



**EVERY DAY MINE SERVICES LIMITED**  
**ABN 70 089 038 531**

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## **OFFER DOCUMENT**

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For a non-renounceable Entitlement Issue of three (3) New Shares for every five (5) Shares held by Shareholders registered at 5:00pm (AEST) on 31 December 2010 at an issue price of 2 cents per New Share to raise up to \$2,704,492 before costs.

The Entitlement Issue is partially underwritten to the amount of \$1,000,000.

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## **IMPORTANT NOTICE**

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This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser without delay.

**This Offer opens on 10 January 2011 and closes at 5:00pm AEDT on 24 January 2011.**

Valid acceptances must be received before that time.

Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

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## IMPORTANT NOTES

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This Offer Document is dated 21 December 2010.

The Offer is made in accordance with section 708AA of the Corporations Act. This Offer Document is not a prospectus. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this document. The information in this Offer Document does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Offer Document should be read in its entirety before you decide to participate in the Offer.

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

### Eligibility

Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer. By returning an Entitlement and Acceptance Form or otherwise arranging for payment for your New Shares or through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Offer Document and you have acted in accordance with and agree to the terms of the Offer detailed in this Offer Document.

### Overseas shareholders

This Offer Document and the accompanying Entitlement and Acceptance Form does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of the Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and New Shares will only be issued to Eligible Shareholders as set out below:

Eligible Shareholders are Shareholders who:

- (a) are registered as a holder of existing shares as at 5.00 pm AEDT on the Record Date; and
- (b) have a registered address in Australia or New Zealand; and
- (c) are not in the United States and are not "U.S. persons" (as defined under Regulation S under the United States Securities Act of 1933) (U.S. Persons) and are not acting for the account or benefit of U.S. Persons.

Shareholders who do not satisfy these criteria are Ineligible Shareholders.

This Offer Document is not an investment statement or prospectus under New Zealand law, and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain. Shareholders resident in New Zealand should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to take up their Entitlements under the Offer.

### Privacy Act

If you complete an application for New Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders

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for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

#### **Definitions, currency and time**

Defined terms used in this Offer Document are contained in Section 5. All references to time are to AEDT, unless otherwise indicated.

#### **Taxation**

There will be tax implications associated with participating in the Offer and receiving New Shares. The Directors consider that it is not appropriate to give advice regarding the tax consequences of subscribing for New Shares under this Offer Document or the subsequent disposal of any New Shares. The Directors recommend that you consult your professional tax adviser in connection with the Offer.

#### **Governing law**

This Offer Document, the Offer and the contracts formed on acceptance of the Applications are governed by the laws of Queensland, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Queensland, Australia.

#### **U.S. Disclaimer**

None of the information in this Offer Document, the accompanying ASX announcement nor the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to persons that are, or are acting for the account or benefit of, a "U.S. person" (as defined in Regulation S of the United States Securities Act of 1933, as amended) (U.S. Securities Act) (U.S. Person). None of this information, the accompanying ASX announcement nor the accompanying Entitlement and Acceptance Form may be sent, disseminated or distributed to, directly or indirectly, or relied upon by, persons in the United States or that are, or are acting on behalf of or for the account or benefit of, a U.S. Person, and it may not otherwise be distributed in the United States.

The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States or by persons who are, or are acting for the account or benefit of a U.S. Person, and the New Shares may not be offered, sold or resold in the United States or to, or for the account or benefit of, a U.S. Person, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction in the United States. Accordingly, the New Shares may not be deposited in any unrestricted American Depositary Receipt facility with respect to the securities of EDMS until 40 days following the completion of the offering.

## Corporate Directory

Every Day Mine Services Ltd (ABN 70 089 038 531)

### Directors

Mr Craig Burton	Chairman
Mr Stephen McCoy	Managing Director
Mr Roger Jackson	Non-executive Director
Mr Tom Henderson	Non-executive Director

### Company Secretary

Mr Paul Brenton

### Registered Office

Every Day Mine Services Limited  
Level 18, 333 Ann Street  
Brisbane QLD 4000  
Phone: 07 3232 1119  
Fax: 07 3232 1200  
Email: [admin@edmsl.com.au](mailto:admin@edmsl.com.au)

[www.everydaymineservices.com.au](http://www.everydaymineservices.com.au)

### Share Registry

Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
Sydney, NSW, 2000  
Telephone: 1300 137 328  
Facsimile: 61 3 9473 2563  
Website: [www.computershare.com](http://www.computershare.com)

### Lawyers for the Offer

HWL Ebsworth Lawyers  
Level 23, Riverside Centre, 123 Eagle Street,  
Brisbane, QLD 4000  
Australia

Tel +61 7 3002 6700  
[www.hwlebsworth.com.au](http://www.hwlebsworth.com.au)

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## 1. EXECUTIVE DIRECTOR'S LETTER

On behalf of the Board of Every Day Mine Services Limited (**EDMS**), I have pleasure in inviting you to participate in the Company's pro-rata partially underwritten Entitlement Issue.

The Company is offering to all Eligible Shareholders the right to subscribe for 3 New Shares for every 5 Shares held by Eligible Shareholders registered at 5.00pm AEST on 31 December 2010 at an issue price of 2 cents per New Share to raise up to \$2,706,492 before expenses.

This is a:

- (a) 47.4% discount to EDMS's closing price of 3.8 cents on 20 December 2010; and
- (b) 46.4% discount to EDMS's share price of 3.7 cents calculated based on a 30-day volume weighted average price (VWAP) ending 20 December 2010.

The last business day before this Offer Document was lodged with the ASX.

The Offer is partially underwritten by two of its Directors, namely Mr Craig Burton and Mr Tom Henderson to a total of \$1,000,000 being a total of 50,000,000 New Shares.

### **Purpose of the capital raising**

The Company intends to use the funds raised under this Offer for:

1. Working capital, including funding of new contracts; and
2. Expenses of the Offer

### **Company update**

The Executive Management team commenced the reorganisation of the business in September 2010. To date the review of the people and process phase has been completed. This work will result in better inventory management, disciplined tender/proposal pricing and planning which should result in improved contract execution and performance.

Further, the efficiency improvement program is well underway and to date significant work has been completed to improve the delivery of current and future contracts and, as such, reduce costs. These initiatives are anticipated to, result in cost reductions of \$3.5 million per annum. The full benefit of these and further cost reductions to be quantified and implemented are expected to flow from the second half of the 2010/11 year.

As highlighted in the AGM presentation in November 2010, a rationalisation program of the assets of EDMS is now underway and is expected to be completed by the third quarter of the 2010/11 financial year. It is anticipated that this program will reduce ongoing financing commitments in the order of \$1.2 million per annum.

A disciplined approach to disposal is being applied that ensures the Company retains its best revenue generating assets while disposing of those assets that do not contribute to profitable operations.

The Company has now exited a number of underperforming contracts and has secured several new contracts that provide an attractive base for building strong and profitable growth, including;

1. Xstrata at Mt Isa Mines;
2. Newcrest subsidiary Cadia Valley Operations; and
3. Cobar Management Pty Ltd.

These contracts have a combined value of over \$10 million and range in duration from three months to two years. They involve surface and underground drill rigs undertaking large diameter, down the hole hammer and diamond drilling programs. The first two contracts listed above have commenced with the third contract listed above commencing in January 2011.

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The Company is also in the process of increasing the number of rigs with an existing blue chip coal mining client in NSW which will add an additional \$7 million in revenue over two years commencing in January 2011.

A two year labour hire contract generating in excess of \$5 million in revenue is at the signing stage and it is anticipated that this will be completed before the end of this calendar year.

Several smaller surface hard rock exploration programs are in the latter stages of negotiation with revenues in the range of \$250,000 to \$400,000 and a duration of one to two months.

### **Actions required to take up your Entitlement**

The Offer closes at 5.00 pm AEDT on 24 January 2011. If you decide to take this opportunity to increase your investment in EDMS please ensure that before this time, your completed Entitlement and Acceptance Form and your Application Monies are received by our registry, Computershare Investor Services, or you have paid your Application Monies via BPAY® pursuant to the instructions set out in the enclosed Entitlement and Acceptance Form.

If you do not wish to take up any of your Entitlement, you do not have to take any action. Please refer to Section 3 for further information.

### **Risks**

You should be aware that an investment in EDMS, like an investment in any company involves certain risks which can affect the value of your investment. Further information regarding the risks specific to the Offer are contained in Section 4. The Directors recommend that you read Section 4 in full before applying for your Entitlement in order to fully appreciate the risks associated with an investment in EDMS.

### **Further information**

Further details of the Offer are set out in this Offer Document which you should read carefully.

If you have any questions or queries regarding the details contained in this document, please contact your financial adviser or the Company Secretary, Mr Paul Brenton on 1300 336 766.

The Directors appreciate our Shareholders continued support of the Company and welcome your participation in this Offer.

Yours sincerely

Stephen McCoy  
Director

### **Forward Looking Statements**

This announcement may contain forward looking statements that are subject to risk factors associated with mining services' businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause the actual results to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserves and resources estimates, loss of market, industry competition, environmental risks, physical risks, legislative changes, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

## 2. DETAILS OF THE OFFER

### 2.1 The Offer

The Company is making a non-renounceable pro rata Offer to Eligible Shareholders of three (3) New Shares for every five (5) Shares at an issue price of 2 cents each.

The Company intends to apply the funds raised from the Offer, after any Offer costs (detailed in Section 2.16 of this Offer Document), as follows:

<b>Application</b>	<b>Amount (\$)</b>
Working capital, including funding of new contracts	\$2,627,492
Costs of the Offer	\$77,000
<b>Total proceeds from Offer</b>	<b>\$2,704,492</b>

The Board reserves the right to vary the priority of expenditures dependent on circumstances and other opportunities. In the event the Company only secures the underwritten amount of \$1,000,000 the Company will apply these funds to the costs of the raising and the balance to working capital.

As at the Record Date, the Company had 225,541,037 Shares, and 17,378,000 unquoted Options on issue. Accordingly, up to 135,324,622 New Shares will be offered under the Entitlement Issue.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded up to the nearest whole New Share.

### 2.2 Indicative Timetable

<b>Event</b>	<b>Date</b>
<b>ASX announcement of Offer, lodge Appendix 3B and Entitlement Issue cleansing notice (section 708AA Corporations Act) and sample copy of Offer Document with ASX</b>	<b>21 December 2010</b>
<b>Notice sent to Shareholders</b>	<b>22 December 2010</b>
<b>Ex date</b> (date from which securities commence trading without the entitlement to participate in the Offer)	<b>23 December 2010</b>
<b>Record Date</b> (date for determining entitlements of Eligible Shareholders to participate in the Offer)	<b>31 December 2010</b>
<b>Offer Document dispatched to Eligible Shareholders and lodged with ASX</b>  (date of despatch of Offer Document, Entitlement and Acceptance Form)	<b>7 January 2011</b>
<b>Offer opens</b>	<b>10 January 2011</b>
<b>Closing Date* 5:00pm (AEST)</b>	<b>24 January 2011</b>
<b>Securities quoted on a deferred settlement basis</b>	<b>25 January 2011</b>

Company to notify ASX of under subscriptions (if any) **	28 January 2011
Anticipated date for the issue of the new Shares and despatch holding statements **	2 February 2011
Trading in the New Shares commences**	3 February 2011

\* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

\*\* These dates are indicative only.

The Directors also reserve the right not to proceed with the whole or part of the Offer any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.

### 2.3 Entitlements and acceptance

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Document.

Acceptances must not exceed your maximum Entitlement (as shown on the Entitlement and Acceptance Form), although you may accept for a lesser number of New Shares should you wish to take up only part of your Entitlement. If your acceptance exceeds your Entitlement, acceptance will be deemed to be for your maximum Entitlement and any surplus Application Monies will be returned to you.

### 2.4 No rights trading

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

### 2.5 Partial Underwriting by Directors and Effect on Control

The Company has entered into Underwriting Agreements with two of its Directors, Mr Craig Burton (through Skye Equity Pty Ltd) and Mr Tom Henderson (through Tisia Nominees Pty Ltd) (together, the **Underwriters**, each, an **Underwriter**). Under the terms of the Underwriting Agreements, the Underwriters have agreed to partially underwrite the Offer in the total of \$1,000,000 being a total of 50,000,000 New Shares. The Underwriters have agreed to partially underwrite the Offer as follows:

Underwriter	Total New Shares underwritten	Funds underwritten
Skye Equity Pty Ltd	35,000,000	\$700,000
Tisia Nominees Pty Ltd	15,000,000	\$300,000

Each Underwriters will each receive an underwriting fee of 5% of their particular total underwriting commitment (\$35,000 and \$15,000) respectively.

The Underwriters are entitled to terminate their respective Underwriting Agreements upon the occurrence of any one or more of the termination events (**Termination Event**) including:

- (a) the Company fails to lodge an Appendix 3B with ASX in relation to the New Shares by

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- the time required by the Corporations Act, the Listing Rules or any other regulation;
- (b) the Company is prevented from allotting the New Shares within the time required by the Corporations Act or the Listing Rules for any reason;
  - (c) the Company is in default of any term, condition, covenant or undertaking of the Underwriting Agreement;
  - (d) the Company contravenes any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX in relation to the Offer;
  - (e) the Company alters its capital structure in any manner not contemplated by the Offer Document or agrees to dispose of or charge the whole or a substantial part of its business or property ;
  - (f) an event of insolvency occurs in respect of the Company or its subsidiaries;
  - (g) a judgment in an amount exceeding \$200,000.00 is obtained against the Company or its subsidiaries and is not set aside or satisfied within 7 days;
  - (h) any of the material contracts to which the Company is a party is terminated or substantially modified; or
  - (i) the S&P/ASX 300 Metals and Mining Index of ASX is at any time on any 4 consecutive Business Days prior to allotment of the New Shares 85% or less of the level that Index attained at the close of trading on the Business Day before the date of signing this agreement.

Craig Burton (or an entity he controls) currently has a relevant interest in 26,234,453 Shares equal to 11.63% of the Shares in the Company. Craig Burton's (or an entity he controls) relevant interest in Shares will:

- (a) remain at 11.63% in the event that all Eligible Shareholders (including the other Underwriter) take up their Entitlement in full (and, as such, there is no take-up by the Underwriter); or
- (b) increase to a maximum of 19.99% in the event that:
  - (i) Craig Burton (or an entity he controls) takes up his Entitlement in full; and
  - (ii) Craig Burton (or an entity he controls) subscribes for the maximum amount of 35,000,000 New Shares pursuant to his Underwriting Agreement with the Company, however whilst maintaining their obligations under the Underwriting Agreement that entities that Craig Burton has a relevant interest in will limit their maximum combined interest in the Company to 19.99%; and
  - (iii) no one else (including the other Underwriter as an Eligible Shareholder) takes up any of their Entitlement; and
  - (iv) the Underwriters only take up their New Shares.

Tom Henderson (or an entity he controls) currently has a relevant interest in 11,625,000 Shares equal to 5.15% of the Shares in the Company. Tom Henderson's (or an entity he controls) relevant interest in Shares will:

- (a) remain at 5.15% in the event that all Eligible Shareholders (including the other Underwriter) take up their Entitlement in full (and, as such, there is no take-up by the Underwriter); or
- (b) increase to a maximum of 12.96% in the event that:

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- (i) Tom Henderson (or an entity he controls) takes up his Entitlement in full; and
  - (ii) Tom Henderson (or an entity he controls) subscribes for the maximum amount of 15,000,000 New Shares pursuant to his Underwriting Agreement with the Company; and
  - (iii) no one else (including the other Underwriter as an Eligible Shareholder) takes up any of their Entitlement; and
  - (iv) the Underwriters only take up their New Shares.

The issue of the New Shares pursuant to the Entitlement Issue is not expected to have any material effect or consequence on the control of the Company.

## 2.6 Shortfall

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall.

### Issue to Underwriters

Any New Shares which are not taken up by Eligible Shareholders under the Entitlement Issue will be required to be offered to the Underwriters in accordance with the provisions of the Underwriting Agreements, in addition to their Entitlement, at the same price.

Allocation of New Shares to the Underwriters in respect of the Shortfall will be subject to there being a Shortfall under the Entitlement Issue.

### Shortfall Offer

Subsequent to the take-up by the Underwriters under the Underwriting Agreements, the Underwriters have a further right to place any further shortfall and following that the Directors reserve the right in their absolute discretion to separately place any New Shares which are not taken up under the Entitlement Issue or by the Underwriters under the Underwriting Agreements.

The offer of the Shortfall (**Shortfall Offer**) is a separate offer pursuant to this Offer Document.

Any Shortfall Offer will be on the following terms:

- (a) The Shortfall Offer will be offered to:
  - (i) Eligible Shareholders to whom offers are made under this Offer;
  - (ii) other investors who fall within section 708 of the Corporations Act; and
- (b) the Further Shortfall Shares will be placed within 3 months after the Closing Date.
- (c) The issue price of any Shares offered pursuant to the Shortfall Offer shall be no less than 2 cents per Share, being the price at which the New Shares have been offered to Shareholders pursuant to this Offer Document.

Subsequent to the Underwriters rights, the Shortfall will be placed at the discretion of the Board, and the Board reserves the right to allot to an applicant a lesser number of Shares than the number for which the applicant applies, or to reject an application, or to not proceed with placing the Shortfall. In that event, Application Monies (without interest) will be refunded by the Company in accordance with the provisions of the Corporations Act. The Board reserves the right to enter into an underwriting or placement agreement for the Shortfall.

## 2.7 Loans to the Company

The Company has entered into Loan Agreements with two of its Directors, Mr Craig Burton (through Skye Equity Pty Ltd) and Mr Tom Henderson (through Tisia Nominees Pty Ltd) (together, the **Lenders**, each, an **Lender**). Under the terms of the Loan Agreements, the Lenders have agreed to loan the Company \$1,000,000 on an unsecured basis as follows:

Lender	Amount of Loan
Skye Equity Pty Ltd	\$700,000
Tisia Nominees Pty Ltd	\$300,000
Total	\$1,000,000

The Lenders have provided the Loans to EDMS on the following terms:

- (a) The Loans are to be used to fund EDMS's short term working capital requirements.
- (b) The Loans will bear interest at 10% per annum calculated and accrued monthly. Accrued interest will be added to the loans on the Date for Repayment.
- (c) The Loans are repayable in full 7 days after the earlier of:
  - (i) the successful completion of the Entitlements Offer; and
  - (ii) the date that is 90 days after execution of this Agreement;

**(Date for Repayment).**
- (d) EDMS may elect to repay the Loans at any time prior to the Date for Repayment without penalty.
- (e) EDMS will pay an establishment fee equal to 5% of the amount of the Loans, (being A\$15,000 to Tisia Nominees Pty Ltd and A\$35,000 to Skye Equity Pty Ltd) on the Date for Repayment or such earlier date EDMS elects to repay the Loans.
- (f) EDMS acknowledges that the Loans were made on arms length terms.

## 2.8 Opening and Closing Dates

The Offer opens on the Opening Date, being 10 January 2011. The Company will accept Entitlement and Acceptance Forms until 5:00 pm AEDT on the Closing Date, being 24 January 2011 or such other date as the Directors in their absolute discretion shall determine, subject to the Listing Rules.

**Please note that payment made via BPAY® must be received by no later than 5.00pm AEDT on the Closing Date**, or such earlier cut off time that your own financial institution may implement with regard to electronic payments.

## 2.9 Issue and despatch

The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the Timetable set out in Section 2.2.

It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

## **2.10 Ranking of New Shares**

The New Shares will be fully paid and rank equally with existing ordinary shares in EDMS.

## **2.11 ASX listing**

Application for official quotation by ASX of the New Shares offered pursuant to this Offer Document has been made.

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

## **2.12 Allotment**

EDMS has applied for quotation of the New Shares on ASX. It is expected that allotment of the New Shares under the Offer will take place no more than 6 Business Days after the close of the Offer. Application Monies will be held by EDMS on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

Trading of New Shares will, subject to ASX approval, occur on or about the date specified in the Timetable.

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

## **2.13 CHESS**

The Company will apply to ASX to participate 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.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number (**HIN**) 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.

## **2.14 Overseas Shareholders**

Eligible Shareholders are shareholders who:

(a) are registered as a holder of Existing Shares as at 5.00 pm AEST on the Record Date; and

(b) have a registered address in Australia or New Zealand; and

(c) are not in the United States and are not "US persons" (as defined under Regulation S under the United States Securities Act of 1933) (U.S. Persons) and are not acting for the account or benefit of U.S. Persons.

Please refer to the Section headed "Eligibility Criteria" on page 2 of this Offer Document for further details. Shareholders who do not satisfy these criteria will be Ineligible Shareholders. The Offer will not be made to Ineligible Shareholders.

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New Shares to which any Ineligible Shareholders would otherwise be entitled will form part of the Shortfall and will be dealt with in accordance with Section 2.6.

**This Offer Document and accompanying Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.**

## 2.15 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

## 2.16 Directors intentions

The Directors' direct and indirect interests in the Company are as follows:

Director	Shares held	Options held	Entitlements
Craig Burton	26,234,453	5,000,000	15,740,672
Tom Henderson	11,625,000	3,000,000	6,975,000
Stephen McCoy	Nil	Nil	Nil
Roger Jackson	49,739,500	1,700,000	29,843,700

All of the Directors have indicated that they intend to take up substantially all of their Entitlements under the Offer.

## 2.17 Offer Costs

The Offer Costs are estimated to be as follows:

Cost	Amount (\$)
Underwriting fees	50,000
Legal and Corporate Advisory fees	8,500
ASX Listing fees	8,500
Registry fees	5,000
Postage and printing	5,000
<b>Total estimated costs of capital raising</b>	<b>77,000</b>

## 2.18 Additional relevant considerations by Shareholders

In submitting applications, Shareholders must satisfy themselves that applying for Entitlements under the Offer will not involve a breach by them of section 606(1) of the Corporations Act 2001, which prohibits a person from increasing their voting power in the Company from:

- (a) 20% or below to more than 20%; or
- (a) from a starting point that is above 20% and below 90%,

unless certain exceptions apply.

## 2.19 Risk factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in quoted securities, there are specific risks associated with an investment in the Company which are described in Section 4.

## 2.20 Enquiries concerning Offer Document

Enquiries concerning the Entitlement and Acceptance Form can be obtained by contacting Computershare Investor Services Pty Ltd by telephone on 1300 137 328. Enquiries relating to this Offer Document should be directed to the Company on (07) 3232 1119.

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### 3. ACTION REQUIRED BY SHAREHOLDERS

#### 3.1 What you may do

The number of New Shares to which Eligible Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form. Eligible Shareholders may choose any ONE of the following options:

- Option A: take up their Entitlement in full (see Section 3.2);
- Option B: take up part of their Entitlement and allow the balance to lapse (see Section to 3.3); or
- Option C: allow all of your Entitlement to lapse (see Section 3.3).

Ineligible Shareholders may not take any of the steps set out in Sections 3.2 and 3.3.

EDMS reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date. An Application for your Entitlement may be for any number of New Shares. If your application exceeds your Entitlement, your Application will be deemed to be for your full Entitlement.

The Closing Date for acceptance of the Offer is 24 January 2011 at the times stipulated below (however, that date may be varied by EDMS, in accordance with the Listing Rules).

#### 3.2 Option A: If you wish to take up your Entitlement in full

By referring to the accompanying Entitlement and Acceptance Form, you can view the full amount payable, being the number of New Shares to which you are entitled multiplied by \$0.02 (2 cents) - this amount is pre-printed on the form.

1. If you elect to pay this amount by cheque or money order:

- complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the Form; and
- return it, together with your cheque, bank draft or money order for the full amount made payable to '**Every Day Mine Services Limited**' in the enclosed reply paid envelope to ensure it arrives at EDMS' registry no later than 5.00pm (AEDT) on the Closing Date at the following address:

**By Hand:**                      Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
Sydney NSW 2000

**By Post:**                      Computershare Investor Services Pty Limited  
GPO Box 253, Sydney NSW 2001

2. If you elect to pay this amount via BPAY:

- you must make your payment for the full amount in accordance with the instructions set out on the accompanying Entitlement and Acceptance Form;
- you do not need to return the Entitlement and Acceptance Form however you will be deemed to have made the declarations on the Entitlement and Acceptance Form;
- your payment must be received by no later than 5.00pm (AEDT) on the Closing Date; and

- you need to be aware that the financial institution you use to make payment may implement earlier cut off times for electronic payment and it is solely your responsibility to ensure that funds are submitted through BPAY by the date and time mentioned above.

### **3.3 Option B: take up part of their Entitlement and allow the balance to lapse**

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the other steps required in accordance with Section 3.2.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

All New Shares not subscribed for will form part of the Shortfall.

### **3.4 Option C: If you wish to allow all of your Entitlement to lapse**

Do not take any further action and your Entitlement will lapse. You cannot sell or transfer your Entitlement to another person. Your holding of existing Shares will be diluted because the issue of New Shares will increase the total number of Shares on issue. You will receive no benefit for your lapsed Entitlement. It is therefore important that, if you wish to receive a benefit, you take action to take apply for New Shares in accordance with the instructions above.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

All New Shares not subscribed for will form part of the Shortfall.

### **3.5 Entitlement and Acceptance Form is binding**

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY® constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Document and, once lodged or 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' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is 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:

(a) you are an Eligible Shareholder who:

(i) have a registered address in Australia or in New Zealand; and

(i) are not in the United States and are not a U.S. Person, and are not acting for the account or benefit of, a U.S. Person and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Offer;

(b) you acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States; and

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(c) you have not and will not send any materials relating to the Offer to any person in the United States or that is, or is acting for the account or benefit of a U.S. Person.

### **3.6 Brokerage and stamp duty**

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

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## **4. RISK FACTORS**

Applicants should consider the risk factors described below, together with information contained elsewhere in this Offer Document, before deciding whether to apply for Shares. Applicants should consider that an investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares.

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

### **4.1 Industry Downturn**

The Company's financial performance is sensitive to the level of demand within the mining industry. The level of activity in the industry can be cyclical and sensitive to a number of factors beyond the control of the Company. In addition, the Company may not be able to predict the timing, extent or duration of the activity cycles in the industry.

### **4.2 Entry of New Competitors**

The entry of additional competitors in the mineral drilling services sector could result in reduced operating margins and loss of market share for the Company. Such occurrences could adversely affect the Company's operating and financial performance. The mineral drilling services sector is highly capital intensive and acts as a barrier to new competitors. Despite the Company's demonstrated ability to compete effectively in the markets in which it operates, the competitive nature of the sector means that there can be no assurance that the Company will be able to compete successfully against current or future competition.

### **4.3 Contractual Arrangements**

The Company is party to a number of contracts for the provision of mineral drilling services to parties within the mining industry.

These contracts contain differing provisions whereby the Company has indemnified clients against certain liabilities, losses or claims relating to the provision of mineral drilling services and breaches of contract. The Company seeks to decrease its exposure to liability contractually and maintains adequate levels of public and product liability insurance. However, the Company's insurance and contractual arrangements may not adequately protect it against liability for all losses. The Company may also be unable to maintain insurance at levels of risk coverage or with deductibles that it considers appropriate or guarantee that every contract contains and has properly incorporated adequate limitations on liability. Any loss falling outside the scope of insurance or contractual limits may adversely affect the Company's financial performance.

The Company's contracts contain provisions providing for the early termination of the contracts upon the giving of notice to the Company. In some instances, the Company is not entitled to any termination payments where the contract is terminated early. The early termination of these contracts, for any reason, may mean that the Company will not realise the full value of the contract and this may adversely affect the Company's financial performance.

### **4.4 Recognition of Revenue**

The Company's performance is influenced by its ability to win new contracts for the provision of mineral drilling services and the completion of those contracts in a timely and an efficient manner. Where the completion of contracts is delayed, the recognition of revenue for those contracts may be deferred to later accounting periods.

### **4.5 Reliance on Key Client Relationships**

The Company relies upon relationships with a number of clients within the mining industry in

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order to maintain and grow its market share and deliver its forecast financial performance. A number of key clients each provide a material proportion of the Company's annual revenue.

The deterioration of one or more key relationships, or the loss of contracts with any one of the Company's key clients who provide a material proportion of annual revenue, could have a materially adverse affect on the Company's market share and financial performance.

#### **4.6 Environmental**

The Company's operations are subject to State and Commonwealth environmental legislation. While the Company monitors environmental issues, has appropriate environmental licences for its operations and has environmental management procedures, there is no assurance that the Company's operations will not be affected by an environmental incident or subject to environmental liabilities.

#### **4.7 Occupational Health & Safety**

Site safety and occupational health and safety outcomes are a critical element in the reputation of the Company and the ability to secure and maintain contracts in the mineral drilling services industry. While the Company has a strong record in achieving high quality safety performance at its sites, and has implemented a safety management system acceptable to all major clients, a serious site safety incident may adversely affect the Company's ability to secure and maintain contracts and its financial performance.

#### **4.8 Economic**

The financial performance and value of the Company may be influenced by various economic factors such as commodity prices, inflation, interest rates, domestic and international economic growth, taxation policies, legislative change, political stability, stock market conditions in Australia and elsewhere, changes in investor sentiment towards particular market sectors, exchange rate fluctuations and acts of terrorism.

#### **4.9 Market**

The market price of the Company's securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, mining and mining services stocks, which may be unrelated to the operating performances of such companies. Applicants should be aware that there are risks associated with any securities investment. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

#### **4.10 Future Capital Requirements**

While the Directors believe that the Company will have sufficient funds to fund its activities in the short term, the Company is operating in a dynamic and complex industry. There can be no assurance that the Company will not seek to exploit business opportunities of a kind which will require it to raise additional funding from equity or debt sources. There can be no assurance that the Company will be able to raise such funding on favourable terms or at all.

Any additional equity raising may dilute the interest of Shareholders and any debt financing may involve financial covenants which limit the Company's operations. If the Company is unable to obtain such additional funding, the Company may be required to reduce the scope of any expansion, which could adversely affect its financial performance.

#### **4.11 Reliance on Key Personnel and Employees**

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively. Investors must be willing to rely to a

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significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

To manage its operations and future growth, the Company needs to retain its existing key personnel and may need to attract and retain additional highly qualified management, corporate and operational personnel. The loss of key personnel, or the failure to recruit high caliber additional personnel, could have a materially adverse effect on the Company.

#### **4.12 Liquidity and Realisation**

There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be a relatively limited number of buyers, or a relatively large number of sellers, on ASX at any given time. This 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. This may result in Shareholders receiving a market price for their Shares that is less than the price paid for their Shares.

#### **4.13 Not exhaustive**

The above list of risk factors is not an exhaustive list of the risks relevant to EDMS. These risks (and others not specifically referred to above) may materially affect the financial performance of EDMS and the value of its Shares.

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## 5. DEFINED TERMS

**AEDT** means Australian Eastern Daylight Savings Time.

**Applicant** refers to a person who submits an Entitlement and Acceptance Form or arranges for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

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

**ASX** means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Board** means the board of Directors.

**Closing Date** means 24 January 2011.

**Company** or **EDMS** means Every Day Mine Services Limited (ABN 70 089 038 531).

**Directors** mean the directors of the Company.

**Eligible Shareholder** means any Shareholder who:

- (a) is registered as a holder of existing shares as at 5.00 pm AEDT on the Record Date; and
- (b) have a registered address in Australia or New Zealand; and
- (c) is not in the United States and are not "U.S. persons" (as defined under Regulation S under the United States Securities Act of 1933) (U.S. Persons) and are not acting for the account or benefit of U.S. Persons.

**Entitlement** means the entitlement to subscribe for three (3) New Shares for every five (5) Shares held by an Eligible Shareholder on the Record Date and **Entitlements** has a corresponding meaning.

**Entitlement and Acceptance Form** means the Entitlement and Acceptance Form accompanying this Offer Document.

**Ineligible Shareholder** means any Shareholder (or beneficial holder of Shares) on the Record Date who is not an Eligible Shareholder.

**Loans** means the loans to the Company pursuant to the Loan Agreements.

**Loan Agreements** means the Loan Agreements dated 21 December 2010 between each of Tisia Nominees Pty Ltd and the Company and Skye Equity Pty Ltd and the Company, as described in Section 2.7, or any one Loan Agreement, as the context requires.

**Listing Rules** means the Listing Rules of the ASX.

**New Share** means a new Share proposed to be issued pursuant to this Offer.

**Offer** or **Entitlement Issue** means the non-renounceable pro rata offer of New Shares at an issue price of 2 cents each on the basis of three (3) New Shares for every five (5) Shares held on the Record Date pursuant to this Offer Document.

**Offer Document** means this Offer Document dated 21 December 2011.

**Opening Date** means 10 January 2011.

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**Option** means an option to acquire a Share.

**Record Date** means 5.00pm AEDT on 31 December 2010.

**Section** means a section of this Offer Document.

**Securities Act** means the U.S. Securities Act of 1933, as amended.

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

**Shareholder** means a holder of Shares.

**Shortfall** means those Shares under the Offer not applied for by Shareholders under their Entitlement.

**Shortfall Offer** means the offer for the Shortfall pursuant to this Offer Document.

**Underwriters** means Tisia Nominees Pty Ltd and Skye Equity Pty Ltd, or any one of them, as the context requires.

**Underwriting Agreements** means the Underwriting Agreements dated 21 December 2010 between each of the Underwriters and the Company, as described in Section 2.5, or any one Underwriting Agreement, as the context requires.

**US** means United States of America.

**U.S. Person** has the meaning given to that term in Regulation S under the Securities Act.