



Apollo Tourism & Leisure Ltd

ACN 614 714 742

Entitlement Offer Information Booklet

A pro rata non-renounceable entitlement offer of 4 New Shares for every 17 Existing Shares held at an issue price of \$1.18 per New Share

The Entitlement Offer is fully underwritten by Morgans Corporate Limited

Last date for acceptance and payment is 5.00pm (AEST) on Wednesday, 31 May 2017 (unless extended)

If you are an Eligible Shareholder, this document is important and requires your immediate attention. It should be read in its entirety. This document is not a prospectus under the *Corporations Act 2001* (Cth) and has not been lodged with the Australian Securities & Investments Commission. If you have any questions, you should contact your stockbroker, solicitor, accountant or other professional adviser.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OF AMERICA



Lead Manager and Underwriter



One Firm Worldwide™

Lawyers

CONTENTS

1.	DESCRIPTION AND EFFECT OF THE OFFER.....	7
1.1	Overview.....	7
1.2	No Entitlement trading	7
1.3	Shortfall Facility	7
1.4	Underwriting and management	8
1.5	Eligibility of Shareholders.....	10
1.6	Ranking of New Shares	10
1.7	Allotment.....	11
1.8	Broker handling fee.....	11
1.9	Further information.....	11
1.10	Foreign Shareholders	11
2.	HOW TO APPLY	13
2.1	Shareholder's choices.....	13
2.2	Taking up all of your Entitlement	13
2.3	Taking up all of your Entitlement and applying for Additional Shares	14
2.4	Taking up part of your Entitlement and allow for the balance to lapse.....	14
2.5	Allow your Entitlement to lapse	14
2.6	Consequences of not accepting your Entitlement.....	14
2.7	Payment	15
2.8	No minimum subscription.....	15
2.9	Entitlement and Acceptance Form is binding	15
2.10	Brokerage and stamp duty.....	16
2.11	Notice to nominees and custodians	16
3.	INVESTOR PRESENTATION	18
4.	RISK FACTORS.....	19
4.1	General risks.....	19
4.2	Specific investment risks.....	19
4.3	General investment risks.....	24
4.4	Cautionary statement.....	25
5.	DEFINITIONS.....	26

IMPORTANT NOTICES

This Information Booklet is dated 9 May 2017.

The Entitlement Offer is being made without a prospectus under section 708AA Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84). This Information Booklet does not contain all of the information which a prospective investor may require to make an informed investment decision. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Information Booklet is important and should be read in its entirety before deciding to participate in the Entitlement Offer. This Information Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC.

ATL may make additional announcements after the date of this Information Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration about whether you should participate in the Entitlement Offer.

No party other than ATL has authorised or caused the issue of this Information Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information Booklet or for any action you take in reliance on this Information Booklet.

The Lead Manager and Underwriter has not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Information Booklet and there is no statement in this Information Booklet which is based on any statement made by it or by any of its affiliates, officers or employees. To the maximum extent permitted by law, the Lead Manager and Underwriter and each of its affiliates, officers, employees and advisers expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this Information Booklet other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Information Booklet.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Information Booklet.

Foreign offers

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States of America and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States of America.

This Information Booklet is not to be distributed in, and no offer of New Shares is to be made in countries other than Australia, New Zealand, Hong Kong and Singapore. The

distribution of this Information Booklet (including an electronic copy) in other jurisdictions may be restricted by law and, therefore, persons who come into possession of this Information Booklet should seek advice on and observe these restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

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

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Each Application will be subject to all requisite authorities and clearances being obtained for ATL to lawfully receive any or all of the Application Monies.

Definitions, currency and time

Defined terms used in this Information Booklet are contained in section 5. All references to currency are to Australian dollars and all references to time are to the time in Brisbane, Australia unless otherwise indicated.

Taxation

There will be tax implications associated with participating in the Entitlement Offer and receiving New Shares. ATL considers that it is not appropriate to give advice regarding the tax consequences of subscribing for New Shares under this Information Booklet or the subsequent disposal of any New Shares. ATL recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

Privacy

ATL collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in ATL.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to ATL (directly or through the Share Registry). ATL collects, holds and will use that information to assess your Application. ATL collects your personal information to process and administer your shareholding in ATL and to provide related services to you. ATL may disclose your personal information for purposes related to your shareholding in ATL, including to the Share Registry, ATL's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that ATL holds about you. To make a request for access to your personal information held by (or on behalf of) ATL, please contact ATL through the Share Registry.

Governing law

This Information Booklet, the Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in Queensland, Australia. Each Applicant submits to the exclusive jurisdiction of the Queensland courts and courts competent to hear appeals from those courts.

No representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer which is not contained in this Information Booklet. Any information or representation in connection with the Entitlement Offer not contained in the Information Booklet may not be relied upon as having been authorised by ATL or any of its officers. Except as required by law, and only to the extent so required, none of ATL, or any other person, warrants or guarantees the future performance of ATL or any return on any investment made pursuant to this Information Booklet.

Past performance

Investors should note that ATL's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) ATL's future performance including ATL's future financial position or share price performance.

Forward looking statements

This Information Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of ATL and certain plans and objectives of the management of ATL. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither ATL, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, those forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of ATL. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Information Booklet in light of those disclosures.

Risks

Refer to the 'Risk factors' section 4 of this Information Booklet for a summary of general and specific risk factors that may affect ATL.

Trading of New Shares

ATL and the Lead Manager and Underwriter will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by ATL or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or to which they do not hold or are not entitled.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other professional adviser.

CHAIRMAN'S LETTER

9 May 2017

Dear Shareholder

As a valued shareholder of Apollo Tourism & Leisure Ltd (**ATL**), I am pleased to offer you the opportunity to participate in a 4 for 17 fully underwritten, non-renounceable entitlement offer of new fully paid ordinary shares in ATL (**New Shares**) at an issue price of \$1.18 per New Share (**Entitlement Offer**).

The proceeds of the Entitlement Offer will provide funds for the acquisition of CanaDream, reset the balance sheet after ATL's acquisitions of Kratzmann Caravans (which is expected to settle prior to completion of the Entitlement Offer), Sydney RV and Camplify, and fund the costs of the Entitlement Offer.

Information on the Acquisitions is set out further in the Investor Presentation in section 3 of this Information Booklet.

The issue price of \$1.18 per New Share represents a discount of:

- 8.2% to the theoretical ex-rights issue price (**TERP**)¹ of \$1.285; and
- 9.9% to the last traded price of Shares before the date of this Information Booklet of \$1.31.

The number of New Shares that you are entitled to subscribe for under the Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that is enclosed with this Information Booklet.

The Entitlement Offer is non-renounceable, which means if you do not take up your Entitlements then they will lapse. A market will not be established and you will not be able to trade your Entitlements.

In the event that Eligible Shareholders do not take up all of their Entitlements in full, a Shortfall Facility will be available to provide an opportunity for those Eligible Shareholders that have taken up their full Entitlements to apply for additional New Shares (**Additional Shares**). The allocation of any Additional Shares under the Shortfall Facility will be at the discretion of the Directors, in consultation with the Lead Manager and Underwriter. Any Shortfall Shares will be issued to the Lead Manager and Underwriter on the terms of the Underwriting Agreement.

The Entitlement Offer is fully underwritten by Morgans Corporate Limited.

ATL's non-executive Directors will be taking up their Entitlements in full. ATL's founding shareholder will be taking up \$1 million of its Entitlement.

Other information

This Information Booklet contains important information, including:

- instructions on how to apply, detailing how to participate in the Entitlement Offer if you choose to do so, and a timetable of key dates;

¹ The theoretical ex-rights price of \$1.285 is calculated using ATL's closing price on 5 May 2017 assuming proceeds from the Entitlement Offer are approximately \$40.3 million. TERP is the theoretical price at which shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Offer will depend on many factors and may not be equal to the TERP.

- a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions; and
- instructions on how to take up all or part of your Entitlement via BPAY®.

The Entitlement Offer closes at 5.00pm (AEST) on Wednesday, 31 May 2017.

Please read in full the details on how to submit your application, which are set out in this Information Booklet. For further information regarding the Entitlement Offer, please contact ATL on +61 7 3265 9222 between 8.30am to 5.00pm (AEST) Monday to Friday during the offer period.

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

On behalf of the Board of ATL, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Lonie', written over a horizontal line.

Stephen Lonie
Chairman

SUMMARY OF THE ENTITLEMENT OFFER

Entitlement Offer	
Ratio	4 New Shares for every 17 Existing Shares held by an Eligible Shareholder
Issue Price	\$1.18 per New Share
Size	34,145,372 New Shares
Approximate amount to be raised under the Entitlement Offer before costs	\$40,291,538.96

Capital structure

Subject to rounding of fractional Entitlements, the capital structure of ATL following the issue of New Shares is expected to be as follows:

Shares on issue as at 9 May 2017	145,117,829
New Shares to be issued under the Entitlement Offer	34,145,372
Total Shares on issue following completion of the Entitlement Offer	179,263,201

Key dates

Activity	Date
Announcement of the Entitlement Offer	Tuesday, 9 May 2017
Ex date	Thursday, 11 May 2017
Record Date for Entitlement Offer (7.00pm AEST)	Friday, 12 May 2017
Information Booklet and Entitlement and Acceptance Form despatched	Wednesday, 17 May 2017
Entitlement Offer opens	Wednesday, 17 May 2017
Closing date for acceptances under Entitlement Offer (5.00pm AEST)	Wednesday, 31 May 2017
ATL notifies ASX of under subscriptions	Monday, 5 June 2017
Allotment of New Shares	Wednesday, 7 June 2017
Normal ASX trading for New Shares	Thursday, 8 June 2017
Despatch of holding statements for New Shares	Friday, 9 June 2017

This timetable is indicative only and subject to change. The Directors may vary these dates, in consultation with the Lead Manager and Underwriter, subject to the Listing Rules. An extension of the Closing Date will delay the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time before the allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.

The commencement of quotation of New Shares is subject to the discretion of ASX.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

ENQUIRIES

For further information regarding the Entitlement Offer, please contact ATL on +61 7 3265 9222 between 8.30am to 5.00pm (AEST) Monday to Friday during the offer period. Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

If you would like a replacement Entitlement and Acceptance Form, please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday.

1. DESCRIPTION AND EFFECT OF THE OFFER

1.1 Overview

The Entitlement Offer is a fully underwritten non-renounceable offer of 34,145,372 New Shares at \$1.18 per New Share to raise approximately \$40.3 million (before direct offer costs including fees paid to advisers and to providers of specific services to cover share registry, printing and postage costs).

The proceeds of the Entitlement Offer will provide funds for the acquisition of CanaDream, reset the balance sheet after ATL's acquisitions of Kratzmann Caravans (which is expected to settle prior to completion of the Entitlement Offer), Sydney RV and Camplify, and fund the costs of the Entitlement Offer.

Eligible Shareholders who are on ATL's share register on the Record Date are entitled to acquire 4 New Shares for every 17 Existing Shares held on the Record Date (**Entitlement**).

Fractional Entitlements will be rounded up to the nearest whole number of New Shares.

The issue price of \$1.18 per New Share represents a discount of:

- 8.2% to the TERP of \$1.285; and
- 9.9% to the last traded price of Shares the date of this Information Booklet of \$1.31.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Information Booklet. Eligible Shareholders may subscribe for all or part of their Entitlement.

Eligible Shareholders should be aware that an investment in ATL involves risks. The key risks identified by ATL are summarised in section 4 of this Information Booklet.

1.2 No Entitlement trading

The Entitlement Offer is non-renounceable, meaning that Eligible Shareholders may not sell their Entitlements to third parties if they do not wish to take them up. A market will not be established for Entitlements trading.

If you do not take up all or any part of your Entitlements by the Closing Date, they will lapse.

1.3 Shortfall Facility

In the event that Eligible Shareholders do not take up all of their Entitlements in full, a Shortfall Facility will be available to provide an opportunity for those Eligible Shareholders that have taken up their full Entitlements to apply for Additional Shares.

Eligible Shareholders may apply for Additional Shares by completing the relevant part of the Entitlement and Acceptance Form and paying by cheque, or through BPAY®.

There is no guarantee that Eligible Shareholders will receive the number of Additional Shares applied for, or that they will receive any at all. ATL will, in consultation with the Lead Manager and Underwriter, allocate Applications for Additional Shares.

If any Applications for Additional Shares are not accepted in part or in full, the relevant portion of the Application Monies will be refunded without interest as soon as practicable.

The allocation of any Additional Shares under the Shortfall Facility will be at the discretion of the Directors, in consultation with the Lead Manager and Underwriter.

No Additional Shares will be issued if, to do so would, to the extent of the knowledge of ATL, result in a breach of the Listing Rules or the restrictions on obtaining or increasing relevant interests of greater than 20% of ATL's issued voting shares under Chapter 6 of the Corporations Act, or would otherwise be contrary to the Corporations Act or the Listing Rules.

Any Shortfall Shares will be issued to the Lead Manager and Underwriter on the terms of the Underwriting Agreement (see section 1.4).

1.4 Underwriting and management

Morgans Corporate Limited has agreed to underwrite the full amount of the Entitlement Offer on the terms set out in the Underwriting Agreement. Any Shortfall Shares will be issued to the Lead Manager and Underwriter on the terms set out in Underwriting Agreement.

The Lead Manager and Underwriter will receive:

- (a) an underwriting fee of 2.5% of the balance proceeds of the Entitlement Offer in respect of the Shortfall Shares (excluding GST); and
- (b) a management fee of 0.5% of the gross proceeds of the Entitlement Offer (excluding GST).

The Lead Manager and Underwriter is entitled to reimbursement of certain costs, charges and expenses incurred in connection with the Entitlement Offer.

ATL has agreed to indemnify the Lead Manager and Underwriter and others against their losses in connection with the Entitlement Offer, subject to the terms of the Underwriting Agreement.

The Underwriting Agreement includes a number of unqualified and qualified termination events which are customary in agreements of this nature.

The unqualified termination events provide the Lead Manager and Underwriter with an immediate and unconditional right to terminate the Underwriting Agreement. The qualified termination events allow the Lead Manager and Underwriter to terminate only if an event has had or is likely to have a material adverse effect on the success of the Entitlement Offer, the marketing and/or subscription for New Shares or the price of the New Shares or if the event otherwise has given or is likely to give rise to breach of the law or a liability for the Lead Manager and Underwriter.

The unqualified and qualified termination events in the Underwriting Agreement include, but are not limited to:

Unqualified termination events

- (a) the S&P/ASX 200 Index published by the ASX is, for at least two consecutive business days, more than 10% below its level as at 5pm on the Business Day immediately preceding the date of the Underwriting Agreement;
- (b) any document issued in relation to the Entitlement Offer contains, whether by omission or otherwise, a statement which is false, misleading or deceptive or otherwise does not comply with any applicable law;
- (c) civil or criminal proceedings are brought against ATL or its Directors, officers or senior management;
- (d) there is a material adverse change in relation to the condition, assets, liabilities, financial position and performance, profits and losses or prospects of ATL or its group of companies;

- (e) there is a material adverse change or disruption to the political conditions or financial markets of Australia, Japan, the United Kingdom or the United States of America, or a general moratorium on banking activities on any of those countries;
- (f) there is a breach of a debt facility of ATL or its group of companies which constitutes an event of default, gives rise to a right to accelerate or requirement repayment of the facility or otherwise has or may have a material adverse effect on ATL or its group of companies;
- (g) any statement or estimate in any document issued in relation to the Entitlement Offer relating to a future matter is or becomes incapable of being met;
- (h) ASIC takes action (including by commencing or giving notice of an intention to conduct an investigation) in relation to the Entitlement Offer or any document issued in relation to the Entitlement Offer;
- (i) ATL becomes unable to issue the New Shares;
- (j) quotation approval for the New Shares is refused;
- (k) ATL or any member of its group of companies becomes insolvent;
- (l) the agreements entered into with respect to the acquisition of Kratzmann Caravans or CanaDream are terminated or become void, invalid, unenforceable or materially limited in effect (or are otherwise amended without the prior written consent of the Lead Manager and Underwriter); or
- (m) the Lead Manager and Underwriter forms the view that the results of the due diligence investigations completed in relation to the Entitlement Offer are misleading or deceptive or are likely to mislead or deceive.

Qualified termination events

- (a) ATL fails to comply with its obligations pursuant to the Underwriting Agreement or a representation or warranty by ATL becomes incorrect;
- (b) there is an escalation of hostilities, declaration of war or an act of terrorism involving any one or more of Australia, the United States of America, any member state of the European Union, Indonesia, Japan, Russia, China, North Korea or South Korea;
- (c) there is a change in the law;
- (d) there is an alteration to the Directors or ATL's senior management;
- (e) a contract, deed or other agreement material to the Entitlement Offer is terminated or amended without the prior written consent of the Lead Manager and Underwriter or is otherwise found to be void or voidable; or
- (f) ATL or a member of its group of companies alters its share capital or constitution without the prior written consent of the Lead Manager and Underwriter.

Please note that this is not an exhaustive list of the termination events in the Underwriting Agreement.

None of the Lead Manager and Underwriter nor any of its related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Information Booklet and they do not take any responsibility for this Information Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Lead Manager and

Underwriter and each of its related bodies corporate and affiliates and each of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this Information Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Lead Manager and Underwriter nor any of its related bodies corporate and affiliates nor respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties to you concerning the Entitlement Offer, or any such information and you represent, warrant and agree that you have not relied on any statements made by the Lead Manager and Underwriter or any of its related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares or the Entitlement Offer generally.

1.5 Eligibility of Shareholders

The Entitlement Offer is being offered to each Shareholder on the Record Date that:

- (a) has a registered address on the ATL share register in Australia, New Zealand, Hong Kong or Singapore;
- (b) is not in the United States of America and is not a person (including nominee or custodian) acting for the account or benefit of a person in the United States of America; and
- (c) is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered,

(Eligible Shareholder).

Any Shareholder that is not an Eligible Shareholder will be an Ineligible Shareholder. ATL reserves the right to determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder.

By returning a completed personalised Entitlement and Acceptance Form with payment or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Shareholder. Nominees, trustees or custodians are, therefore, advised to seek independent professional advice as to how to proceed.

The Entitlement Offer is not being extended to the Ineligible Shareholders because of the small number of those Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in foreign jurisdictions. ATL may (in its absolute discretion) extend the Entitlement Offer to Shareholders that have registered addresses outside Australia, New Zealand, Hong Kong and Singapore (except the United States of America) in accordance with applicable law.

No New Shares will be issued if, to do so would, to the extent of the knowledge of ATL, result in a breach of the Listing Rules or the restrictions on obtaining or increasing relevant interests of greater than 20% of ATL's issued voting shares under Chapter 6 of the Corporations Act, or would otherwise be contrary to the Corporations Act or the Listing Rules.

1.6 Ranking of New Shares

The New Shares issued under the Entitlement Offer will be fully paid and rank equally with Existing Shares. The rights and liabilities attaching to the New Shares are set out in ATL's constitution, a copy of which can be obtained by contacting ATL on +61 7 3265 9222 at any time from 8.30am to 5.00pm (AEST) Monday to Friday during the offer period.

1.7 Allotment

ATL will make an application within seven days from the date of this Information Booklet for quotation of the New Shares on ASX. Allotment of the New Shares under the Entitlement Offer will take place as soon as practicable after the close of the Entitlement Offer.

Application Monies will be held by ATL on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them before trading the New Shares. The sale by an Applicant of New Shares before receiving their holding statement is at the Applicant's own risk.

1.8 Broker handling fee

A broker handling fee of 1% of the amount payable under an Application (excluding GST), subject to a maximum handling fee of \$150, (**Broker Handling Fee**) will be paid by the Underwriter to stockbrokers (being those entities recognised as full service brokers or non-advisory brokers by ASX) who submit a valid claim for a Broker Handling Fee on successful Applications. The Broker Handling Fee will be paid by the Lead Manager and Underwriter.

1.9 Further information

Eligible Shareholders can obtain a copy of this Information Booklet from the ATL website at <http://www.apollotourism.com/> or by contacting ATL on +61 7 3265 9222 at any time from 8.30am to 5.00pm (AEST) Monday to Friday during the offer period. Persons who access the electronic version of this Information Booklet should ensure that they download and read the entire Information Booklet. The electronic version of this Information Booklet will not include an Entitlement and Acceptance Form.

A replacement Entitlement and Acceptance Form can be requested by calling the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday.

1.10 Foreign Shareholders

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer in any place which, or to any person to whom, it would be unlawful to make such an offer. The Entitlement Offer is being made without a disclosure document under section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84) and no action has been taken to register this Information Booklet in Australia or any other jurisdiction.

(a) New Zealand

The New Shares are not being offered to the public within New Zealand other than to Shareholders 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 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. This document 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.

(b) Hong Kong

This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (**Companies Ordinance**), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the

Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to existing Shareholders that are "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to existing Shareholders that are professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

(c) 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 or materials in connection with the offer or sale, or invitation for subscription or purchase, of 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 XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of ATL's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined under section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out previously, 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. There are on-sale restrictions in Singapore that 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.

(d) United States of America

The New Shares have not been, and will not be, registered under the US Securities Act or the securities law of any state or other jurisdiction of the United States of America and may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, a US person, except in a transaction exempt from the registration requirements of the US Securities Act and any applicable United States of America state securities laws.

This Information Booklet is neither an offer to sell nor a solicitation of an offer to buy securities as those terms are defined under the US Securities Act. The Entitlement Offer is not being made to US persons or persons in the United States of America.

2. HOW TO APPLY

2.1 Shareholder's choices

The number of New Shares to which Eligible Shareholders are entitled under the Entitlement Offer (i.e. their Entitlement) is shown on the accompanying Entitlement and Acceptance Form. If Eligible Shareholders have more than one registered holding of Shares, Eligible Shareholders will be sent more than one personalised Entitlement and Acceptance Form and Eligible Shareholders will have a separate Entitlement for each separate holding.

Eligible Shareholders may:

- (a) take up their Entitlement in full (refer to section 2.2);
- (b) take up their Entitlement in full and apply for Additional Shares under the Shortfall Facility (refer to section 2.3);
- (c) take up part of their Entitlement and allow the balance to lapse (refer to section 2.4);
or
- (d) do nothing and allow their Entitlement to lapse (refer to section 2.5).

Ineligible Shareholders may not take up any of their Entitlements.

ATL reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

The Closing Date for acceptance of the Entitlement Offer is 5.00pm (AEST) on Wednesday, 31 May 2017 (however, that date may be varied by ATL, in accordance with the Listing Rules and the Underwriting Agreement).

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Information Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Entitlement Offer. As a result, it is important for you to read carefully and understand the information on ATL and the Entitlement Offer made publicly available, prior to deciding whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to this Information Booklet and other announcements by ATL made available at www.asx.com.au (including announcements which may be made by ATL after publication of this Information Booklet).

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to the 'Risk factors' in section 4 of this Information Booklet for a summary of general and specific risk factors that may affect ATL.

2.2 Taking up all of your Entitlement

If you wish to take up your Entitlement in full, follow the instructions set out on the Entitlement and Acceptance Form.

Please return your completed Entitlement and Acceptance Form together with your Application Monies in accordance with section 2.7 for the amount shown on the Entitlement and Acceptance Form to the Share Registry so that it is received no later than 5.00pm (AEST) on Wednesday, 31 May 2017 at the following address:

Apollo Tourism & Leisure Ltd
C/- Computershare Investor Services Pty Limited

GPO Box 505
Melbourne VIC 3001

You may also take up all of your Entitlement by payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is being made through BPAY®, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than 5.00pm (AEST) on Wednesday, 31 May 2017.

Refund amounts, if any, will be paid in Australian dollars and without any interest. You will be paid either by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the share register as at the closing date of the offer. If you wish to advise or change your banking instructions with the Share Registry you may do so by going to www.investorvote.com/au and following the instructions.

2.3 **Taking up all of your Entitlement and applying for Additional Shares**

If you have applied to take up all of your Entitlement, you may also apply for Additional Shares by following the instructions set out on the Entitlement and Acceptance Form. Additional Shares will only be available to the extent that there are Entitlements under the Entitlement Offer which are not taken up by other Eligible Shareholders.

If your Application for Additional Shares is successful (in whole or in part), those Additional Shares will be issued to you at the same time that the other New Shares are issued under the Entitlement Offer.

There is no guarantee that Eligible Shareholders will receive the number of Additional Shares applied for, or that they will receive any at all. ATL will, in consultation with the Lead Manager and Underwriter, allocate Applications for Additional Shares.

If any Applications for Additional Shares are not accepted in part or in full, the relevant portion of the Application Monies will be refunded without interest as soon as practicable.

The allocation of any Additional Shares under the Shortfall Facility will be at the discretion of the Directors, in consultation with the Lead Manager and Underwriter.

2.4 **Taking up part of your Entitlement and allow for the balance to lapse**

If you wish to take up part of your Entitlement, please complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the instructions set out on the Entitlement and Acceptance Form.

You may arrange for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is made through BPAY® and ATL receives an amount that is less than the Issue Price multiplied by your Entitlement (**Reduced Amount**), your payment may be treated as an application for as many New Shares as the Reduced Amount will pay for in full.

The portion of your Entitlement not taken up will lapse without further action by you.

2.5 **Allow your Entitlement to lapse**

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse.

2.6 **Consequences of not accepting your Entitlement**

If you do not accept all of your Entitlement in accordance with the instructions set out, any New Shares that you would have otherwise been entitled to under the Entitlement Offer (or

New Shares that relate to the portion of your Entitlement that has not been accepted) may be acquired by other Shareholders that have applied for Additional Shares, by the Lead Manager and Underwriter or any sub-underwriter.

Your percentage shareholding in ATL will be diluted if you do not accept all or a part of your Entitlement.

2.7 **Payment**

The consideration for the New Shares is payable in full on application by a payment of \$1.18 per New Share. The completed Entitlement and Acceptance Form must be accompanied by a cheque for the Application Monies. Cheques must be drawn in Australian currency on an Australian bank and made payable to '**Apollo Tourism & Leisure Ltd – Entitlement Offer**' and crossed 'Not Negotiable'.

Alternatively, you may arrange for payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. It is your responsibility to ensure your BPAY® payment is received by the Share Registry by no later than 5.00 pm (AEST) on Wednesday, 31 May 2017. Your financial institution may implement earlier cut-off times with regard to electronic payment, and you should take that into consideration.

Eligible Shareholders must not forward cash by mail. Receipts for payment will not be issued.

2.8 **No minimum subscription**

There is no minimum subscription amount for the Entitlement Offer.

2.9 **Entitlement and Acceptance Form is binding**

A completed and lodged Entitlement and Acceptance Form with the requisite Application Monies, or a payment made through BPAY®, constitutes a binding offer to acquire New Shares on the terms of this Information Booklet and, once paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. The Directors' (or their delegates') decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is at their sole discretion and final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that you:

- (a) acknowledge that you have read this Information Booklet and the accompanying Entitlement and Acceptance Form in their entirety;
- (b) agree to be bound by the terms of the Entitlement Offer, this Information Booklet and ATL's constitution;
- (c) authorise ATL to register you as the holder(s) of the New Shares allotted to you;
- (d) declare that all details and statements made in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement Offer;

- (f) acknowledge that, once ATL or the Share Registry receives the Entitlement and Acceptance Form or your payment by BPAY®, you may not withdraw it except as allowed by law;
- (g) apply for the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies, at the Issue Price per New Share;
- (h) agree to be issued the number of New Shares that you apply for;
- (i) authorise ATL, the Lead Manager and Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (j) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form;
- (k) acknowledge that the information contained in this Information Booklet is not investment advice or a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- (l) acknowledge that the Information Booklet is not a prospectus and does not contain all of the information that you may require in order to assess an investment in ATL and is given in the context of ATL's past and ongoing continuous disclosure announcements to ASX;
- (m) acknowledge that you have read and understood the 'Risk factors' in section 4 and that an investment in ATL is subject to risks;
- (n) acknowledge that none of ATL, the Lead Manager and Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of ATL, nor do they guarantee the repayment of capital;
- (o) authorise ATL to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (p) are an Eligible Shareholder and are not in the United States of America and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States of America and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;
- (q) acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or under the laws of any other jurisdiction outside Australia; and
- (r) have not and will not send any materials relating to the Entitlement Offer to any person in the United States of America or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States of America.

2.10 **Brokerage and stamp duty**

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Entitlement Offer.

2.11 **Notice to nominees and custodians**

Nominees and custodians may not distribute any part of this Information Booklet or any Entitlement and Acceptance Form in any country outside Australia, except to beneficial holders of Shares in New Zealand, Hong Kong, Singapore or any other country to the extent ATL may determine it is lawful and practical to make the Entitlement Offer.

ATL is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary, including following acquisition of Entitlements on ASX or otherwise, complies with applicable foreign laws. ATL is not able to advise on foreign laws.

3. INVESTOR PRESENTATION

4. RISK FACTORS

4.1 General risks

Investors should be aware that the market price of ATL's securities may be influenced by a number of factors. General movements in local and international stock markets, exchange rates, prevailing economic conditions, investor sentiment and interest rates could all affect the market price of ATL's securities. These risks apply generally to any investment on the stock market.

In addition to the general risks associated with investing in the stock market, there are risks specific to investing in any particular entity. Some risks may be outside ATL's control and not capable of mitigation. If in doubt about the general or specific risks associated with ATL's securities, you should seek advice from your professional advisers.

4.2 Specific investment risks

Completion risk

The Acquisitions are subject to the satisfaction of various conditions, which, if not satisfied, may result in the Acquisitions not proceeding. In particular, the CanaDream acquisition is subject to approval by the shareholders of CanaDream and approval by the relevant court. The Entitlement Offer is not subject to completion of the Acquisitions. If the Acquisitions do not complete for any reason, an investment in New Shares will not include exposure to the Acquisitions, and ATL will use the proceeds raised under the Entitlement Offer for other purposes which may include, but is not limited to, general working capital, other potential acquisitions or to strengthen its balance sheet.

Business integration

There is a risk that the integration of the Acquisitions, in particular CanaDream, may be more complex than anticipated. The management of ATL may encounter unexpected challenges and resolving such issues may take longer than expected and divert attention from the day to day operations of ATL's core business. The integration of the Acquisitions may also not deliver expected benefits due to differences in people culture or general inability to achieve synergy benefits and cost savings. Any of these occurrences would have an adverse effect on ATL's performance.

Due diligence risk

ATL has conducted a due diligence process in respect of the Acquisitions, which has relied, in part, on the review of financial, legal, commercial and other information provided by CanaDream and Kratzmann Caravans (as applicable). ATL will not be able to verify the accuracy, reliability or completeness of all of the information which was provided to it against independent data.

If any of the information provided to ATL in its due diligence process and its preparation of this Information Booklet proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position of CanaDream or Kratzmann Caravans may be materially different to the financial position and performance expected by ATL and reflected in this Information Booklet, which would then have a material adverse effect on the financial position of ATL.

Investors should note that there is no assurance that the due diligence conducted by ATL has been conclusive and that all material issues and risks in respect of the Acquisitions will be identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material adverse effect on ATL.

Increased exposure to seasonal business

ATL's business is seasonal in nature and, historically, ATL has experienced, and continues to experience, significant variability in revenue, net income and cash flows in different quarters as a result. RVs are used primarily by leisure travellers and demand will be affected by seasonal conditions. Unusually severe weather conditions may also impact upon demand.

The acquisition of CanaDream will increase the seasonal risk of ATL's business and increase the earnings skew to the first half of ATL's financial year.

If, for any reason, ATL miscalculates the seasonal demand for its products or the product mix, which would result in higher labour costs as a percentage of sales, lower margins and excess inventory, all of which could have an adverse effect on the financial performance of ATL.

Additionally, due to the seasonality of ATL's business, the impact of other risks associated with ATL's business, such as natural disasters and weather effects, will be potentially greater if they occur during the peak booking and travel seasons.

The acquisition of CanaDream will increase ATL's seasonal exposure to the European outbound travel market, and in particular the German outbound travel market.

Dependence upon key personnel

ATL depends on the talent and experience of its key personnel as its primary asset. The integration, and continued success of, the Acquisitions post completion will also depend on the ability of ATL to retain the key personnel of CanaDream and Kratzmann Caravans.

There may be a negative impact on ATL if any of its key personnel leave or if ATL is unable to retain the key personnel of CanaDream and Kratzmann Caravans post completion. It may be difficult to replace them, or to do so in a timely manner or at comparable expense. Additionally, any key personnel of ATL who leave to work for a competitor may adversely impact ATL.

In summary, ATL's ability to attract and retain personnel will have a direct correlation upon its ability to achieve forecast revenues. Additionally, increases in recruitment, wages and contractor costs may adversely impact upon the financial performance of ATL.

Economic conditions

The impact of economic conditions upon ATL may be either specific, or of a more general nature.

The operating and financial performance of ATL is cyclical and influenced by a variety of general economic and business conditions, including levels of consumer spending, inflation, interest rates and exchange rates, access to consumer credit, government fiscal, monetary and regulatory policies and oil prices. A prolonged deterioration in general economic and business conditions could be expected to have an adverse impact on ATL's financial performance.

As ATL's business offerings are discretionary items for many customers, ATL will be exposed to a deterioration in general economic and business conditions. If general economic conditions worsen, either in Australia or globally, there is a risk that consumers will reduce their level of consumption or redirect their spending from leisure travel and other discretionary spending, which could result in a reduction in RV rentals and sales, which would then have an adverse effect on ATL's future financial performance and position.

The acquisition of CanaDream will increase ATL's exposure to the used RV market in the United States of America.

Foreign exchange risk

The consideration for the acquisition of CanaDream is denominated in CAD. The final cost to ATL of the acquisition of CanaDream will depend on movements in the value of the AUD against the CAD prior to completion of the acquisition.

A majority of the consumers that rent RVs from ATL are leisure travellers from foreign countries. If there is an appreciation of AUD, NZD or USD against other foreign currencies, overseas consumers could reduce the level of consumption or redirect their spending to other destinations with more favourable currency exchange rates. This risk could result in a reduction in RV rentals, which would have an adverse effect on ATL's future financial performance and position.

A significant proportion of ATL's earnings and assets is denominated in NZD and USD and, following completion of the acquisition of CanaDream, in CAD. Accordingly, any appreciation or depreciation of the Australian dollar against other foreign currencies will also have an impact on earnings and assets as reported in AUD.

If the EUR appreciated significantly against the AUD, ATL's ability to import Adria products at competitive pricing would be affected and could also have an adverse impact on ATL's financial performance and position.

Availability of finance

ATL's business is affected by the availability of financing to ATL, its dealers and its customers. A decrease in the availability of financing facilities or an increase in the cost of financing could prevent ATL from carrying adequate levels of inventory, which may limit product offerings and have an adverse impact on ATL's financial performance.

Generally, RV dealers fund inventory with financing provided by lending institutions. Any change in the dealers' ability to access funding may have an adverse impact on ATL's financial performance.

Some of ATL's customers who purchase new or ex-rental RVs will finance such purchases, which means the availability of credit and the cost of credit has an impact on retail RV sales.

Dependence on suppliers

ATL depends upon certain suppliers providing it with reliable products and services that compare favourably with competing products in terms of quality, performance, safety and advanced features. Any adverse change in the product quality, production efficiency, product development efforts, technological advancement, marketplace acceptance, reputation, marketing capabilities or financial condition of its key suppliers or any product recall could have an adverse impact on the financial performance of ATL. Any difficulties encountered by any of those suppliers resulting from economic, financial, or other factors could also adversely affect ATL's financial performance.

Relationships with Adria and Winnebago

ATL's right to manufacture and sell certain RVs derive exclusively from the rights granted to it under distribution and licence agreements with Adria and Winnebago. A failure by ATL to renew any of these agreements, or to renew them on favourable terms, could adversely impact on ATL's financial performance.

Failure by ATL to comply with the terms of a distribution or licence agreement or the breakdown of a relationship with a manufacturer may result in the termination or non-renewal of one or more of these agreements. Some of these agreements also contain restrictive terms which may affect ATL's ability to deal with other manufacturers and could impact on its financial performance.

Increased input costs

Any unexpected or unusually large increase in the costs of employment, costs of goods and motor vehicle running costs could have an impact on ATL's financial performance if these increased costs cannot be passed on to customers.

Technology and information systems

ATL has invested and continues to invest significant time and cost in its information technology systems to deliver cost savings and increased efficiencies. Some of these systems are proprietary in nature and maintained by third party suppliers, while other systems are operated under licence. In both cases, the relevant suppliers may be subject to events, such as insolvency or technical failures, leading to temporary or long term loss of services and systems.

While ATL considers that it has put into place adequate protection and safeguards, any interruption, cyber-attacks, loss or delay of ATL's internet or communication facilities or transaction processing facilities, loss or corruption of data, failure of backup and restoration procedures or failure of disaster recovery plans may adversely impact ATL's short term financial position and may have a longer term adverse impact on client and supplier satisfaction.

Increased competition and customer preferences

The market for products and services targeting the RV lifestyle or enthusiast market is highly fragmented and competitive. New competitors may enter the market or existing competitors could join together to consolidate their positions. It is also possible for competitors to create new opportunities through digital market disruption and potentially change the manner in which consumers use RV rental services. If the actions of competitors or potential competitors become more effective, or, if new competitors enter the market and ATL is unable to counter those actions, customers may choose a competitor's goods or services and ATL's financial performance or operating margins could be adversely affected.

Force majeure events and major disruptions in the travel and tourism industries

ATL may be adversely impacted by international hostilities or war, acts of terrorism, epidemics or outbreaks of disease, political or social instability (particularly as it relates to personal safety and road infrastructure), industrial disputes, natural disasters, large corporate failures in the travel and tourism industries and weather effects. These events may impact upon travel to specific locations or be of generalised effect. These events may also impact airline and travel sales, which may have a flow on effect on ATL's business, resulting in a reduction in financial performance and potentially an immediate impact on its share price.

Fuel availability and pricing

Unleaded or diesel fuel is required for the operation of RVs. Shortages of, or increased pricing for, fuel can have an adverse effect on the RV industry, which could have an adverse impact on ATL's financial performance. These conditions may also affect air travel volumes, negatively impacting the size of ATL's target market.

Growth management

There is a risk that ATL may be unable to manage its future growth successfully. The inability to hire and retain skilled and experienced personnel and advisers may be a significant obstacle to managing growth.

Brand and reputation risk

ATL relies on, and is committed to maintaining and protecting, its brand and reputation and that of its key suppliers. However, any failure to protect its reputation with customers,

suppliers, regulatory authorities and industry bodies could have an adverse effect on ATL's future financial performance and position. ATL also depends upon the reputation of its sales agents, partners and suppliers in various other countries, as well as for such parties to uphold the reputation of ATL.

ATL could be subjected to claims and complaints by customers which could be negatively reported on traditional and social media channels.

Intellectual property and innovation

ATL's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, or ATL may incur substantial costs in asserting or defending its intellectual property rights.

Product defects and malfunctions

Specific ATL product failures, defects or recalls or inadequate maintenance could adversely affect ATL's reputation, earnings and revenue. Product failures, defects or recalls could occur for a number of reasons including, but not limited to, breach of third party maintenance contracts or non-compliance with maintenance and safety rules, policies and legislation. If any claim or issue arising from a product defect or failure is determined adversely to ATL and ATL's insurance arrangements do not cover the liability, the outcome could be an adverse effect on the financial performance of ATL.

Regulatory environment

ATL is subject to a variety of laws and regulations in Australia, New Zealand, USA, Canada and more generally around the world. Specifically, ATL is required to comply with laws and regulations that apply to the manufacture of vehicles, motor vehicle dealerships and vehicle hire operators. More generally, ATL must comply with laws and regulations which apply to many other businesses, such as employment, taxation, consumer protection, continuous disclosure and intellectual property, as well as laws focused on electronic commerce and the internet.

ATL is focused on ensuring compliance with its regulatory obligations and regularly reviews its operations in light of regulatory developments that may impact its business. However, a breach of, or an unfavourable change to, introduction or interpretation of, laws and regulations may have an adverse effect on the ability of ATL to operate all or parts of its business and may cause reputational damage to ATL, which may have a corresponding effect on its share price and/or financial performance.

ATL's customers are obliged to be appropriately licensed to drive ATL's RVs. If there was an unfavourable change to any legislation or interpretation of government policy relating to the relevant licensing regimes in any of the jurisdictions in which ATL operates, it could have a negative impact on the financial results of ATL.

Occupational health and safety

ATL has a number of facilities where potentially hazardous tasks are undertaken by employees. Workplace accidents may occur for various reasons including as a result of non-compliance with safety rules and regulations. ATL may be liable for injuries that occur to its employees or any other persons under relevant occupational health and safety laws. If ATL was found to be liable under such laws, the penalties could be significant and ATL may also be liable for compensation which could adversely impact upon ATL's financial performance.

Insurance coverage

ATL currently has in place what it considers are adequate levels of insurance for property, travel, motor vehicle fleet cover, cybersecurity liability, directors and officers liability, key man cover, marine cargo, third party personal and property liability and worker's compensation to cover ATL from potential losses and liabilities. There is a possibility that events may arise which are not adequately covered by existing insurance policies. ATL cannot guarantee that existing insurance will be available or offered at a commercially acceptable price in the future. An inability by ATL to secure such cover in the future could restrict the ability of ATL to conduct its business which could have a negative impact on the financial results of ATL.

Growth strategy

ATL's future performance is dependent upon its success in executing its strategies and initiatives. ATL's strategy to grow market share within existing markets may not be successful in part or at all. If these key strategies are ineffective or achieved later than expected, ATL's operations and financial performance could be adversely affected.

4.3 General investment risks

Share market volatility

The price for Shares might rise or fall and they might trade at prices below or above the Offer Price.

Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of the Shares.

Trading liquidity in Shares

There can be no guarantee that there will be an active market for trading of the Shares or that the price of the Shares will increase. There may be relatively few potential buyers or sellers of the Shares on the ASX at any time, which may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares, which may result in Shareholders receiving a market price for their Shares that is less than the price that Shareholders paid.

Large escrowed shareholdings

Barmil Enterprises Pty Ltd as trustee for the Lurk Investment Trust (**Barmil**) has entered into a voluntary restriction agreement which restricts it from selling, creating a security interest in or otherwise dealing in all of its Shares, being 94,960,000 Shares (representing 65.44% of the total issued Shares following completion of the Offer and Listing) until 3 November 2018.

This escrow and the individual high level of ownership by the Barmil of Shares may affect the liquidity of Shares after official quotation of the Shares.

Any sale of Shares held by the Barmil following expiry of the escrow period, or the perception that such sale might occur could adversely affect the market price of the Shares. The concentration of ownership in Barmil could also affect the liquidity of the market for the Shares, which, in turn, could affect the prospects of ATL being considered for a control transaction in the short to medium term.

Dividends

The payment of any dividend by ATL is at the discretion of the Board and will be a function of a number of factors including the general business environment, the operating results, cash flows, the general financial condition of ATL, future funding requirements, capital

management initiatives, taxation considerations (including, in particular, the level of franking credits that might be available) and any other factors the Board may consider relevant.

The availability of franking credits may determine that any dividends are only partially franked. Dividends will be franked to the extent possible. However, no assurance can be given that any dividend will be paid and the level of franking on any such dividend.

Accounting standards

ATL's financial reports will be subject to compliance with the Australian International Finance Report Standards issued by the AASB, which are outside the Directors' and ATL's control. Changes to accounting standards issued by AASB could adversely affect the financial performance and position reported in ATL's financial statements.

Taxation risks

Changes to the rate of taxes imposed on ATL (including in overseas jurisdictions in which ATL operates now or in the future) or tax legislation generally may affect ATL and its Shareholders. It is possible that a tax authority in the various tax jurisdictions in which ATL operates may review the tax treatment of transactions entered into by ATL. Any actual or alleged failure to comply with, or any change in the application or interpretation of tax rules in these jurisdictions, could increase ATL's tax liabilities or expose it to legal, regulatory or other actions.

Personal tax liabilities are the responsibility of each individual investor. ATL is not responsible either for taxation or penalties incurred by investors.

4.4 Cautionary statement

Statements contained in this Prospectus may be forward-looking statements.

Forward-looking statements can be identified by the use of forward-looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis, including without limitation, based on the examination of historical operating trends, data contained in ATL's records and other data available from third parties. There can be no assurance, however, that their expectations, beliefs or projections will give the results projected in the forward looking statements. Investors should not place undue reliance on these forward looking statements.

Additional factors that could cause actual results to differ materially from those indicated in the forward looking statements are discussed earlier in this section.

5. DEFINITIONS

These definitions are provided to assist the understanding some of the expressions used in this Information Booklet.

"\$" or "AUD" means Australian dollars.

"**Acquisitions**" means the acquisition of 100% of CanaDream and Kratzmann Caravans described in the Investor Presentation.

"**Additional Shares**" means New Shares offered to Eligible Shareholders under the Shortfall Facility.

"**Applicant**" means an Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or has arranged for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

"**Application**" means a duly completed Entitlement and Acceptance Form submitted to ATL accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

"**Application Monies**" means the aggregate amount of money payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY®.

"**ASIC**" means the Australian Securities and Investments Commission.

"**ASX**" means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).

"**ATL**" means Apollo Tourism & Leisure Ltd ACN 614 714 742.

"**Broker Handling Fee**" has the meaning given in section 1.8.

"**Business Day**" means a business day as defined in the Listing Rules.

"**CAD**" means Canadian dollars.

"**CanaDream**" means CanaDream Corporation, an RV rental and sales company listed on the TSX Venture Exchange.

"**Closing Date**" means Wednesday, 31 May 2017, the day the Entitlement Offer closes, or any other date that the Directors in their absolute discretion determine, subject to the Listing Rules.

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

"**Directors**" means the directors of ATL as appointed from time to time.

"**Eligible Shareholder**" has the meaning given in section 1.5.

"**Entitlement**" means the right to subscribe for New Shares under the Entitlement Offer.

"**Entitlement and Acceptance Form**" means the personalised acceptance form accompanying this Information Booklet.

"**Entitlement Offer**" means a non-renounceable entitlement offer to Eligible Shareholders to subscribe for one New Share for every \$1.18 Share of which the Shareholder is the registered holder on the Record Date, at the Issue Price pursuant to this Information Booklet.

"**EUR**" means the Euro.

"**Existing Shares**" means the Shares already on issue in ATL as at the Record Date.

"**Ineligible Shareholder**" means a Shareholder as at the Record Date who is not an Eligible Shareholder.

"**Information Booklet**" means this document.

"**Investor Presentation**" means the investor presentation contained in section 3 of this Information Booklet.

"**Issue Price**" means \$1.18 per New Share.

"**Kratzmann Caravans**" means the new and used caravan sales businesses known as Kratzmann Caravans and Clint's Caravan Warehouse described in the Investor Presentation.

"**Lead Manager and Underwriter**" means Morgans Corporate Limited ACN 010 539 607.

"**Listing Rules**" means the official listing rules of ASX.

"**New Shares**" means Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Shortfall Facility or to the Lead Manager and Underwriter or sub-underwriter on the terms of the Underwriting Agreement.

"**NZD**" means New Zealand dollars.

"**Record Date**" means 7.00pm (AEST) on Friday, 12 May 2017.

"**Reduced Amount**" has the meaning given in section 2.4.

"**RV**" means recreational vehicles, including motorhomes, campervans, camper trailers, caravans and fifth wheelers, and when used in the context of ATL's business, include motorhomes, campervans and caravans.

"**Shareholders**" means holders of Shares.

"**Shares**" means fully paid ordinary shares in the capital of ATL.

"**Share Registry**" means Computershare Investor Services Pty Limited ACN 078 279 277.

"**Shortfall Facility**" means the facility described in section 1.3 under which Eligible Shareholders may apply for New Shares in excess of their Entitlement.

"**Shortfall Shares**" means those New Shares not taken up by Eligible Shareholders under the Entitlement Offer or the Shortfall Facility, as well as New Shares that are not able to be taken up by Ineligible Shareholders.

"**TERP**" means theoretical ex-rights issue price.

"**Underwriting Agreement**" means the underwriting agreement dated 8 May 2017 between ATL and the Lead Manager and Underwriter.

"**USD**" means American dollars.

"**US Securities Act**" means the *United States Securities Act of 1933*, as amended.

Corporate directory

Apollo Tourism & Leisure Ltd

698 Nudgee Road
Northgate QLD 4013

www.apollotourism.com

Directors

Mr Stephen Lonie (Chairman)

Mr Luke Trouchet (CEO and Managing Director)

Mr Karl Trouchet (CFO and Executive Director)

Ms Sophie Mitchell (Non-executive Director)

Company Secretary

Mr Peter Jans

Share Registry

Computershare Investor Services Pty Limited
117 Victoria Street
West End, QLD 4101

www.computershare.com.au

Lead Manager and Lead Manager and Underwriter

Morgans Corporate Limited
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123 Eagle Street
Brisbane, QLD 4000

www.morgans.com.au

Auditor

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Lawyers

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