASX has confirmed that the Company's Shares will remain suspended until the earlier of:

(a) the release of an announcement confirming the completion of the Capital Raise; and

(b) the commencement of trading on Monday, 31 August 2026, unless the Company requests that the suspension be lifted earlier.

4.24 Enquiries

Any questions concerning the Offer or Shortfall Offer should be directed to Josh Merriman or Kate Stoney as the Joint Company Secretaries, on +61 (0) 8 9454 6309 or by email to admin@babylonpumpandpower.com.

5. Purpose and effect of the Offer

5.1 Purpose of the Offer

The purpose of the Offer is to overcome a shortfall in working capital, satisfy the conditions imposed on the Company's revised loan facilities by NAB (as announced on 24 June 2026) (**NAB Conditions**) and to materially reduce the Company's debt level.

If the Offer is Fully Subscribed the Company will raise approximately $12,695,954 before costs (based on the total number of Shares on issue as at the date of this Prospectus and subject to the Assumption).

5.2 Effect of the Offer

The principal financial effect of the Offers will be to:

(a) if only the Minimum Subscription is achieved, increasing the cash reserves by approximately $2,214,285 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer, assuming $2.5 million in cash subscriptions are received, and reducing the Company's debts by $1.0 million by way of Convertible Loan Sub-underwriting, and by between $3.77 million and $5.0 million by way of Subordinated Sub-underwriting; and

(b) if the Full Subscription is achieved, increasing the cash reserves by approximately $11,550,137 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer.

5.3 Effect on capital structure

Shares	**Minimum Subscription**	**Fully Subscribed**
Shares on issue at the date of this Prospectus	126,959,537	126,959,537
Shares offered under the Offer[2]	145,400,000	253,919,074
Total Shares on issue after completion of the Offer	**272,359,537**	**380,878,611**
Deferred Consideration Shares[3]	24,600,000	24,600,000
Convertible Loan Shares[4]	0	20,000,000
Service Shares[5]	1,000,000	1,000,000
Total Shares on issue[6]	**297,959,537**	**426,478,611**
Options	**Minimum Subscription**	**Fully Subscribed**
Options on issue at the date of this Prospectus	Nil	Nil
Options offered pursuant to the Offer	Nil	Nil

Underwriter Options (exercise price $0.10, expiring 3 years from issue)[7]	23,333,333	23,333,333
Total Options on issue after completion of the Offer	**23,333,333**	**23,333,333**
Convertible Loan Options (exercise price $0.10, expiring 3 years from the date of issue)[8]	20,000,000	20,000,000
Total Options on issue	**43,333,333**	**43,333,333**

Notes:

1 Based on the capital structure of the Company as at 20 July 2026, the last practical date prior to lodgement of this Prospectus (**Last Practicable Date**) and based on the Assumption.

2 The number of Shares to be issued depends on the total number of Shares on issue, and the number of Eligible Shareholders, at the Record Date, and the effect of rounding. The Minimum Subscription is anticipated to comprise $2.5 million in cash subscription and $4.77 million of short term debt is discharged by way of sub-underwriting as detailed in Section 4.6.

3 Byron Ynema and Royal Haze Pty Ltd (**Royal Haze**) (together, the **Blue Hire Vendors**) are expected to become entitled, before completion of the Offer, to total deferred consideration for the sale of Blue Hire (as announced to ASX on 1 August 2025) of $8.2 million (**Deferred Consideration**), comprising $6.97 million in cash (**Deferred Cash**) and, subject to Shareholder approval (being sought at the General Meeting) $1.23 million in Shares (**Deferred Consideration Shares**). If Shareholder approval is obtained, 24,600,000 Shares will be issued (at a deemed issue price of $0.05 per Share) as Deferred Consideration Shares on the date the Offer is completed. Byron Ynema will receive 31.12% of the Deferred Consideration Shares and Royal Haze 68.88%. If Shareholder approval for the Deferred Consideration Shares is not obtained, they will not be issued and the Deferred Cash owed will increase to $8.2 million, the Underwriting will increase to $8.5 million and the $3.77 million of Subordinated Sub-underwriting by the Blue Hire Vendors will increase to $5.0 million. Refer to Section 4.6 for details of how details.

4 The Minimum Subscription assumes the Convertible Loan Sub-underwriting is fully called on and the Convertible Loans fully discharged rather than being converted. To the extent more than $2.5 million in cash subscriptions are received, the Convertible Loan Sub-underwriting will not be fully called on, and the Convertible Loans will not be fully discharged. The Convertible Loan Lenders may elect to convert any outstanding Convertible Loan (and accrued interest) into Shares at $0.05 per Share at the same time the Offer completes. The Full Subscription assumes that all the Convertible Loan Lenders elect to convert Convertible Loans in this manner. Note that up to a further ~36,000 Shares will be issued in satisfaction of accrued and unpaid interest in this scenario. Refer to Section 4.6 for further details on the Convertible Loans and Convertible Loan Sub-underwriting.

5 Subject to obtaining Shareholder approval at the General Meeting, 1,000,000 Shares will be issued to Director Jamie Cullen (or his nominee) for services rendered.

6 Subject to Shareholder approval at the General Meeting, up to an aggregate maximum total of 4,766,660 Director Fee Shares may be issued following completion of the Offer, with the actual number depending on the extent, if any, to which Non-Executive Directors agree to be issued Director Fee Shares in satisfaction of their accrued and unpaid Director fees for calendar year 2026.

7 The Company has agreed, subject to Shareholder approval (being sought at the General Meeting) to issue the Underwriter or its nominees, on successful completion of the Offer, with 23,333,333 million unlisted Options ($0.10 exercise price, 3 year term) (**Underwriter Options**) in part consideration for acting as Underwriter to the Offer. If Shareholders do not approve the issue of the Underwriter Options, the deemed value of the Underwriter Options (being 1.885 cents each) will be payable to the Underwriter (or its nominees). Refer to Section 8.4 of this Prospectus for further details.

8 The Company has agreed, subject to Shareholder approval (that is being sought at the General Meeting) to issue the Convertible Loan Lenders with unlisted Options ($0.10 exercise price, 3 year term from issue) (**Convertible Loan Options**), with the number issued to each Convertible Loan Lender being determined by dividing the Convertible Loan Lender's loan amount by $0.05. If Shareholder approval for the Convertible Loan Options is not obtained, the agreed value of the Convertible Loan Options (being 1.885 cents each) that are not issued to a Convertible Loan Lender will be added to their Convertible Loan Advance and be repayable on 3 July 2027 subject to the NAB Subordination Deed.

The issued capital of the Company on a fully diluted basis as at the Last Practicable Date is 126,959,537 and on completion of the Offer (assuming the Offer is Fully Subscribed and the Convertible Loans fully converted) would be 469,811,944 Shares.

Assuming the Offer is fully subscribed (on an undiluted basis) then the Company will raise approximately $12,695,954 under the Offer (before costs).

5.4 Use of Funds

The funds raised from the Offer are planned to be used in accordance with the table set out below on a Minimum Subscription and Full Subscription basis:

Proceeds of the Offer	Minimum Subscription	%	Full Subscription	%
NAB debt repayment	$1,200,000	34%	$1,200,000	10%
Capital Expenditure	$0	0%	$6,000,000	47%
Working capital	$1,964,285	58%	$4,300,137	34%
Expenses of the Offer[11]	$285,715	8%	$1,145,817	9%
Total	**$3,500,000**	**100%**	**$12,695,954**	**100%**

The above table is a statement of current intentions as of the date of this Prospectus.

If only $2.5 million in cash subscriptions are received under the Minimum Subscription, the Company's working capital will be reduced by $1.0 million while the Company's debt will be reduced by $1.0 million via Convertible Loan Sub-underwriting.

To the extent more than the Minimum Subscription is achieved, the Company currently intends to apply additional funds towards current creditors and the acquisition of capital equipment, in particular water pumps for its hire business (up to ~$4.0 million) and water testing business (up to ~$2.0 million), together with general working capital and potentially additional debt reduction.

If the Full Subscription is raised, this will present the Company with the opportunity to invest in additional equipment over the next 12 months to support longer-term growth of the hire business and ensure an appropriate level of additional working capital is maintained in the business to support such growth.

If the Full Subscription amount is not raised under the Offer, the Company's proposed use of funds will be scaled back accordingly.

As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Company's current cash resources and additional capital proposed to be raised by the Offer are sufficient to meet its current stated objectives.

5.5 Pro-forma statement of financial position

The audit reviewed statement of financial position as at 31 December 2025, the unaudited managements accounts as at 31 May 2026 and the unaudited pro-forma statements of financial position as at 31 May 2026 shown below have been prepared

[11] Refer to Section 8.12 of this Prospectus for further details relating to the estimated expenses of the Offer.

on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma statement of financial position has been prepared to provide an indication on the effect of the Offer on the financial position of the Company assuming the Offer is Fully Subscribed and no other Shares are issued prior to the Record Date. It has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDIT REVIEWED 31/12/2025	UNAUDITED 31/05/2026	UNAUDITED PRO-FORMA 31/05/2026 Minimum Subscription	UNAUDITED PRO-FORMA 31/05/2026 Full Subscription
Current Assets				
Cash and cash equivalents	1,186,994	1,048,243	4,262,528	13,597,426
Trade receivables	5,661,647	3,726,777	3,726,777	3,726,777
Inventories	6,484,009	6,136,599	986,120	986,120
Prepayments and other assets	553,968	324,146	324,146	324,146
Assets held for sale	2,800,000	-	-	-
Total Current Assets	**16,686,618**	**11,235,765**	**9,299,571**	**18,634,469**
Non-Current Assets				
Property, plant and equipment	20,098,646	18,774,323	18,138,645	18,138,645
Goodwill	11,228,013	11,228,114	11,228,114	11,228,114
Right-of-use assets	2,678,406	2,341,264	2,341,264	2,341,264
Total Non-Current assets	**34,005,065**	**32,343,701**	**31,708,022**	**31,708,022**
Total Assets	**50,691,683**	**43,579,465**	**41,007,894**	**50,342,492**
Current Liabilities				
Trade and other payables	10,869,255	13,597,588	8,597,588	12,367,588
Employee liabilities	864,907	837,970	837,970	837,970
Borrowings	7,737,158	6,084,156	6,084,156	6,084,156
Borrowings - related to assets held for sale	1,547,471	-	-	-
Lease liabilities	837,067	803,245	803,245	803,245

Total Current Liabilities	**21,855,858**	**21,322,959**	**16,322,959**	**20,092,959**
Non-Current Liabilities				
Employee liabilities	221,959	266,894	266,894	266,894
Borrowings	15,960,020	15,031,704	14,881,704	14,881,704
Lease Liabilities	2,215,192	1,905,952	1,905,952	1,905,952
Total Non-Current Liabilities	**18,397,171**	**17,204,550**	**17,054,550**	**17,054,550**
Total Liabilities	**40,253,029**	**38,527,510**	**33,377,510**	**37,147,510**
Net Assets	**10,438,654**	**5,051,956**	**7,630,084**	**13,194,928**
Equity				
Share Capital	55,866,099	55,866,099	64,080,384	69,645,282
Reserves	766,089	986,254	986,254	986,254
Retained Earnings	(46,193,534)	(51,800,398)	(57,436,555)	(57,436,555)
Total Equity	**10,438,654**	**5,051,956**	**7,630,084**	**13,194,982**

The pro-forma statement of financial position includes the following adjustments:

(c) The Minimum Subscription Pro Forma assumes: (a) $1.0 million cash received from Convertible Loans; (b) 50.0 million Shares issued for $2,500,000 of Offer cash subscriptions; (c) 20.0 million Shares issued to discharge $1.0 million of Convertible Loans by way of Convertible Loan Sub-underwriting; (d) 75,400,000 Shares issued to the Blue Hire Vendors under Subordinated Sub-underwriting, with a corresponding $3.77m reduction in Deferred Consideration liabilities; (e) 24.6 million Shares issued to the Blue Hire Vendors, with a corresponding $1.23m reduction in Deferred Consideration liabilities; and (f) estimated costs of the Offer of $285,715.

(d) The Full Subscription Pro Forma assumes: (a) $1.0 million cash received from Convertible Loans; (b) ~253.9 million Shares issued for full cash subscriptions to the Offer at $0.05 per Share; (c) 20.0 million Shares issued to convert $1.0 million of Convertible Loans; (d) 24.6 million Share issued to the Blue Hire Vendors, with a corresponding $1.23m reduction in Deferred Consideration liabilities; (e) $6.97 million of Deferred Cash Consideration remaining due and payable on 3 July 2027 to the Blue Hire Vendors; and (f) estimated costs of the Offer of $1,145,817.

(e) The Pro Formas do not reflect reductions in debts (eg NAB debt and trade payables) that will be result from the use of cash raised from the Offer as set out in the Use of Funds table in Section 5.4 of this Prospectus.

(f) The total amount raised under the Offer will be reduced by the amounts the Convertible Loan Lenders and Blue Hire Vendors subscribe for their Sub-underwritten Amount (as their Sub-underwriting commitment will be satisfied through the discharge of an equivalent amount of debt owed by the Company to them).

(g) Material adjustments for the period of the Offer have been made in the above Pro-forma balance sheet.

The pro-forma statement of financial position does not include any impact that may arise from any disposal of the Company's maintenance business or the issue of:

(a) Underwriter Options and Convertible Loan Options;

(b) 1.0 million Shares proposed to be issued to Director Jamie Cullen (or his nominee) for services rendered; and

(c) Shares that may be issued to Non-Executive Directors in satisfaction of accrued but unpaid Director fees for the 2026 calendar year up to an aggregate maximum total of 4,766,660 Shares.

5.6 Potential dilution of Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 66.67% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer
Shareholder 1	50,000,000	39.38%	100,000,000	50,000,000	13.13%
Shareholder 2	20,000,000	15.75%	40,000,000	20,000,000	5.25%
Shareholder 3	10,000,000	7.88%	20,000,000	10,000,000	2.63%
Shareholder 4	1,000,000	0.79%	2,000,000	1,000,000	0.26%

Note:

1. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer.

5.7 Details of substantial holders

Based on publicly available information, the Company's substantial holders (i.e. a holder with a Relevant Interest of 5% or more in the Company's Shares) and their Entitlements (including any Entitlement of their Associates) under the Offer on a Fully Subscribed basis are set out in the table below.

Substantial Shareholder	Existing Shares held	Voting Power[1]	Entitlement (Shares)	Entitlement ($)	Existing plus Entitlement Shares[2]	Max Potential Voting Power[3]
Geoffrey Lord & Associates[4]	31,486,953	24.80%	62,973,906	$3,148,695	94,460,859	32.45%
Cumulus Wealth & Associates	15,397,409	12.13%	30,794,818	$1,539,741	46,192,227	15.50%[5]
Byron Ynema & Associates[6]	11,000,000	8.66%	22,000,000	$1,100,000	33,000,000	46.32%

Total	**57,884,362**	**45.59%**	**115,768,724**	**5,788,436**	**173,653,086**	**N/A**

Notes:

1. In the event all Entitlements are accepted by Eligible Shareholders, and no other Shares are issued, there will be no change to the substantial holders on completion of the Offer. Refer below for the effect on control of the Company resulting from the additional issues of Shares proposed at the time the Offer completes.
2. The "Existing Shares plus Entitlement Shares" column shows the number of Shares that would be held by the relevant substantial holder assuming the substantial holder and their Associates subscribe for their full Entitlements under the Offer. This column does not include any Shares that may be issued to the relevant substantial holder or its Associates pursuant to Sub-underwriting Agreements under the Offer or other proposed issues of Securities. The potential effect of those Sub-underwriting Agreements and other proposed issues of Securities on the Voting Power of the relevant parties is shown in the next column and described in Section 5.8.2 of this Prospectus.
3. Maximum potential Voting Power is calculated on the basis that the Minimum Subscription under the Offer is achieved and assumes that the relevant substantial holder and its Associates subscribe for their full Entitlements under the Offer and, where applicable, that the relevant substantial holder or its Associates also participate through Sub-underwriting Agreements and other proposed issues of Securities. As a result, the Voting Power shown may include Shares issued in excess of the Entitlements shown in the table. Refer to 5.8.2 of this Prospectus. for full details of the Sub-underwriting Agreements and other proposed issues of Securities and their effect on control of the Company.
4. Mr Geoffrey Lord (**Mr Lord**) directly holds 2,742,745 Shares. A further 7,953,014 Shares are held directly by Belgravia (which Mr Lord is sole director and indirect shareholder of) and 20,791,194 Shares by G&N Lord Superannuation Pty Ltd (**G&N Lord**) (which Mr Lord is a director and joint controlling Shareholder of), resulting in Mr Lord and his Associates having a combined Shareholding of 31,486,953 Shares and Voting Power of 24.80% as at the Last Practicable Date.
5. The maximum potential Voting Power of Cumulus Wealth on a Minimum Subscription basis will arise if it applies for its full Entitlement of $1,539,741, and no other Shares are issued other than 39,205,182 Shares from General Sub-underwriting (including 20,000,000 Shares via Converting Loan Sub-underwriting of $1.0 million of Convertible Loans), 24,600,000 Deferred Shares to the Blue Hire Vendors. In this scenario, total Shares held by Cumulus Wealth will increase to 46,192,227 Shares, and its Voting Power will increase to 15.50%.
6. Bryan Ynema (**Mr Ynema**) directly holds 3,423,200 Shares. A further 7,576,800 Shares are directly held by Royal Haze (which Mr Ynema jointly controls) resulting in Mr Ynema and his Associates having a combined Shareholding of 11,000,000 Shares and Voting Power of 8.66% as at the Last Practicable Date.

As noted in Section 2.5 of this Prospectus, subject to Shareholder approval (being sought at the General Meeting) Belgravia (an Associate of Mr Lord) and TH Rose (an Associate of Mr Ynema) will each be issued:

(a) 5,000,000 Convertible Loan Options; and

(b) 1,666,667 Underwriter Options.

Belgravia and TH Rose, to the extent the exercise of these Options would increase the Voting Power of, respectively, Mr Lord and Mr Cullen and their Associates, above 20%, or from a position above 20%, the Options may only be exercise if an exception in Section 611 of the Corporations Act (eg the 3% creep exception) is available.

5.8 Effect of Offer on Control of the Company

The potential effect that the issue of the Shares under the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including Eligible Shareholders' interest in taking up their Entitlements and participation in the Shortfall Offer, as well as the level of participation by Eligible Shareholders and third party investors in taking up Shares under the Shortfall Offer, and the extent to which the Underwriter and Partial Sub-underwriters acquire Shares under their underwriting and sub-underwriting commitments and other proposed issues of Securities.

Sections 5.8.1 and 5.8.2 below details the potential effect on control of the Company of the Underwriter's underwriting and Partial Sub-underwriters' sub-underwriting and other proposed issues of Securities.

If all Eligible Shareholders subscribe for their Entitlements, there will not be any effect on the control of the Company (assuming no other Securities are issued).

If the existing substantial Shareholders of the Company take up some or all of their Entitlements, they may increase their Voting Power in the Company above 20% (or from above 20%) potentially up to the maximum Voting Power as detailed in Section 5.7 above if only the Minimum Subscription is achieved. However, the Company expects only Mr Ynema and his Associates will acquire more than 20% Voting Power if only the Minimum Subscription is achieved, being a maximum potential Voting Power of up to 46.32%.

5.8.1 Effect of Partial Underwriting

As at the date of this Prospectus, the Underwriter confirms that:

(a) its Voting Power in the Company is nil; and

(b) it and its Associates do not hold any Securities of the Company.

The table below sets out the Underwriter's Voting Power in several scenarios where a proportion of Entitlements are taken up under the Offer (assuming no other Shares are issued except as noted below).

Event	Shares held by Underwriter	Underwriter Voting Power
Date of Prospectus	0	0
Offer Fully Subscribed	0	0
Offer 75% subscribed	34,960,695 – 59,560,695	9.27% - 15.80%
Offer 50% subscribed	75,400,000 – 100,000,000	21.30% - 28.26%
Offer 25% subscribed[1]	81,920,232 – 106,520,232	27.59% - 35.87%
Offer 0% subscribed[1]	145,400,000 – 170,000,000	48.96% - 57.25%

Notes:

1 The lower number of Shares and Voting Power assumes 24,600,000 Deferred Consideration Shares are approved by Shareholders at the General Meeting and issued. The higher number of Shares and Voting Power assumes Shareholders do not approve the issue of the Deferred Consideration Shares at the General Meeting and as a result the underwriting increases to $8.5 million,

In the unlikely event that no Entitlements are taken up and no Shortfall is placed other than to the Underwriter (i.e. all sub-underwriting agreements are terminated), the Underwriter's Shareholding will increase to 145.4 million Shares and its Voting Power to 48.96% (or up to 170.0 million Shares and Voting Power of 57.25% if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting.

The Underwriter could acquire more than a 20.0% Voting Power in the Company in this scenario without breaching section 606 of the Corporations Act in reliance on the underwriting exception in Section 611 item 13 of the Corporations Act. However, the Underwriter has advised it does not intend to increase its Voting Power in the Company above 20.0% as a result of the Offer and has secured Partial Sub-underwriters for its full underwritten amount.

5.8.2 Effect of Partial Sub-underwriting

As set out in Section 4.6 of this Prospectus, the Partial Sub-underwriters have agreed to sub-underwrite up to 145.4 million Shares of the Offer (increasing to 170.0 million Shares if Shareholders do not approve the issue of Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting) upon and subject to the terms and conditions of the Sub-underwriting Agreements.

The current Voting Power as at the Last Practicable Date of the Partial Sub-underwriters who are related parties or are or could become substantial Shareholders, is set out in Table 1 and Table 2 below.

The General Sub-underwriters will be relieved of their sub-underwriting commitment by the first $2.5 million of cash subscriptions under the Offer.

Where cash applications received under the Offer:

(a) exceed $2.5 million, the Convertible Loan Sub-underwriting will be reduced on a dollar-for-dollar basis by the amount by which cash applications exceed $2.5 million. Any reduction in sub-underwriting commitments reduces the number of Shares issued to the Convertible Loan Sub-underwriters proportionally to their respective sub-underwriting commitments; and

(b) exceed $7.5 million, the Subordinated Sub-underwriting will be reduced on a dollar-for-dollar basis by the amount by which cash applications exceed $7.5 million. Any reduction in Subordinated Sub-underwriting reduces the number of Shares issued to the Subordinated Sub-underwriters (being the Blue Hire Vendors) proportionally to their respective subordinated sub-underwriting commitments.

Accordingly, the effect of the sub-underwriting arrangements on the voting power of the Partial Sub-underwriters will depend on the level of participation by Shareholders under the Offer.

The tables below illustrate the potential effect of the sub-underwriting arrangements on the voting power of the Partial Sub-underwriters who are related parties or are or could become substantial Shareholders in a number of scenarios. These scenarios are provided for illustrative purposes only.

Table 1 – Current control and Offer Fully Subscribed

The table below shows the Voting Power at the Last Practicable Date of the Partial Sub-underwriters and their Associates who are related parties or are or could become substantial Shareholders and assumes that all Shareholders take up their Entitlements (including the Partial Sub-underwriters or their Associates as applicable) under the Offer, such that the sub-underwriting arrangements are fully relieved.

Under this scenario, all Shareholders participate in the Offer on a pro-rata basis and the relative Voting Power of each Shareholder remains unchanged (assuming no other Securities are issued).

Partial Sub-underwriter & Associates	Existing Shares	Existing Voting Power	Entitlement Shares	Shares held Fully Subscribed	Voting Power
Mr Cullen (Kahala)[1]	6,176,501	4.86%	12,353,002	18,529,503	4.86%
Mr Lord (Belgravia) [2]	31,486,953	24.80%	62,973,906	94,460,859	24.80/%
Mr Ynema (TH Rose & Blue Hire Vendors)[2]	11,000,000	8.66%	22,000,000	33,000,000	8.66%
TOTAL	**42,759,608**	**38.32%**	**97,326,908**	**145,990,362**	**38.32%**

Notes:

1. 272,655 Shares held directly by Kahala. A further 4,333,334 Shares are held directly by Mr Cullen and 1,843,167 Shares held directly by Chesapeake Capital Ltd (**Chesapeake**), which Mr Cullen is a director and shareholder of, resulting in Kahala, Mr Cullen and Chesapeake having a combined Shareholding of 6,176,504 Shares and Voting Power of 4.86% as at the Last Practicable Date.

2. Refer to Section 5.7 for details of how Shareholdings are held.

Table 2 – Minimum Subscription

The table below assumes that only the Minimum Subscription is achieved in the Offer, with Valid Applications lodged for 145.4 million Shares inclusive of the Debt Conversion under the Sub-underwriting Agreements, with the Partial Underwriters and their Associates who are related parties or are or could become substantial Shareholders not subscribing for any Entitlement Shares (and no other Shares are issued other than as noted below).

To the extent they do take up Entitlements, their total Shareholding and Voting Power will increase from that set out below. Their maximum potential Voting Power (which the Company does not consider will occur) is noted in Table 3 below.

Partial Sub-underwriter & Associates	Minimum Subscription	
	Shares held	Voting Power
Mr Cullen (Kahala)	9,176,501[1]	3.08%
Mr Lord (Belgravia)	36,486,953[2]	12.25%
Mr Ynema (TH Rose & Blue Hire Vendors)	116,000,000[3]	38.93%
Other Shareholders	135,663,454	45.56%
TOTAL	**296,959,537**	**100.00%**

Notes:

1. Comprising 6,176,501 existing Shares and 3,000,000 Shares issued as a result of discharge of the $150,000 Related Party Convertible Loan via Convertible Loan Sub-underwriting. If Kahala elects to convert, up to an additional ~5,500 Shares will be issued on conversion of accrued and unpaid interest. If Shareholders approve the issue of 1.0 million Service Shares to Mr Cullen at the General Meeting, the Voting Power of Kahala and Its Associates will increase to 3.42%.

2. Comprising 31,486,953 existing Shares and 5,000,000 Shares issued as a result of discharge of the $250,000 Lord Convertible Loan via Convertible Loan Sub-underwriting. If the Lord Convertible

Loan lender elects to convert, up to an additional ~9,000 Shares will be issued on conversion of accrued and unpaid interest.

3. Comprising 11,000,000 existing Shares, 5,000,000 Shares issued as a result of discharge of the $250,000 Ynema Convertible Loan via Convertible Loan Sub-underwriting, 75,400,000 Shares issued via Subordinated Sub-underwriting by the Blue Hire Vendors in discharge of $3.77 million of Deferred Cash and 24,600,000 Deferred Shares. If TH Rose elects to convert, the Ynema Convertible Loan up to an additional ~9,000 Shares will be issued on conversion of accrued and unpaid interest.

Table 3 – Minimum Subscription and Individual Partial Sub-underwriters & Associates take up full Entitlements

The table below illustrates the potential Shares held and maximum Voting Power of each Partial Sub-underwriter and their Associates who are related parties or are or could become substantial Shareholders where:

(a) the Minimum Subscription is achieved;

(b) the relevant Partial Sub-underwriter and their Associates take up their full Entitlements under the Offer but no other Entitlements are taken up; and

(c) no other Shares are issued except as noted.

Partial Sub-underwriter & Associates	Shares following completion of the Offer	Max Potential Voting Power
Mr Cullen (Kahala)	21,259,503	7.23%
Mr Lord (Belgravia)	99,460,859	32.45%
Mr Ynema (TH Rose & Blue Hire Vendors)	138,000,000	46.32%

Notes

1. The maximum possible Voting Power of Mr Cullen & his Associates (including Kahala) on a Minimum Subscription basis will arise if they apply for their full Entitlements of $617,650, the $150,000 Related Party Convertible Loan is fully converted via Convertible Loan Sub-underwriting and 1.0 million Service Shares are issued with Shareholder approval to Mr Cullen (or his nominee), and no other Shares are issued other than 24,600,000 Deferred Shares to the Blue Hire Vendor. In this scenario (which the Company does not consider will occur in practice), total Shares held by Mr Cullen & his Associates will increase to 21,529,503 Shares, and their Voting Power will increase to 7.23%.

2. The maximum possible Voting Power of Mr Lord & his Associates (including Belgravia) on a Minimum Subscription basis will arise if they apply for their full Entitlements of $3,148,695, the $250,000 Lord Convertible Loan is fully converted ($87,826 via Convertible Loan Sub-underwriting and $162,174 via conversion by election), and no other Shares are issued other than 5,269,571 Shares via Converting Loan Sub-underwriting of $263,479 in other Convertible Loans, 24,600,000 Deferred Shares to the Blue Hire Vendors and 1.0 million Service Shares to Mr Cullen (or his nominee). In this scenario (which the Company does not consider will occur in practice), total Shares held by Mr Lord & his Associates will increase to 99,460,859 Shares, and their Voting Power will increase to 32.45%.

3. The maximum possible Voting Power of Mr Ynema and his Associates (including TH Rose and the Blue Hire Vendors) on a Minimum Subscription basis will arise if they apply for their full Entitlements of $1,100,000, the $250,000 Ynema Convertible Loan is fully converted via Convertible Loan Sub-underwriting, and no other Shares are issued other than 43.0 million Shares from General Sub-underwriting (including 15,000,000 Shares via Converting Loan Sub-underwriting of $750,000 in other Convertible Loans), 24,600,000 Deferred Shares to the Blue Hire Vendors, and 1.0 million Service Shares to Mr Cullen (or his nominee). In this scenario (which the Company does not consider will occur in practice), total Shares held by Byron Ynema & his Associates will increase to 138,000,000 Shares and their Voting Power will increase to 46.32%.

6. Rights and Liabilities attaching to Securities

6.1 Shares

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

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

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting rights

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

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one (1) vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one (1) vote for each Share held.

(c) Dividend rights

Subject to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. The Directors may set aside any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the Company's profits may be properly applied.

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

(d) Winding-up

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

(e) Shareholder liability

As the Shares issued under the Prospectus will be fully paid shares at the time of issue, they will not be subject to any calls for further moneys by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of Shares

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

(g) Future increase in capital

The issue of any new Shares is under the Directors' control. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) Variation of rights

By resolution of the board, the Company may vary the rights attached to Shares in a class of Shares by the issue of new Shares not having the same rights attached as any shares already issued.

(i) Alteration of Constitution

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

6.2 Underwriter Options / Convertible Loan Options

The Underwriter Options and Convertible Loan Options entitle the holder to subscribe for Shares on the terms and conditions set out below.

(a) (**Entitlement**) Each Option gives the Optionholder the right to subscribe for, and be issued, one (1) Share.

(b) (**Exercise Price**) Subject to clause (i) (Reorganisation), the amount payable upon exercise of each Option will be $0.10 (**Exercise Price**).

(c) (**Expiry Date**) The Options will expire at 5.00pm (WST) on the date that is three (3) years after the issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) (**Notice of Exercise**) An Optionholder may exercise any Options by lodging with the Company, before the Expiry Date:

(i) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and

(ii) electronic funds transfer for the aggregate Exercise Price for the number of Options that are subject to that Exercise Notice.

(e) (**Exercise Date**) An Exercise Notice is only effective when the Company has received the full amount of the aggregate Exercise Price in relation to the Options the subject of that Exercise Notice.

(f) (**Timing of issue of Shares on exercise**) Within 5 Business Days of receipt of the Exercise Notice and the aggregate Exercise Price, the Company will allot the applicable Shares to the Optionholder.

(g) (**Shares issued on exercise**) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other issued fully paid Shares.

(h) (**Quotation of Shares issued on exercise**) If admitted to the official list of the ASX at the time, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 5 Business Days after the allotment of those Shares.

(i) (**Reorganisation**) If, prior to the Expiry Date, the issued capital of the Company is reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and any requirements under the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(j) (**Participation in new issues**) There are no participating rights or entitlements inherent in the Options. An Optionholder will not be entitled to participate in new issues of securities offered to Shareholders during the currency of the Options except to the extent that Options are exercised prior to the 'record date' for determining entitlements for the new issue.

(k) (**Change in exercise price**) An Option does not confer on the holder any right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised except as provided in clause (i) (Reorganisation).

(l) (**Transferability**) The Options are not transferable without prior approval of the board of directors of the Company (at its discretion) and are subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities law.

(m) (**Agreement to be bound**) By lodging an Exercise Notice, the Optionholder agrees to take the applicable Shares and agrees to be bound by the constitution of the Company.

(n) (**Takeover Limitation**) If the conversion of the Options into the Shares would result in contravention of section 606(1) of the Corporations Act, then the exercise of that number of Options as would give rise to such contravention shall be deferred until such time as the exercise would not result in a contravention of section 606(1). The holder shall give notification to the Company in writing if the exercise of the Options may result in the contravention of section 606(1) failing which the Company shall assume that the exercise of the Options will not result in any person being in contravention of section 606(1).

7. Risk factors

7.1 Introduction

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

There are specific risks which relate directly to the Company's business. In addition, there are general risks, many if not all of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

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

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

7.2 Key risks

Section 2.3 of this Prospectus summarises the key risks that apply to the Company.

7.3 Company specific risks

(a) **Availability of equipment**

The Company operates in the expanding resources sector providing specialist equipment to customers on demand. The Company's main focus is on its water management rental business. There is the risk that such specific equipment may be in short supply, thereby limiting the ability to meet customer needs, generate new revenue and/or attract new customers.

(b) **Failure to retain and attract customers**

There can be no guarantee that the Company's business development and marketing activities will be successful in attracting new customers to the Company's business. There is a risk that the Company may not be successful in winning all or any of the current pipeline of prospective customer work. Further, the Company's existing customers may terminate their relationship with the Company, for example if any existing or new competitor offers more attractive pricing or services. There is also the risk that as the Company grows its business it may fail to maintain its customer service standards or may not develop service offerings that meet its customers' future requirements. A failure by the Company to retain and attract customers will have an adverse impact on the Company's business, operations and financial performance.

(c) **Additional funds**

Additional funding may be required by the Company to continue its growth strategy activities. In particular, additional funding may be required by the Company in the event that new equipment costs exceed the Company's estimates and will be required once those funds are depleted. To effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur, additional equity or other finance will be required. The Company may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of new equipment acquisitions and other aspects of the Company's growth strategy. There can be no assurance that the Company will be able to obtain further financing on a timely basis, on favourable terms or that such further funding will be sufficient to enable the Company to implement its planned commercial strategy. These factors may adversely affect the financial performance of the Company. Further, if additional funds are raised by issuing equity securities, this may result in dilution for some or all of the Shareholders.

(d) **Management of growth**

There is a risk that the Company will not be able to manage rapid growth of the Company's business, for example, due to the Company's small management team or if the cost of the equipment required for such growth exceeds management's expectations or available working capital. The capacity of the Company to properly implement and manage business growth including cash flow management may affect its operations and prospects. Further challenges and risks exist regarding attracting and retaining suitable skilled personnel in the current market.

(e) **Competition**

The Company operates in a competitive market. The market for provision of equipment hire and maintenance services is broad with international corporations, large local operators and smaller specialised operators competing for business. Competition also exists between service providers and the customer itself who has the alternative of purchasing rather than hiring equipment and maintaining equipment themselves. The factors that may affect the competitive of the Company include awareness of its brand, the loyalty of and its relationship with its customers, the scope, pricing and features of its service offerings and its level of service innovation, as well as the quality of its services and equipment provided, and its track record and reputation.

The Company business is at a relatively early stage of development and although it has had early success in building its business, there is no certainty that the Company will be able to compete successfully with existing and new potential competitors. Further, there is a risk that existing or new competitors could gain market share through product innovation, price discounting or aggressive marketing campaigns. Competition may also come from providers of complementary products or services offering services similar to those of the Company. In addition, the Company could lose customers and market share if it fails to adapt to technological and regulatory changes or customer expectations at the same rate as its competitors.

(f) **Revenue risks**

The Company charges service charges and hire fees to its customers for its specialised equipment hire and diesel engine services. There is a risk that the Company may not be able to maintain its anticipated revenue per customer. This may occur, for example, due to price discounting by competitors or if customers do not perceive value in the Company's services or purchase rather than hire equipment and maintain equipment themselves. This may also occur should the client consider an alternate technology that the Company is unable to deliver. To date, the Company's customers are on short term purchase order contracts. The lack of long term contracted revenues creates uncertainty of future revenues. The Company may also need to reduce the level of its fees, for example, as a result of its strategy to grow market share.

(g) **Maintenance and repair of equipment for hire**

The retention and growth by the Company of its customer base is dependent on the continued availability of its equipment for hire, and the ability of the Company to deliver a high level of maintenance and customer support. The Company may need to invest more into these matters than anticipated due to unanticipated wear and tear or damage to its equipment for hire. This increased investment could lead to reduced return on its products as well as delays in delivering equipment for hire to customers. This may impact on the Company's brand and reputation, business and financial performance. In addition, if there is a decline in customer service deliver, this may also adversely impact on the Company's brand and reputation.

(h) **Insurance**

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

(i) **Contractual disputes**

There is a risk that the Company's business could be disrupted in situations where there is a disagreement or dispute in relation to a term of a contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations, cashflow and performance generally. It is not possible for the Company to predict or protect itself against all such risks.

(j) **Health, Safety and Environment**

As a company with industrial services operations, there are risks of accidents or incidents that may occur with regard to health, safety or the environment. The key risks include injury to personnel and discharge of hydro carbons into the environment, despite the Company's internal controls to mitigate these risks. The possibility exists that this may lead to environmental/property damage or injury that may result in losses due to compensation, litigation or reputational damage for the Company. The health and safety of company personnel is a key consideration, accordingly there is also a risk that pandemic scenarios may impact staff and Company performance. Climate events related to climate change may also be a potential risk factor in the Company's ongoing performance.

(k) **Third Party Risk**

The operations of the Company require the involvement of a number of third parties, including suppliers, contractors and customers. Financial failure, insolvency, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect the Company against all such risks.

Third party risks include, but are not limited to:

(i) the possibility that some of the Company's customers may post a future credit risk by defaulting on their payment obligations to the Company; and

(ii) the possibility that some of the Company's customers may become insolvent, potentially placing assets of the Company hired to such a customer at risk,

in either case, despite the best endeavours of management to mitigate these risks.

(l) **Compliance with regulation**

The Company is subject to regulation concerning how its business is conducted, including occupational health, safety and environmental regulation. A failure to comply with all relevant regulation may result in the Company incurring a penalty (such as a fine), censure which restricts the normal conduct of business, an obligation to pay compensation, the need to give a written undertaking to comply or receiving a direction to comply. In some cases, a regulator may cancel or suspend the relevant licence or registration or undertake proceedings against the Company. A significant failure to comply with regulatory requirements, including in relation to data and information privacy, may also give rise to reputational damage, and adversely affect the Company's business and financial performance.

(m) **Commodity prices**

The key driver of demand for mining and oil & gas services is overall level of investment in plant and equipment for production, new exploration and sustaining works all of which are ultimately driven by commodity pricing. Accordingly, the Company's future ability to generate revenue or attract funding will be related to the price of commodities. Commodity prices fluctuate and are affected by a range of factors outside of the Company's control, including the relationship between global supply and demand for such commodities, forward selling by producers, the cost of production and general global economic conditions.

7.4 General risks

(a) **Market Conditions**

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

(i) general economic outlook;

(ii) introduction of tax reform or other new legislation;

(iii) interest rates and inflation rates;

(iv) changes in investor sentiment towards particular market sectors;

(v) the demand for, and supply of, capital; and

(vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Economic and Government risks**

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries including, but not limited to, the following:

(i) general economic conditions in jurisdictions in which the Company operates;

(ii) changes in government policies, taxation and other laws in jurisdictions in which the Company operates;

(iii) the strength of the equity and share markets in Australia and throughout the world;

(iv) movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Company operates; and

(v) natural disasters, social upheaval or war in jurisdictions in which the Company operates.

(c) **Litigation**

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of personal injury and property damage claims, environmental and indemnity claims, employee claims and other litigation and disputes. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of defending and/or settling such claims, and could affect the Company's reputation.

(d) **COVID-19 and pandemics risk**

The outbreak of the novel coronavirus disease (**COVID-19**) has impacted global economic markets and other pandemics could do the same in the future. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by any further outbreaks or strains of COVID-19 or other pandemics. Further, governmental or industry measures taken in response to COVID-19 or other pandemics may adversely impact the Company's operations and are likely to be beyond the control of the Company.

Any effects of COVID-19 or other pandemics on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount which may in turn cause dilution to Shareholders. If required, the Directors will monitor the impact of COVID-19 or other pandemics on the Company's business and financial performance, and in compliance with its continuous disclosure obligations, the Company would continue to update the market in regard to any further impact of COVID-19 or other pandemics on potential revenue channels and any potential, adverse impact on the Company and its operations.

7.5 Speculative investment

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

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

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

8. Additional information

8.1 Litigation

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

8.2 Continuous disclosure obligations

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

Under section 677 of the Corporations Act, a reasonable person is taken to expect information to have a material effect on the price or value of the Company’s quoted securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company’s quoted securities.

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

This Prospectus is issued in circumstances where significant publicly available information in relation to the Company exists by virtue of disclosures to ASX. This Prospectus does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors are encouraged to have regard to the other publicly available information available through the ASX in relation to the Company before making a decision whether or not to invest.

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

Information that is already in the public domain has not generally been included in this Prospectus other than certain information required to be included in this Prospectus by the Corporations Act.

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

(a) the Company is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, the offices of the ASIC; and

(c) the Company will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

(i) the annual financial report most recently lodged by the Company with ASIC;

(ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

(iii) any continuous disclosure notices given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

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

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

Date	Description of announcement
13/07/2026	Proposed issue of securities - BPP
13/07/2026	Proposed issue of securities - BPP
13/07/2026	Change of Director's Interest Notice - JC
13/07/2026	Capital Raise - Update
9/07/2026	Request for Extension of Suspension
1/07/2026	Change of Director's Interest Notice - JC
1/07/2026	Notification of cessation of securities - BPP
1/07/2026	Vesting of Performance Rights
24/06/2026	Update on Recapitalisation and Strategic Focus
19/05/2026	Discontinuation of Proposed Transactions
29/04/2026	Quarterly Activities/Appendix 4C Cash Flow Report
27/04/2026	Continuation of Suspension from Quotation
27/04/2026	Update on Voluntary Suspension
22/04/2026	Suspension from Quotation
20/04/2026	Trading Halt
26/02/2026	FY26 Half Year Financial Report Announcement
26/02/2026	Half Yearly Report and Accounts
11/02/2026	Change of Director's Interest Notice - MS
30/01/2026	Quarterly Activities/Appendix 4C Cash Flow Report
28/01/2026	Appointment of CFO
27/01/2026	Notification of cessation of securities - BPP

Date	Description of announcement
21/01/2026	Completion of Divestment of Ausblast
19/01/2026	Babylon to Divest Ausblast
22/12/2025	Multi-Year Pump Hire and Maintenance Contract with Newmont
15/12/2025	Cleansing Notice
15/12/2025	Application for quotation of securities - BPP
10/12/2025	Final Director’s Interest Notice - LB
10/12/2025	Resignation of Non-Executive Director
8/12/2025	Change of Director’s Interest Notice - MS
8/12/2025	Change of Director’s Interest Notice - CR
8/12/2025	Change of Director’s Interest Notice - PM
8/12/2025	Change of Director’s Interest Notice - LB
8/12/2025	Change of Director’s Interest Notice - JC
8/12/2025	Completion of Share Consolidation
1/12/2025	Change of Director’s Interest Notice - LB
1/12/2025	Change of Director’s Interest Notice - PM
1/12/2025	Change of Director’s Interest Notice - CR
1/12/2025	Change of Director’s Interest Notice - MS
1/12/2025	Notification regarding unquoted securities - BPP
27/11/2025	Results of Meeting
27/11/2025	AGM Presentation
10/11/2025	Appointment of Joint Company Secretaries
31/10/2025	Quarterly Activities/Appendix 4C Cash Flow Report
17/10/2025	Consolidation/Split - BPP
17/10/2025	Notice of Annual General Meeting/Proxy Form
16/10/2025	Notification regarding unquoted securities - BPP
16/10/2025	Notification regarding unquoted securities - BPP
27/08/2025	Becoming a substantial holder
25/08/2025	FY25 Results Presentation
22/08/2025	2025 Corporate Governance Statement
22/08/2025	Appendix 4G
22/08/2025	2025 Annual Report to Shareholders

ASX maintains files containing publicly available information for all listed companies. Copies of all documents released by the Company to the ASX are available on the ASX website at www.asx.com.au.

8.3 Market price of Shares

The highest, lowest and last market sale prices of the Shares on ASX during the three (3) months immediately preceding the date of lodgement of this Prospectus with the ASIC and the last respective date of those sales were:

	Price	Date
Highest	$0.1350	2 & 3 February 2026

Lowest	$0.0775	16-22 April 2026
Last	$0.0775	22 April 2026

8.4 Material Contracts

8.5.1 Convertible Loan Agreements

The material terms of the Convertible Loan Agreements are as follows:

(a) **Conversion**: Subject to compliance with the ASX Listing Rules and the Corporations Act, (and Shareholder approval in the case of the Related Party Convertible Loan) the Convertible Loan Lender may elect to convert their Advance on completion of the Entitlement Offer, at the Conversion Price, with any accrued and unpaid interest capitalised into the Advance and converted into Shares at the same price[12].

(b) **Effect of Convertible Loan Sub-underwriting**: The Advance will be deemed to be reduced to the extent discharged by the Convertible Loan Sub-underwriting.

(c) **Interest**: Interest of 11% per annum is payable. Any interest not paid when due will be capitalised. In the event of a default, default interest of 15% per annum is payable.

(d) **Repayment Date**: Any outstanding Convertible Loan amount, if not converted into Shares, is repayable (subject to the NAB Subordination Deed) the earlier of:

(i) 3 July 2027 or any other date as is agreed in writing between the parties; and

(ii) any date on which the Convertible Loan Lender requires repayment following an event of default,

(**Repayment Date**).

(e) **Early Repayment**: If the Convertible Loan Agreement has not been converted by the 31 October 2026, the Company may, subject to the NAB Subordination Deed, prepay the whole or part of the outstanding moneys on any day prior to the Repayment Date upon giving not less than 7 days prior written notice to the Convertible Loan Lender.

(f) **Security**: The Convertible Loan Agreement is unsecured.

(g) **Events of Default**: Standard events of default apply, including failure to pay, material breach, insolvency, appointment of an administrator or receiver, and cross-default.

(h) **Convertible Loan Options**: Subject to Shareholder approval, the Company will issue the Convertible Loan Lender with Convertible Loan Options with the number determined by dividing the Convertible Loan amount by the

[12] If the Entitlement Offer is not completed by 31 October 2026, the Convertible Loan may be converted at the issue price of Shares under the next Share equity capital raise completed by the Company that raises at least $3.0 million before costs, subject to a floor price of $0.05.

Conversion Price, rounded down to the nearest whole Option. The Convertible Loan Options will be issued on the earlier of:

(i) completion of the Entitlement Offer; and

(ii) within 10 days of Shareholder approval being obtained.

(i) **Failure to obtain Shareholder approval for Convertible Loan Options**: If Shareholder approval is not obtained for the issue of Convertible Loan Options, their value (agreed to be $0.01885 cents per Convertible Loan Option) will be added to the Advance and will either (at the lender's election) be converted into Shares at the Conversion Price on completion of the Entitlement Offer or repayable in July 2027 subject to the NAB Subordination Deed.

8.5.2 NAB Subordination Deeds

As set out in Section 8.5.1 above, the Convertible Loan Lenders have entered into individual Subordination Deeds with NAB and the Company.

Each NAB Subordination Deed is on similar terms and the key terms are as follows:

(j) **Subordination**: each Loan Amount is subordinated to all money owed to NAB by the Company (**NAB Debt**) until:

(i) the NAB Debt is repaid in full and NAB's obligations under the loan facilities expire or have been cancelled; or

(ii) NAB gives the Company written notice terminating the Subordination Period. The Subordination Period refers to the period commencing upon execution of the NAB Subordination Deed and full repayment of the NAB Debt and the expiration of NAB's obligations under the pre-existing loan facility.

(k) (**Amounts on trust**): any monies received by the Convertible Loan Lenders in respect of the Convertible Loans during the Subordination Period are to be held on trust for NAB (**Trust Amount**). Within 2 Business Days of receiving the Trust Amount, the Trust Amount is to be paid as follows:

(i) first, towards satisfaction of losses incurred by NAB in receiving or recovering the Trust Amount;

(ii) second, in satisfaction of the NAB Debt;

(iii) third, in satisfaction of any amounts owed to NAB by the Convertible Loan Lender; and

(iv) fourth, any money owed to the Convertible Loan Lender towards satisfaction of the Convertible Loan.

(l) (**Convertible Loan Lender restrictions**): during the Subordination Period, the Convertible Loan Lenders must not:

(i) demand or accept payment, repayment, satisfaction or discharge of the Convertible Loan;

(ii) sue for, or take other action to recover or accelerate the payment of the Convertible Loan;

(iii) exercise a right of set-off or combination of accounts in respect of the Convertible Loan;

(iv) novate, vary, assign, waive or release or replace its rights under the Convertible Loan Agreement;

(v) vote for, or requisition or apply for the liquidation or external administration of the Company; or

(vi) prove in in the Company's liquidation other than on a conditional/contingent basis subject to the NAB Debt being paid in full first.

(m) (**Set-off**): NAB may set off amounts owed by the Convertible Loan Lender to NAB against amounts owed by NAB to the Convertible Loan Lender, if the Convertible Loan Lender is in default. The Convertible Loan Lender has no equivalent right of set-off against NAB.

The NAB Subordination Deeds otherwise contain terms and conditions considered standard for agreements of this nature.

8.5.3 Joint Lead Manager Mandate

The Company has entered into a mandate with Leeuwin Wealth and Cumulus Wealth to act as exclusive corporate advisors and to the Company and Joint Lead Managers in respect of the Offer (**JLM Mandate**).

The JLM Mandate continues for 6 months (but if the Offer has commenced but remains unfinished will continue until the end of the Offer up to maximum of a further 6 months).

In consideration for these services, subject to the successful completion of the Offer, the Company has agreed to:

(a) pay the Joint Lead Managers:

(i) a corporate advisory fee of $120,000;

(ii) a management fee of 3.0% on the gross proceeds raised upon conversion of convertible loans, excluding any convertible loans specified under the Chairman's list;

(iii) a management fee of 2.0% on the gross cash proceeds of the Offer; and

(iv) if more than $7.5 million in cash subscriptions is raised under the Offer, a success fee of $120,000; and

(b) pay Leeuwin Wealth an underwriting/lodgement fee of 4.0% on the gross cash proceeds of the Offer, excluding any of the Chairman's list of investors.

The above fees will be split equally between the Joint Lead Managers.

The agreement is otherwise on standard terms and conditions for an agreement of this nature.

8.5.4 Underwriting Agreement

On 21 July 2026 the Company entered into an underwriting agreement with Leeuwin Wealth to partially underwrite up to $7.27 million of the Offer (increasing to $8.5 million if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors) (**Underwriting Agreement**).

The Underwritten Amount will consist of:

(a) $3.5 million in general underwriting, to be relieved by the first $2.5 million of cash subscriptions and $1.0 million of debt for equity conversion; and

(b) $3.77 million[13] in subordinated underwriting[14].

The Company will pay the Underwriter an underwriting/lodgement fee in accordance with the Joint Lead Manager Mandate, which is summarised in Section 8.5.3 above.

The Company will also, subject to Shareholder approval, issue 23,333,333 Underwriter Options to Leeuwin Wealth (or its nominees) in part consideration for acting as partial underwriter to the Offer.

The Underwriter has the right to terminate the Underwriting Agreement prior to the issue of the Underwritten Shares by giving notice in writing to the Company and without any cost or liability a range of circumstances considered standard for an agreement of this nature, including:

(a) (**Indices fall**): either of the All Ordinaries Index or the S&P/ASX Small Ordinaries Index as published by ASX is at any time after the date of the Underwriting Agreement, at a level that is 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;

(b) (**Share Price**): the Shares of the Company that trade on the ASX under the ASX code of “BPP” close lower than $0.05 for three consecutive days;

(c) (**Listing**):

 (i) the Company ceases to be admitted to the Official List of ASX; or

 (ii) the Shares cease to be officially quoted on ASX;

(d) (**Non-compliance with disclosure requirements**): it transpires that the Prospectus does not contain all the information required by the Corporations Act;

(e) (**Misleading Prospectus**): it transpires that there is a statement in that is misleading or deceptive in a material respect or likely to mislead or deceive in a material respect, or that there is a material omission from the Prospectus or if any statement in the Prospectus becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect or if the

[13] Increasing to up to $5.0 million if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting.

[14] The underwriting is subordinated as it will not be relieved by the first $7.5 million of cash subscriptions received under the Offer and Shortfall Offer.

issue of the Prospectus is or becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect;

(f) (**Restriction on allotment**): the Company is prevented from allotting the Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

(g) (**Withdrawal**): the Company withdraws the Prospectus or the Offer or indicates that it does not intend to proceed with the Offer;

(h) (**ASIC application**): an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn;

(i) (**Takeovers Panel**): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;

(j) (**Hostilities**): any of the following occurs:

  (i) Hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, the United Kingdom, Singapore, Hong Kong, the People's Republic of China, Iraq, North Korea, South Korea, Taiwan, any member state of the European Union or any of the following countries or territories: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, Turkey, United Arab Emirates, Yemen, Gaza and the West Bank (**Middle East Countries**), or a major terrorist act is perpetrated in any of those countries or any diplomatic establishment of any of those countries:

    (A) between Russia and Ukraine by way of the use of chemical, biological or nuclear weapons, or the military of any member state of the North Atlantic Treaty Organization becomes directly involved in that conflict; or

    (B) involving Israel and the Gaza region of Palestine, by way of the use of chemical, biological or nuclear weapons, or the military of any member state of the North Atlantic Treaty Organization; or

    (C) involving Israel, United States or Iran, by way of the use of chemical, biological or nuclear weapons, or the military of any member state of the North Atlantic Treaty Organization.

The Underwriting Agreement is otherwise on standard terms and conditions for an agreement of this nature.

8.5.5 Sub-underwriting Agreements

8.5.5.1 General Sub-underwriting Agreements

The Underwriter has entered into sub-underwriting agreements with Partial Sub-underwriters in respect of $2.5 million of general underwriting **General Sub-underwriters**) on industry standard terms (**General Sub-underwriting Agreements**).

The Underwriter has agreed to pay General Sub-underwriters a sub-underwriting fee of 3% plus GST on amounts sub-underwritten and, subject to Shareholder approval, to procure the issue to each General Sub-underwriter (as nominee of the Underwriter) of one (1) Underwriter Option for every three (3) Shares they sub-underwrite.

The General Ssub-underwriting will terminate upon termination of the Underwriting Agreement. The General Sub-underwriting Agreements otherwise contain terms and conditions considered standard for agreements of this nature.

8.5.5.2 Convertible Loan Sub-underwriting Agreements

The Convertible Loan Lenders have entered into the Sub-underwriting Agreements with the Underwriter to partially underwrite the Offer up to their respective Loan Amounts (**Convertible Loan Sub-underwriting Agreements**) on the same terms as the General Sub-underwriting Agreements except that:

(a) their sub-underwriting obligation will only be relieved if and to the extent that more than $2.5 million in cash subscriptions are received under the Offer, and will be satisfied through debt for equity conversion of their Convertible Loans on a dollar for dollar basis; and

(b) they will not be entitled to any sub-underwriting fee.

8.5.5.3 Subordinated Sub-underwriting Agreement

The Blue Hire Vendors have entered into a Sub-underwriting Agreement to partially underwrite the Offer up to $3.77 million (increasing to $5.0 million if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting) (**Subordinated Sub-underwriting Agreement**) on the same terms as the General Sub-underwriting Agreements except that:

(a) their sub-underwriting obligation will only be relieved if and to the extent that more than $7.5 million in cash subscriptions are received under the Offer, and will be satisfied through debt for equity conversion of the Deferred Cash Consideration owed to them on a dollar for dollar basis; and

(b) they will not be entitled to any sub-underwriting fee or Underwriter Options.

8.5.6 Blue Hire Sale Sale Agreement Variation

On 20 July 2026, the Company and the Blue Hire Vendors executed a variation to the Blue Hire SSA under which the parties agreed that:

(a) subject to subclause (e), the Deferred Consideration is agreed to be $8.2 million;

(b) 85% of the Deferred Consideration will be payable to the Blue Hire Vendors on 3 July 2027 in accordance with the Blue Hire SSA;

(c) subject to subclause (d), 15% of the Deferred Consideration will, subject to Shareholder approval (to be sought in August 2026), be satisfied through the issue of Deferred Consideration Shares in accordance with the Blue Hire SSA, save that the number of Shares will be determined based on a deemed issue price of $0.05 per Share and the Shares will be issued with 10 Business Days of Shareholder approval;

(d) if Shareholder approval for the issue of Deferred Consideration Shares is not obtained during August 2026, 15% of the Deferred Consideration will instead be paid to the Blue Hire Vendors in the same manner and at the same time as 85% of the Deferred Consideration is paid; and

(e) the Deferred Consideration will be reduced to the extent converted by way of debt for equity swaps under any separate agreements by the Blue Hire Vendors, including for clarity by way of sub-underwriting of the Offer.

8.5 Director interests and benefits

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

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

  (i) its formation or promotion; or

  (ii) the Offer; or

(c) the Offer,

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

(a) to a Director as an inducement to become, or to qualify as, a Director; or

(b) to a Director for services provided in connection with:

  (i) the formation or promotion of the Company; or

  (ii) the Offer.

8.6 Director Relevant Interests in Securities

The Relevant Interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlements under the Offer, is set out in the table below.

Director	Current Securities		Entitlement	Total Subscription ($)
	Shares	Performance Rights	Shares	
Jamie Cullen	2,115,822[1]	0	4,231,644	$211,582
Michael Shelby	382,368[2]	3,190,669[3]	764,736	$38,237
Patrick Maingard	894,177[4]	361,113[5]	1,788,354	$89,418
Chris Radin	Nil	444,446[6]	Nil	Nil
Total	**3,392,367**	**3,996,228**	**6,784,764**	**$339,237**

Notes:

1. 1,843,167 Shares held by Chesapeake Capital Ltd, of which Mr Cullen is a director and shareholder. 272,655 Shares held by Kahala Holdings Pty Ltd <Kilauea Super A/C>, of which Mr Cullen is a director of the trustee and a beneficiary of the superannuation fund.
2. 233,334 Shares held by West Feliciana Holdings Pty Ltd ATF Second Shelby Family Trust (**West Feliciana**), of which Mr Shelby is an associate. 149,034 Shares are held by Mr Shelby directly.
3. Consisting of:
   a. 340,000 Class E Performance Rights, expiring 19 March 2028;
   b. 793,334 Class F Performance Rights, expiring 19 March 2028;
   c. 296,367 Class G Performance Rights, expiring 18 March 2029;
   d. 691,523 Class H Performance Rights, expiring 18 March 2029;
   e. 106,945 Class I Performance Rights, expiring 1 December 2029; and
   f. 962,500 Class J Performance Rights, expiring 1 December 2029,

   held by West Feliciana.
4. Held by Patrick Maingard ATF the Valetta Trust.
5. Consisting of:
   a. 25,000 Class E Performance Rights, expiring 19 March 2028;
   b. 58,334 Class F Performance Rights, expiring 19 March 2028;
   c. 41,667 Class G Performance Rights, expiring 18 March 2029;
   d. 97,223 Class H Performance Rights, expiring 18 March 2029;
   e. 13,889 Class I Performance Rights, expiring 1 December 2029; and
   f. 125,000 Class J Performance Rights, expiring 1 December 2029,

   held by Patrick Maingard ATF the Valetta Trust.
6. Consisting of:
   a. 50,000 Class E Performance Rights, expiring 19 March 2028;
   b. 116,667 Class F Performance Rights, expiring 19 March 2028;
   c. 41,667 Class G Performance Rights, expiring 18 March 2029;

d. 97,223 Class H Performance Rights, expiring 18 March 2029;

e. 13,889 Class I Performance Rights, expiring 1 December 2029; and

f. 125,000 Class J Performance Rights, expiring 1 December 2029,

held by Chris Radin ATF <Radin Family Super A/C>.

8.7 Director Remuneration

The remuneration of an executive director is decided by the Board, without the affected executive director participating in that decision-making process. The total maximum remuneration of non-executive directors is set by ordinary resolution of Shareholders in general meeting in accordance with the Constitution. The current amount has been set to not exceed $500,000 per annum. The determination of non-executive directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive director.

A director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration (inclusive of superannuation) paid to both executive and non-executive directors. This does not include any reimbursements that the Directors may receive for work related expenses.

Director	Current Financial Year (est)	Financial year ending 30 June 2026[1]	Financial Year ending 30 June 2025
Jamie Cullen	$134,400[2]	$56,000[3]	$82,200[4]
Michael Shelby	$635,974	$561,589	$603,324
Patrick Maingard	$62,207	$74,457[5]	$73,611
Chris Radin	$62,207	$74,457[6]	$73,611

Notes:

1. Subject to Shareholder approval, some or all of the accrued and unpaid Non-Executive Director Fees for the 2026 calendar year may be satisfied in Shares, if approved by Shareholders and subject to agreement of the Non-Executive Directors. Details of the proposed issue of Director Fees are set out in the Notice of Meeting.
2. Exclusive of 1,000,000 Service Shares to be issued subject to Shareholder approval at the General Meeting.
3. Comprising $50,000 in Director fees (of which $50,000 are accrued and unpaid), $6,000 in superannuation.
4. Comprising a share-based payment of Class D Performance Rights.
5. Comprising $50,000 in Director fees (of which $30,800 are accrued and unpaid), $6,000 in superannuation and $18,457 of performance rights expense.
6. Comprising $50,000 in Director fees (of which $35,933 are accrued and unpaid), $6,000 in superannuation and $18,457 of performance rights expense

8.8 Interests of other relevant persons

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

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

  (i) its formation or promotion; or

  (ii) the Offer; or

(f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(g) the formation or promotion of the Company; or

(h) the Offer.

EMK Lawyers has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay EMK Lawyers $60,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, EMK Lawyers has been paid fees totalling $80,104 (excluding GST and disbursements) for legal services provided to the Company.

Leeuwin Wealth and Cumulus Wealth are acting as Joint Lead Managers and Corporate Advisors to the Offer and will be paid in fees as detailed in Section 8.5.3 of this Prospectus. During the 24 months preceding the lodgement of this Prospectus with the ASIC, Cumulus Wealth has been paid fees totalling $306,945.69 (excluding GST and disbursements). Leeuwin Wealth has not been paid any fees by the Company in the past 24 months.

Leeuwin Wealth is also acting as Partial Underwriter to the Offer and will be paid fees for acting as such as detailed in Sections 8.5.3 and 8.5.4 of this Prospectus.

8.9 Consents

Each of the parties referred to in this section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and

(b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

EMK Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus and have not withdrawn their consent prior to the lodgement of this Prospectus with the ASIC.

Leeuwin Wealth has given its written consent to being named as a Joint Lead Manager and the Partial Underwriter to the Offer in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Cumulus Wealth has given its written consent to being named as a Joint Lead Manager to the Offer in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.10 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately $285,715 (excluding GST) (for the Minimum Subscription) and $1,145,817 for the Full Subscription and are expected to be applied towards the items set out in the table below:

	Minimum Subscription ($)	Full Subscription ($)
ASX fees	22,509	30,853
ASIC fees	3,206	3,206
Legal fees	60,000	60,000
Capital Raising Fees[1]	180,000	1,031,757
Other	20,000	20,000
Total	**285,715**	**1,145,817**

8.11 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

9. Directors' authorisation

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

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

Jamie Cullen
Non-Executive Chair

For and on behalf of
Babylon Pump & Power Ltd

10. Glossary

$ means the lawful currency of the Commonwealth of Australia.

Advance has the meaning given in Section 4.20 of this Prospectus.

AEST means Australian Eastern Standard Time.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shares pursuant to the Shortfall Offer.

Application means an application to subscribe for Shares under this Prospectus.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

Associates has the meaning given in section 12 of the Corporations Act.

Assumption means the assumption that the Offer is Fully Subscribed and no additional Securities, other than those issued under the Offer, are issued after the date of this Prospectus and before completion of the Offer.

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

ASX Listing Rules means the listing rules of the ASX.

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

Blue Hire SSA means the share sale agreement between the Company and the Blue Hire Vendors dated on or around 1 June 2025 as varied.

Blue Hire Vendors means Byron Ynema and Royal Haze.

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

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

CHESS means the Clearing House Electronic Sub-Register System operated by ASX Settlement Pty Ltd.

Closing Date means 5.00pm (AWST) on the date specified in the timetable as the Offer Closing Date set out in Section 2.1 of this Prospectus (unless extended).

Company means Babylon Pump & Power Ltd (ABN 47 009 436 908).

Company Group means the Company and its Subsidiaries.

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

Convertible Loan means a loan under a Convertible Loan Agreement.

Convertible Loan Lenders mean the lenders of Convertible Loans.

Convertible Loan Options means Options on the terms and conditions set out in Section 6.2 of this Prospectus.

Convertible Loan Options Offer means the offer of the Convertible Loan Options on the terms and conditions set out in section 4.20 of this Prospectus.

Convertible Loan Sub-underwriting means the $1.0 million of debt for equity sub-underwriting of the Offer by the Convertible Loan Lenders, as detailed in Section 4.6.

Convertible Loan Sub-underwriting Agreements means the agreements summarised in Section 8.5.5.2 of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Cumulus Wealth means Cumulus Wealth Pty Ltd (ACN 634 297 279) (AFSL 524 450).

Debt Conversion means the conversion of debt by way of sub-underwriting the Offer under the Sub-underwriting Agreements.

Deferred Cash has the meaning given in Section 2.2 of this Prospectus.

Deferred Consideration has the meaning given in Section 2.2 of this Prospectus.

Deferred Consideration Shares has the meaning given in Section 2.2 of this Prospectus.

Director Fee Shares has the meaning given in Section 2.2 of this Prospectus.

Directors mean the directors of the Company.

Eligible Shareholder means a Shareholder of the Company as at the Record Date.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form provided with this Prospectus.

Fully Subscribed means that all Entitlements are taken up on the assumption that no further Shares are issued by the Company prior to the Record Date (whether on the exercise of Options or otherwise).

General Meeting means the Shareholder Meeting to approve, amongst other resolutions, the Company undertaking the Offer.

Issue Price means $0.05 per Share.

JLM Mandate has the mandate summarised in Section 8.5.3 of this Prospectus.

Joint Lead Managers means Leeuwin Wealth and Cumulus Wealth.

Kahala means Kahala Holdings Pty Ltd (ACN 067 459 027).

Last Practicable Date means the last practicable date before the finalisation of this Prospectus, being 20 July 2026.

Leeuwin Wealth means Leeuwin Wealth Pty Ltd (ACN 679 320 720) AFSL 561 674).

Minimum Subscription has the meaning given in Section 4.2.

NAB Conditions has the meaning given in Section 2.3.

Offer means the pro rata non-renounceable entitlement issue of new Shares the subject of this Prospectus.

Offers means the Offer, the Shortfall Offer, the Convertible Loan Options Offer and the Underwriter Options Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Partial Sub-underwriters means the partial sub-underwriters to the Offer.

Prospectus means this prospectus.

Record Date means the time and date specified in the timetable set out Section 2.1 of this Prospectus (unless extended).

Related Party Convertible Loan means the Convertible Loan provided by Kahala.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Royal Haze means Royal Haze Pty Ltd (ACN 657 944 360) ATF The Lister Pump Trust.

Securities means securities in the capital of the Company.

Service Shares means 1.0 million Shares proposed to be issued, subject to Shareholder approval at the General Meeting, to Non-Executive Chairman Mr Jamie Cullen (or his nominee) for services provided.

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

Shareholder means a holder of a Share.

Share Registry means the share registry of the Company as noted in Section 1 of this Prospectus.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form provided with this Prospectus.

Shortfall Offer means the offer of the Shortfall Shares on the terms and conditions set out in Section 4.4 of this Prospectus.

Shortfall Shares means those Shares not issued pursuant to the Offer.

Subordinated Sub-underwriting means subordinated sub-underwriting of the Entitlement Offer by the Blue Hire Vendors by way of debt for equity conversion of Deferred Cash under the Subordinated Sub-underwriting Agreement.

Subordinated Sub-underwriting Agreement means the subordinated sub-underwriting agreement with the Blue Hire Vendors as summarised in Section 8.5.5.3 of this Prospectus.

Subsidiaries has the meaning given in the Corporations Act.

Sub-underwriting Agreements means the agreements between the Underwriter and the Partial Sub-underwriters as summarised in Sections 8.5.5 of this Prospectus.

Underwriter means Leeuwin Wealth.

Underwriter Options means Options on the terms and conditions set out in Section 6.2 of this Prospectus.

Underwriting Agreement means the agreement summarised in Section 8.5.4 of this Prospectus.

Underwritten Amount means $7.27 million, increasing to $8.5 million if Shareholders do not approve the issue of the Deferred Consideration Shares to the Blue Hire Vendors at the General Meeting.

Voting Power has the meaning given in section 610 of the Corporations Act.