

SWW ENERGY LIMITED
ACN 096 687 839

SHARE PURCHASE PLAN PROSPECTUS

For the Offer of up to 116,879,737 Shares under the Share Purchase Plan of SWW Energy Limited at an issue price of \$0.019 per share to raise up to \$2,220,715.

IMPORTANT NOTICE

This is an important document. The share purchase plan does not take into account the individual investment objectives, financial situation or particular needs of each eligible shareholder. If you are in any doubt about the action you should take or the contents of this document please consult your financial, taxation or other advisor. The contents of this document have not been reviewed by any regulatory authority. You are advised to exercise caution in relation to the share purchase plan.

TABLE OF CONTENTS

IMPORTANT NOTICE	1
1. CORPORATE DIRECTORY.....	6
2. LETTER FROM THE DIRECTORS	7
3. KEY DATES	8
4. DETAILS OF THE SPP OFFER	9
5. PURPOSE AND EFFECT OF OFFER	13
6. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES.....	17
7. RISK FACTORS	19
8. CONTINUOUS DISCLOSURE AND MARKET PRICE OF SHARES	22
9. ADDITIONAL INFORMATION	24
10. DIRECTORS' AUTHORISATION	27
11. DEFINITIONS	28

IMPORTANT NOTICE

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 9 September 2011 and was lodged with ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The Expiry Date of the Prospectus is 13 months after the date the Prospectus was lodged with the ASIC. No Shares will be allotted or issued on the basis of this Prospectus after the Expiry Date.

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

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form which accompanies this Prospectus.

This Prospectus 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 Prospectus. 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 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 Shares will not be issued to Shareholders with a registered address which is outside Australia.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

ASIC CLASS ORDER ON SHARE PURCHASE PLANS

Ordinarily, a listed company undertakes a share purchase plan in accordance with ASIC Class Order CO 09/425. This Class Order allows a share purchase plan to be conducted without the use of a prospectus.

Due to the fact that the Company has previously been suspended from trading on the ASX for more than five days in the previous 12 months, the Company is unable to rely on the relief granted by the Class Order and, hence, is using this Prospectus to undertake the Share Purchase Plan.

The Company has been granted a waiver of ASX Listing Rules 7.1 and 10.11 to enable it to issue up to \$15,000 of shares to all Eligible Shareholders under the Prospectus over a 12 month period, without the requirement to obtain Shareholder approval.

ASX PLATFORM – ELECTRONIC PROSPECTUS

A copy of this Prospectus can be downloaded from www.asx.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an application form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

RISKS

As with any investment in securities, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 7 of this Prospectus. Before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

Specific risks that investors should consider include (but are not limited to) the following:

(a) Losses in the past

The Company has incurred losses in the past and it is therefore not possible to evaluate the Company's future prospects based on past performance. The Company expects to make losses in the foreseeable future. Factors that will determine the Company's future profitability are its ability to manage its costs, its ability to execute its development and growth strategies and the actions of competitors and regulatory developments. As a result, the extent of future profits, if any, and the time required to achieve sustainable profitability, is uncertain. In addition, the level of any such future profitability (or loss) cannot be predicted and may vary significantly from period to period.

(b) No guarantee that the Company will be successful

There is no guarantee that the Company will be able to successfully commercialise its products or find viable markets to sell its products to customers to achieve a commercial return. There can be no assurance that the Company's development activity, will result in a viable business. Even if an apparently viable business is identified, there can be no guarantee that it can be economically exploited.

(c) Dilution

The Company has 80,000,000 Options on issue. The exercise of part or all of these Options will have a dilutionary effect on a Shareholder's interest in the Company. Shareholders are referred to Section 0 for details of the Company's capital structure.

(d) Further Funding

The Company may require further funding in the future and there can be no assurance that further funding will be available on satisfactory terms or at all.

Any inability to obtain funding will adversely affect the business and financial condition of the Company and, consequently, its performance.

(e) Sector Risks

Potential investors should understand that investment in the renewable fuel development industry is a high-risk undertaking.

The Company operates in an industry characterised by dynamic economic change. Companies such as SWW Energy seek to take advantage of competitive niches within this dynamic environment. The nature of the market is such that its characteristics can create uncertainty and risk.

The Company is also exposed to a number of other business risks which include higher than anticipated operating costs, an increase in competition or loss or damage to the Company's assets, which may have a material adverse effect on the business and financial position of the Company.

(f) Insurance Risks

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

Insurance of all risks associated with the renewable fuel industry is not always available and where available the costs can be prohibitive.

(g) Competition Risk

The industry in which the Company is involved is subject to domestic and global competition. The introduction of new competitors or a more aggressive competitive response from existing participants may affect the operating performance of the Company. Whilst the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(h) Development Risks

Potential investors should understand there can be no assurance that the Company's development activity, will result in a viable business. Even if an apparently viable business is identified, there can be no guarantee that it can be economically exploited.

(i) Commercialisation Risks

There is no guarantee that the Company will be able to successfully commercialise its products or find viable markets to sell its products to customers to achieve a commercial return.

(j) License Risks

The ability to utilise the Company's Thermodepolymerisation Technology, which converts waste oils and beneficiates the product into a renewable fuel and biofuel for use in the agriculture industry and the transportation industry, is dependent on the ability to acquire a patent license. The inability to acquire a license is likely to have a material and adverse effect on the Company, its financial performance and the price of its Shares.

(k) Raw Material Risk

The cyclical nature of the various feedstock markets may lead to volatile changes in raw material prices which may adversely affect the earnings of the Company. The business may also be adversely affected by the reduced availability of low cost feedstocks and an upward pressure on feedstock prices reflecting increasing competition for feedstocks from other biodiesel producers, or prevailing environmental conditions. The business may also be affected if there are any shortages of supply of the raw materials required to manufacture biodiesel.

(l) Product Risk

The renewable fuel industry requires the use of advanced and sophisticated technology, which is dynamic in nature and the technology being applied is constantly changing to meet the demand of the industry. A high level of attention and care must be taken during the manufacturing and shipping of the Company's product to ensure that the product is not damaged.

(m) Technology Risk

The technology applied to the renewable fuel industry is dynamic and constantly changing to adapt to the changes in demand and new developments in efficiencies. The development of such technology can be very costly requiring a significant amount human capital and funding. Shifts in the technology causing previous technology to be rendered redundant can have a substantial impact on the ability of the Company to generate further revenue and achieve new customer contracts. Any improvement in the technology also introduces other risks such as commercialisation risk which can also have a significant effect on the ability of the Company to contain its cost overheads and generate further revenue.

(n) Intellectual Property Risks

The Company regards its trade secrets, know-how and similar intellectual property as critical to its success. The Company relies on trade secret protection to protect its intellectual property rights. While the Company will use all reasonable endeavours to protect these rights, the steps that the Company takes to protect its intellectual property rights may be inadequate. The unauthorised use or disclosure of its proprietary technology and systems may have adverse effects on the operation and financial performance of the Company.

(o) Environmental Risks

The operations and proposed activities of the Company will be subject to relevant laws and regulations concerning the environment in the countries in which the Company operates. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including

compliance with all relevant environmental laws. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

(p) Counterparty Risk

The Company has entered into a number of commercial agreements with third parties. There is a risk that the counterparties may not meet their obligations under those agreements. Commercial consequences are likely to flow from any non-observance of commercial obligations.

(q) Government Policies and Legislation

Revenue and expenditure of the Company may be affected by changes in international, federal, state or local government laws, regulations or policies, or in taxation legislation.

Government legislation and policies are subject to review and change from time to time. Such changes are likely to be beyond the control of the Company and may affect industry profitability.

The general risks associated with the Company are detailed in Section 7 of this Prospectus.

1. CORPORATE DIRECTORY

Directors

Mr Benjamin Bussell
Mr Matthew Foy
Mr Darren Olsen

Share Registry*

Link Market Services Limited
Level 12
680 George Street
SYDNEY NSW 2000

Telephone: 1300 761 823
Facsimile: (02) 9287 0303

Company Secretary

Mr Matthew Foy

Solicitors to the Company

Steinepreis Paganin
Level 4, The Read Building
16 Milligan Street
PERTH WA 6000

Registered Office

Level 8, 225 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 9486 4036
Facsimile: +61 8 9486 4799

ASX Code

SWW

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

2. LETTER FROM THE DIRECTORS

Dear Investor,

Opportunity to Participate in the SWW Energy Limited Share Purchase Plan

As announced on 9 September 2011, SWW Energy Limited (**SWW Energy or the Company**) is conducting a Share Purchase Plan (**SPP**).

Under the SPP, Eligible Shareholders have the opportunity to invest up to \$15,000 in new Shares, free of brokerage and other transaction costs. The SPP allows Eligible Shareholders to acquire new Shares at a price of \$0.019, which is equal to an 90% discount to the 5-day closing average market price of the Company prior to the announcement made on 9 September 2011.

The Company has approximately 2,511 Eligible Shareholders and in the event that all Eligible Shareholders were to subscribe for the full amount of \$15,000, this would exceed the minimum amount of \$1,000,000 being raised under the SPP Offer. In the event this occurs, all applications will be scaled back on a pro-rata basis.

Full details of the use of proceeds of the Offer are set out at Section 5 of this Prospectus.

Participation in the SPP is open to Shareholders who were recorded on SWW Energy's share register as at close of business on 8 September 2011 (**Record Date**). Participation is entirely voluntary and the offer is non-renounceable.

To participate in the SPP, you must complete the non-renounceable Share Purchase Plan Application Form and return it together with your cheque made payable to "SWW Energy Limited Share Purchase Plan". Alternatively, you can make a BPAY payment in accordance with the instructions in the Share Purchase Plan Application Form.

Completed application forms with appropriate payment must be received by SWW Energy's Share Registry by no later than **5:00pm (WST) on 6 October 2011**.

In deciding whether to participate in the SPP, please take time to read this Prospectus. If needed, please seek your own investment or taxation advice.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in SWW Energy and thank you for your continued support.

If you have any questions regarding the operation of the SPP, please call Mr Matthew Foy, Company Secretary, on (08) 9486 4036 or Link Market Services Limited on 1300 761 823.

Yours faithfully,

Mr Benjamin Bussell
On behalf of the Directors

3. KEY DATES

The dates shown in the table below are indicative only and may vary. The Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. **Applicants are therefore encouraged to lodge their Share Purchase Plan Application Form as soon as possible after the SPP Offer is open.** The Company also reserves the right not to continue with the SPP Offer at any time before the allotment of Shares to successful Applicants.

Indicative Timetable	
Record date (5:00pm WST)	8 September 2011
Date of announcement of SPP	9 September 2011
Lodgement of SPP Prospectus with the ASIC	9 September 2011
Opening Date of SPP Offer	14 September 2011
Closing Date of SPP Offer	6 October 2011
Issue date for Shares under the SPP	12 October 2011
Dispatch date for holding statements	13 October 2011
Expected quotation date of Shares under the SPP	17 October 2011

4. DETAILS OF THE SPP OFFER

4.1 The SPP Offer

The SPP Offer is being made to enable Eligible Shareholders to top-up their existing shareholding in the Company and participate in the future endeavours of the Company. The SPP is a convenient and cost effective way for Eligible Shareholders to acquire fully paid ordinary shares in SWW Energy (**Shares**) at a discount to the market price during the pricing period, free of brokerage and other transaction costs.

The SPP Offer under this Prospectus consists of an offer of up to 116,879,737 Shares to be issued to Eligible Shareholders at an issue price of \$0.019 per Share to raise up to \$2,220,715 before expenses of the offer (**SPP Offer**). The Shares to be issued pursuant to this Prospectus are of the same class and will rank equally in all respects with the Existing Shares in the Company. The rights attaching to the Shares are further described in Section 6 of this Prospectus.

Applications under the SPP Offer must be for a minimum of \$5,000 or \$10,000 or \$15,000 and can only be made by completing the relevant Share Purchase Plan Application Form attached to or accompanying this Prospectus. Fractional shares will be rounded up. No brokerage, stamp duty or other costs are payable by Applicants in respect of an Application for Shares under this Prospectus.

The Directors reserve the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for.

A total of up to 116,879,737 Shares may be issued under the SPP Offer. Applications for Shares must be made on the relevant Share Purchase Plan Application Form and received by the Company on or before the Closing Date.

4.2 Participation in the SPP Offer

If you wish to participate in the SPP Offer, and you are an Eligible Shareholder, you should complete the Share Purchase Plan Application Form. Applicants may apply for a minimum investment of \$5,000 or a subscription of \$10,000 or \$15,000.

All Applications must be completed in accordance with the detailed instructions set out on the Share Purchase Plan Application Form. If you are paying by BPay you should pay your Application monies in accordance with the BPay instructions set out on the Share Purchase Plan Application Form. If you are paying by cheque your Share Purchase Plan Application Form should be accompanied by a cheque or bank cheque drawn and payable on an Australian bank made payable to "SWW Energy Limited Share Purchase Plan" (**SPP Account**) and should be crossed "Not Negotiable".

No brokerage or stamp duty is payable.

Completed Share Purchase Plan Application Forms and accompanying cheques must be received by the Company before 5.00pm WST on the Closing Date by either being delivered to or mailed to the following address:

Posted to:

SWW Energy Limited C/- Link Market Services Pty Ltd GPO Box 3560

Sydney NSW 2001

or

Hand delivered to:

SWW Energy Limited
C/- Link Market Services Pty Ltd
Level 12
680 George Street
SYDNEY NSW 2000

Applicants are encouraged to lodge their Share Purchase Plan Application Forms as soon as possible, as the SPP Offer may close early without notice.

4.3 Minimum Subscription

The minimum subscription under the SPP Offer is \$1,000,000.

4.4 Underwriter

The Offer is not underwritten.

4.5 Scale Back

SWW Energy is seeking to raise \$2,220,715 under the SPP. Accordingly, SWW Energy reserves absolute discretion to scale back applications under the SPP to the extent and in the manner that it sees fit.

SWW Energy may scale back applications below the minimum application amount (being \$5,000). If SWW Energy undertakes a scale back, you will receive the number of Shares determined by SWW Energy in its absolute discretion which may be less than the parcel of Shares for which you have applied. In this case, the difference between the application moneys received and the number of Shares allocated to you multiplied by the issue price, may be refunded to you by direct credit (to your nominated account if recorded on SWW Energy's share register) or cheque as soon as practicable without interest at the time of allotment.

4.6 ASX Listing

Application for official quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as modified by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

4.7 Allocation and Allotment of Shares

Subject to ASX granting approval for quotation of the Shares, the allotment of Shares will occur as soon as practicable after the Closing Date. All Shares issued

pursuant to the SPP Offer will rank equally in all respects with the Existing Shares of the Company. Statements of shareholding will be dispatched as required by the ASX. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares.

Applicants who sell the Shares before they receive their statement of shareholding will do so at their own risk.

The Application Monies for Shares to be issued pursuant to the SPP Offer will be held in the SPP Account on behalf of Applicants until the Shares are allotted.

4.8 Overseas Investors

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation.

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 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 Shares will not be issued to Shareholders with a registered address which is outside Australia.

4.9 Shortfall Offer

In the event that less than 116,879,737 Shares are applied for pursuant to this Offer, the shortfall may be placed at the discretion of the directors.

4.10 Taxation Implications

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Shares offered pursuant to this Prospectus.

4.11 CHESS and Issuer Sponsorship

The Company will operate an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers will make up the Company's register of Shares.

The Company will not issue share certificates to shareholders. Rather, holding statements (similar to bank statements) will be dispatched to shareholders as soon as practicable after allotment under this Prospectus. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of Shares allotted under this Prospectus and provide details of a Shareholder's Holder Identification Number (for Shareholders who elect to hold shares on the CHESS sub register) or Shareholder Reference Number (for Shareholders who elect to hold their shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder

following the month in which the balance of their shareholding changes, and also as required by the Listing Rules or the Corporations Act.

4.12 Privacy Disclosure

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess Applications for Shares, to provide facilities and services to Shareholders and Option holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to the ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, Applications for Shares will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders and Option holders can be obtained by that Shareholder or Option holder through contacting the Company or the Share Registry.

5. PURPOSE AND EFFECT OF OFFER

5.1 Purpose of the Offer

Completion of the Offer will result in an increase in cash on hand to approximately \$3,832,891 (after the payment of costs associated with the Offer).

The purpose of the Offer is to:

- (a) provide funds for the expansion of the Company's existing core business which is focused on:
 - (i) the production of biofuel and biodiesel from the beneficiation of waste oils using the proprietary technology of the Company known as Thermodepolymerisation;
 - (ii) the funding of operation expenses associated with the toll processing agreement with White Mountain Group LLC and feedstock suppliers; and
 - (iii) the funding of potential offtake agreements with end users of biofuel and biodiesel;
- (b) provide funds for the further acquisition and development of other investments as identified by the Company (that may or may not be in the same sector); and
- (c) provide an opportunity for shareholders with less than a marketable parcel of shares to top up their holdings. For further details of this opportunity please see the Company's ASX announcement titled "Unmarketable Parcel Share Sale Facility" dated 24 August 2011.

In the event only the minimum subscription is raised (\$1,000,000), the Company will still have sufficient funds to provide for the expansion of the Company's existing core business as set out in (a) above.

5.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Offer will be to:

- (a) increase the cash reserves by approximately \$2,220,715 immediately after completion of the Offer after deducting the estimated expenses of the Offer; and
- (b) increase the number of Shares on issue from 389,599,124, to approximately 506,478,861 Shares following completion of the Offer.

5.3 Consolidated Balance Sheet

The unaudited Balance Sheet as at 30 June 2011 and the unaudited Pro Forma Balance Sheet as at 30 June 2011 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Shares pursuant to the Offer in this Prospectus are issued.

The unaudited Balance Sheets have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

**Consolidated Balance Sheet and Pro Forma Balance Sheet as at 30 June 2011
(unaudited)**

	Unaudited Balance Sheet	Unaudited Pro Forma Balance Sheet
	30 Jun 11 \$	30 Jun 2011 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,676,412	3,832,891
Trade and other receivables	24,590	24,590
TOTAL CURRENT ASSETS	1,701,002	3,857,481
TOTAL ASSETS	1,701,002	3,857,481
CURRENT LIABILITIES		
Trade and other payables	45,436	45,436
Short-term borrowings	70,673	70,673
TOTAL CURRENT LIABILITIES	116,109	116,109
TOTAL LIABILITIES	116,109	116,109
NET ASSETS/(LIABILITIES)	1,584,893	3,741,372
EQUITY		
Issued capital	1,822,307	3,978,786
Reserves	552,000	552,000
Retained earnings	(789,414)	(789,414)
TOTAL EQUITY	1,584,893	3,741,372

5.4 Effect on Capital Structure

Set out in the table below is a summary of the capital structure of the Company before and after completion of the SPP Offer (assuming full subscription).

Shares on Issue

	Number of Shares
Number of existing Shares on issue	389,599,124
Shares to be issued pursuant to this Offer	116,879,737
Total	506,478,861

Options on Issue

The Company currently has on issue 80,000,000 unlisted Options exercisable at 1 cent each on or before 31 December 2014.

6. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES

6.1 Terms of Shares

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

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

General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

Voting Rights

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

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

Dividend Rights

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

Transfer of Shares

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

Future Increase in Capital

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

Variation of Rights

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

7. RISK FACTORS

7.1 Introduction

An investment in the Company is not risk free and prospective investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares pursuant to this Prospectus.

The financial prospects of any organisation are also sensitive to the underlying nature of its business and the nature and extent of the risks to which the entity is exposed. The Directors are responsible for ensuring that appropriate policies and procedures are in place to identify and monitor the risks faced by the Company from time to time to ensure that such risks are managed within a level determined by the Directors to be prudent. In addition, there are a number of risks specific to the Company and the industry to which it operates.

A summary of the main risk factors relevant to the Company are set out below. The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Specific Investment Risks

Specific risks impacting the Company and the value of the Shares offered pursuant to this Prospectus are set out in the Important Notices section of this Prospectus.

7.3 General Risks

(a) Share Market

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

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

(b) Uncertainty of Future Profitability

The Company's ability to operate profitably in the future will depend on its ability to manage its costs, to execute its development and growth strategies, economic conditions in the markets the Company operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability is uncertain. Moreover, the levels of such profitability cannot be predicted.

(c) Additional Requirements for Capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised by the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and reduce its expansion programs as the case may be.

(d) Reliance on Key Personnel and Need to Attract Qualified Staff

The Company is dependent on its management and technical personnel, the loss of whose services could materially and adversely affect the Company and impede the achievements of its business objectives.

The Company's ability to sell its products and services will depend in part upon its ability to attract and retain suitably qualified management and technical personnel over time.

There can be no assurance that the Company will be able to attract or retain sufficiently qualified personnel on a timely basis or retain its key management personnel.

(e) Currency Risk

Adverse movements in currency exchange rates have the potential to reduce the Company's earnings. Shares in the Company are denominated in Australian dollars while the Company's revenue may be denominated in other currencies as the Company may be selling products internationally. Accordingly, the Company's earnings may be subject to fluctuations between the exchange rate of the Australian dollar and the relevant foreign currency. Such fluctuations may have an adverse effect on the value of the Company's securities.

(f) Potential Acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in complementary companies, products or technologies, although no such acquisitions or investments are currently planned. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies.

(g) Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares carry no guarantee with respect to the payment

of dividends, returns of capital or market value.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares.

8. CONTINUOUS DISCLOSURE AND MARKET PRICE OF SHARES

8.1 Continuous Disclosure

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) and as such is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

The Company has lodged the following announcements with ASX since the lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below:

Date	Headline
31/08/2011	Appendix 4D and Half Year Accounts
24/08/2011	Unmarketable Parcel Elimination Notice
24/08/2011	Unmarketable Parcel Share Sale Facility
22/08/2011	Change of Director's Interest Notice
28/07/2011	Appendix 4C
27/07/2011	Becoming a substantial holder
27/07/2011	Becoming a substantial holder
27/07/2011	Becoming a substantial holder
25/07/2011	Reinstatement To Official Quotation
25/07/2011	Company Background and Update
25/07/2011	Expenditure Budget
25/07/2011	Capital Structure
25/07/2011	Distribution Schedule
25/07/2011	Pro Forma Balance Sheet and Review
25/07/2011	Top 20
25/07/2011	Interim Financial Report Half Year Ended 30 June 2010
25/07/2011	Annual Report 31 December 2010

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.092 from 7 September 2010 to 25 July 2011

Lowest: \$0.016 on 26 July 2011

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.021 on 8 September 2011.

9. ADDITIONAL INFORMATION

9.1 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Options	Entitlement	Annual Remuneration (\$)
Mr Benjamin Bussell	3,000,000	Nil	789,474	36,000
Mr Matthew Foy	750,000	Nil	789,474	54,000
Mr Darren Olsen	3,200,000	Nil	789,474	36,000

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares.

The Company paid to the Directors a total of \$237,258 for the year ended 30 June 2010 and \$470,927 for the year ended 30 June 2009. These amounts are inclusive of salary, superannuation and associated benefits.

In addition to the above, the Directors have been paid fees totalling \$21,000 from the end of the previous financial year until the date of this Prospectus. Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

9.2 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- (c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer pursuant to this Prospectus.

Steinepreis Paganin has acted as Solicitors to the Company. Fees payable to Steinepreis Paganin for work completed in relation to this Prospectus and in respect of the SPP Offer will be approximately \$15,000 (exclusive of GST). Fees payable to Steinepreis Paganin have been charged in accordance with their normal hourly rates.

9.3 Consents

Each of the parties referred to in this Section 9.3:

- (a) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based, other than as specified in this Section 9.3; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section 9.3.

Link Market Services Limited has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the Share Registry in the form and context in which it is named, together with all references to it in this Prospectus. Link Market Services Limited has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry. Link Market Services Limited has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than the references to it.

Steinepreis Paganin has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the solicitors to the Company in the form and context in which it is named, together with all references to it in this Prospectus.

9.4 Expenses of the SPP Offer

The expenses of the SPP Offer are expected to comprise the following estimated costs and are exclusive of any GST payable by the Company.

	\$
ASIC fees	2,137
ASX listing fees	7,502
Legal expenses	16,500
Share Registry Costs	38,097
Total	64,236

9.5 Litigation

To the Company's knowledge there is no current, threatened or pending litigation against the Company or its subsidiaries, or initiated by the Company or its subsidiaries.

9.6 Electronic Prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic Prospectus on the basis of a paper Prospectus lodged with the ASIC and the issue of Shares in response to an electronic Share Purchase Plan Application Form subject to compliance with certain provisions. If you have received this Prospectus as an electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Share Purchase Plan Application Form. If you have not, please contact the Company and it will send you free of charge either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Share Purchase Plan Application Form from a person if it has reason to believe that when that person was given access to the electronic Share Purchase Plan Application Form, it was not provided together with the Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies shall be dealt with in accordance with Section 722 of the Corporations Act.

10. DIRECTORS' AUTHORISATION

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

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

Dated the 9th day of September 2011.

Signed for and on behalf of the Company.

Benjamin Bussell
Director

11. DEFINITIONS

Definitions used in this Prospectus are as follows:

Applicant means a person who submits an Application.

Application means a valid application to subscribe for Shares under the Prospectus.

Application Monies means the amount of money in dollars and cents payable for Shares pursuant to this Prospectus.

Associates has the meaning given in the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

AUD or **\$** means Australian dollars. All amounts in this Prospectus are in Australian dollars unless stated otherwise.

Business Day means a day on which trading banks are open for business in Perth, Western Australia except a Saturday, Sunday or public holiday.

Board means the Board of Directors of the Company.

CHESS means ASX Clearing House Electronic Sub-register System.

Closing Date means an indicative date only of 6 October 2011 or other such date and time as the Company may determine.

Company or **SWW Energy** means SWW Energy Limited (ACN 096 687 839).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Eligible Shareholders means those Shareholders eligible to participate in the Offer.

Existing Shares means the fully paid ordinary shares in the Company on issue at the date of this Prospectus.

Listing Rules means the listing rules of ASX.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Offer or **SPP Offer** means the offer made under this Prospectus as set out in Section 4 of this Prospectus.

Official List means the official list of ASX.

Opening Date means the first date for receipt of completed Application Forms which is 14 September 2011, or other such date and time as the Company may determine.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Share(s) means a fully paid ordinary share or shares in the capital of the Company.

Shareholder means the holders of Shares registered in the Share Registry.

Share Purchase Plan or **SPP** means the share purchase plan offer of Shares made by this Prospectus.

Share Purchase Plan Application Form means the application form accompanying this Prospectus.

Share Registry means Link Market Services Limited.

Shortfall Shares means those Shares that Shareholders do not apply for under this Prospectus by 5.00pm on the Closing Date.

WST means western standard time, as observed in Perth, Western Australia.