

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme PPK GROUP LIMITED

ACN/ARSN 003 964 181

1. Details of substantial holder (1)

Names McNamara Investment Group Pty Ltd (MIG) (and the other persons listed in paragraph 7).

ACN/ARSN (if applicable) 125 814 422

The holder became a substantial holder on 28/04/2014

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Fully paid ordinary shares (FPO Shares)	4,000,000	4,000,000	5.22%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
MIG	power to exercise the voting rights attached to, and the disposal of, the shares as registered holder. FPO Shares issued to MIG under the PPK Group McNamara Share and Loan Plan the terms of which are confirmed in the Share and Loan Plan Agreement 4 February 2014 (Share and Loan Plan Agreement) (a copy of which is attached as Annexure A) and with the approval of shareholders obtained at the general meeting held on 28 April 2014. These shares are subject to a restriction on disposal as detailed in clause 8 of the Share and Loan Plan Agreement.	4,000,000 FPO Shares
Dale McNamara	deemed relevant interest arising from voting power of more than 20% in MIG.	4,000,000 FPO Shares
Bernadette McNamara	deemed relevant interest arising from voting power of more than 20% in MIG.	4,000,000 FPO Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
MIG	McNamara Investment Group Pty Ltd <McNamara Investment A/C>		4,000,000 FPO Shares
Dale McNamara	McNamara Investment Group Pty Ltd <McNamara Investment A/C>		4,000,000 FPO Shares

Bernadette McNamara	McNamara Investment Group Pty Ltd <McNamara Investment A/C>	4,000,000 FPO Shares
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5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
McNamara Investment Group Pty Ltd	28/04/2014	\$2,800,000	-	4,000,000 FPO Shares
Dale McNamara	28/04/2014	N/A	N/A	4,000,000 FPO Shares
Bernadette McNamara	28/04/2014	N/A	N/A	4,000,000 FPO Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
McNamara Investment Group Pty Ltd ACN 125 814 422	616 Standen Drive, Lower Belford NSW 2335
Dale McNamara	616 Standen Drive, Lower Belford NSW 2335
Bernadette McNamara	616 Standen Drive, Lower Belford NSW 2335

Signature

print name Dale McNamara capacity Director

sign here  date 28 April 2014

DIRECTIONS

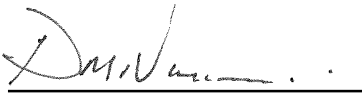
- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown".
 - (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
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Annexure "A"

This is annexure "A" of 6 pages referred to in ASIC Form 603 "Notice of initial substantial holder" dated 28 April 2014 signed by me:

A handwritten signature in black ink, appearing to read "Dale McNamara", is written over a horizontal line.

Dale McNamara

PPK GROUP LIMITED

SHARE AND LOAN PLAN - AGREEMENT

4 February 2014

McNamara Investment Group Pty Ltd
atf McNamara Investment Trust
616 Standen Drive
LOWER BELFORD NSW 2335

Dear Dale

This letter is to confirm that PPK Group Limited ACN 003 964 181 (**Company**) has agreed to make available a loan to McNamara Investment Group Pty Ltd ACN 125 814 422 atf McNamara Investment Trust (**Borrower**) for the purposes of purchasing shares in the Company on the terms and conditions previously agreed and restated in this letter of invitation and the attached Schedule A (**Loan**).

Subject to shareholder approval, the Company confirms that it agrees to lend the Borrower the amount set out below on the terms and conditions previously agreed and restated in this letter of invitation and the attached Schedule A (**Loan Amount**).

The Loan Amount will be applied towards the acquisitions of shares in the Company on the terms and conditions previously agreed and restated in this letter of invitation and the attached Schedule A.

To confirm the Borrower's previous agreement to apply for the Loan please sign the attached Acknowledgement and return to Jury Wowk by 12 February 2014.

Summary of Loan Details

Loan Amount:	\$2,800,000
Interest Rate:	Benchmark interest rate (currently 6.45%)
Number of shares	4,000,000
Price per share	\$0.70
Term	3 Years

Yours sincerely

Jury Wowk
Director



10. Repayment out of dividends and or capital returns

The Company may in its absolute discretion set off against the then outstanding balance of the Loan Amount and accrued interest (Outstanding Loan Balance) any amount that the Company is required to pay the Borrower in respect of the Shares acquired by the Loan including any dividend, distribution or return of capital in accordance with the following formula:

- (a) If the amount required to be paid to the Borrower is not an amount included in assessable income of the Borrower, then the Company may apply the total amount to be set off against the Outstanding Loan Balance.
- (b) If the amount required to be paid to the Borrower is an amount included in assessable income of the Borrower, then the company may set off against the Outstanding Loan Balance an amount calculated as follows:

- (i) $A =$ Maximum amount that may be set off against the Loan Amount and any capitalised interest

- (ii) $A = B - C$

- (iii) Where:

B = the total amount the Company is required to pay the Borrower;

*C = (B+D)*MTR - D*

D = the amount of any tax credit including franking credit attaching to the payment;

MTR = the maximum marginal rate of tax applying to an individual including any Medicare levy or other levy imposed from time to time.

or such other amount as may be agreed between the Company and the Borrower with the balance paid to the Borrower as and when requested by the Borrower.

- (c) To illustrate the above if the Company pays a fully franked Dividend of \$700,000 cash to the Borrower then:

- (i) $A = \$700,000 - \$165,000 = \$535,000$

- (ii) Where:

B = \$700,000;

*C = (\$700,000 + \$300,000)*46.5% - \$300,000 = \$165,000;*

D = \$300,000;

MTR = 46.5%

11. Limited recourse

Notwithstanding any other clause of this agreement:

- (a) in seeking repayment of the Loan Amount, plus accrued interest (if any) and all other debts and monetary liabilities, the Company will have recourse only to the proceeds received by the Borrower from a disposal of Shares acquired by the Loan; and
- (b) the Borrower will have no obligation to repay the full Loan Amount where the proceeds of a disposal of Shares acquired by the Loan are less than the Loan

(c) In the event of termination of either the:

- (i) Consultancy Agreement between the Company and McNamara Consultants Pty Ltd; or
- (ii) Employment Agreement between Dale McNamara and the Company and any of its subsidiaries;

for breach by McNamara Consultants Pty Ltd or Dale McNamara as the case may be;
or

the termination of employment or vacation of office where Dale McNamara is guilty of:

- wilful or deliberate misconduct which is inconsistent with the continuation of employment or the holding of office;
- a criminal offence which is punishable by imprisonment (other than a traffic offence) which in the reasonable opinion of the company detrimentally affects the Company; or
- disobedience of any lawful and responsible instruction that is inconsistent with the relationship of employer and employee; or
- any other act or circumstance entitling the Company as an employer to summarily dismiss Dale McNamara as an employee;

the Company will (subject to shareholder approval where required) buy back the Shares for an amount equivalent to the Outstanding Loan Balance and will repay the Outstanding Loan Balance and the Borrower will forfeit any further right title and interest in the Shares.

15. Power of attorney

The Borrower irrevocably appoints the Company as its attorney and agent for, in the name of and on behalf of the Borrower to take possession and to execute and deliver, in the name of and on behalf of such Borrower, all such certificates, instruments, assignments, share transfers and documents as may be necessary or desirable in the reasonable opinion of the Company to give effect to the terms of this agreement.