

9 October 2003

Company Announcements Office
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

Client Offer Prospectus No. 3

Dear Sir/Madam,

Please find following a copy of the Company's Client Offer Prospectus No. 3 which was lodged with ASIC on 3 October 2003.

Yours faithfully

ANTHONY BEGOVICH
Company Secretary



Wentworth Mutual Limited
ACN 080 167 264

Client Offer Prospectus No. 3

To issue up to 8,000,000 fully paid ordinary shares and up to 24,000,000 options to acquire fully paid ordinary shares.

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CORPORATE DIRECTORY

Directors and Officers

Reginald Norman Gillard
Glenn John Wheeler
Jong Kan Foo
Brian Gerard McNamara
Anthony Michael Begovich

Company Secretary

Anthony Begovich

Registered Office & Principal Place of Business

Level 11, Chancery House
37 St Georges Terrace
Perth WA 6000
Ph: (08) 9202 1988
Fax: (08) 9202 1944

Legal Advisers to the Offer

Bennett & Co
Level 6, 89 St Georges Terrace
Perth WA 6000
Ph: (08) 9321 5500
Fax: (08) 9321 5501

Share Registry

Computershare Investor Services Pty Limited
Level 2, 45 St Georges Terrace
Perth WA 6000
Ph: (08) 9323 2000
Fax: (08) 9323 2033

Auditors

Deloitte Touche Tohmatsu
Level 16, Central Park
152-158 St Georges Terrace
Perth WA 6000
Ph: (08) 9365 7000
Fax: (08) 9365 7001

IMPORTANT NOTICE

This Prospectus is dated 3 October 2003 and a copy of this Prospectus was lodged with ASIC on the same day. The expiry date of the Prospectus is 2 October 2004 and no securities will be allotted, issued or sold on the basis of this Prospectus after the Expiry Date.

This Prospectus is for an offer of continuously quoted securities and options to acquire continuously quoted securities and accordingly is not required by the Corporations Act to contain all the information which is normally required to be set out in a document of this type.

The Prospectus incorporates by reference information contained in documents that have been lodged with ASIC. A document incorporated into the Prospectus in this manner may be obtained free of charge from the Company during the application period.

ASIC does not take any responsibility for the contents of this Prospectus. Neither ASIC, the Company nor the directors guarantee any particular rate of return or the performance of the Company.

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

It is important that you read this Prospectus carefully before deciding whether or not to accept the Offer described in the Prospectus and in particular, you should consider the risk factors that could affect the financial performance of the Company. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional investment advice from your financial planner, accountant, stockbroker, lawyer or other professional adviser before deciding whether or not to accept the Offer.

The Offer to subscribe for Shares and Options to which this Prospectus relates is only available to persons receiving a copy of the Prospectus in Australia. This Prospectus does not constitute an invitation or offer to subscribe for Shares and Options in any place in which, or to any person to whom, it would not be lawful to make such an offer.

A number of words used in this Prospectus have defined meanings, which appear in the Glossary at the back of the Prospectus.

LETTER FROM THE CHAIRMAN

In the second half of 2002 the Company acquired Wentworth Mutual Investment Management Pty Ltd (Wentworth). At the time of the acquisition Wentworth provided property management services to clients with investments in residential property worth more than \$20,000,000.

Since then the value of properties under management has almost doubled and now exceeds \$40,000,000.

The purpose of this Prospectus is to substantially grow this portfolio.

The Board of Directors have approved a business model which will facilitate this growth by:

- a) attracting clients as a result of the offer set out in this Prospectus;
- b) providing a superior class of investment management services to property owners.

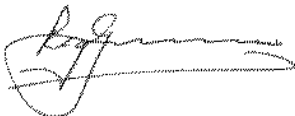
As a reward for loyalty, Wentworth clients will be entitled to Shares and Options in the Company. The Company also proposes paying commission partly in cash and partly in Options for client referrals.

The Company proposes issuing up to 8,000,000 New Shares and 24,000,000 New Options pursuant to this Prospectus.

The Board of Directors recommends this offer to property owners, agents and referring parties.

On behalf of the Board I would like to welcome those new shareholders who avail themselves of this offer.

Yours faithfully



Reg Gillard
Chairman

1. OFFER SUMMARY

1.1 Introduction

This section provides a summary of the Offer of Shares and Options in Wentworth Mutual Limited to Property Owners and Referees and Agents who refer a property to Wentworth which becomes subject to a Management Authority.

1.2 Summary of Terms of Offer of New Shares and New Options

A total of 8,000,000 New Shares and 24,000,000 New Options are offered pursuant to the Offer to Property Owners and parties (“Referees” and “Agents”) who refer a property to Wentworth which becomes subject to a Management Authority.

The consideration provided by a Property Owner for an issue of New Shares and New Options is their agreement to enter into a Management Authority. There is no cash payment required from the Property Owner. For each Property which becomes the subject of a Management Authority, the Property Owner will be entitled to apply, pursuant to this Prospectus, for New Shares to the value of \$250 and New Options to acquire shares to the value of \$500 in accordance with the terms of the Offer to Property Owners described at Section 5.1.

The consideration provided by Referees and Agents for an issue of New Options is the service they have provided by introducing a person to enter into a Management Authority. There is no cash payment required from Referees or Agents.

For each Property referred, which becomes the subject of a Management Authority, the Referee will be paid an amount of \$150 in cash and be entitled to apply, pursuant to this Prospectus, for New Options to acquire shares to the value of \$150 in accordance with the terms of the Offer to Referees described at Section 5.2.

For each Property referred, which becomes the subject of a Management Authority, the Agent will be paid an amount of \$250 in cash and be entitled to apply, pursuant to this Prospectus, for New Options to acquire shares to the value of \$250 in accordance with the terms of the Offer to Agents described at Section 5.3.

The Company believes that the Offer of New Shares and Options under this Prospectus will assist it in developing a unique relationship with its clients by allowing them to become equity holders in the Company, thus giving true meaning to the name ‘Wentworth Mutual’. In addition, by encouraging Property Owners, Referees and Agents to introduce others to enter into a Management Authority with the Company further benefits are expected to be shared by all shareholders from the growth of the Company.

1.3 Rights Attaching to Shares

The rights attaching to ownership of the New Shares and Shares issued following the exercise of New Options are set out in Section 7.

1.4 Rights Attaching to New Options

The rights attaching to ownership of New Options are set out in Section 7.

1.5 Instructions for Applying for Shares

Please read carefully the 'Instructions to Applicants' on the reverse side of the accompanying Application Form.

The number of New Shares and New Options applied for will be calculated by the Company as a result of the information you provide on the Application Form. If an Application Form is not completed correctly it may still be accepted by the Company. The Company's decision as to whether to accept the Application or how to construe, amend or complete it shall be final.

1.6 Terms of Payment

No cash consideration is paid for the New Shares or New Options.

1.7 Minimum Subscription and Oversubscription

There is no minimum subscription for the Offer. No oversubscriptions will be accepted.

1.8 Taxation Implications

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

1.9 Official Quotation by ASX

Application for Quotation by the ASX of the Shares offered by this Prospectus was made on 3 October 2003. If the Shares offered by this Prospectus are not admitted for Quotation by the ASX before the expiration of 3 months after the date of the Prospectus (or such period as is varied by ASIC), the Company will give all accepting Applicants one month to withdraw their Application and to terminate the Management Authority.

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

1.10 Enquiries

Enquiries relating to this Prospectus should be directed to the Company Secretary:

Wentworth Mutual Limited
Level 11, 37 St George's Terrace
Perth WA 6000
Ph: (08) 9202 1988
Fax: (08) 9202 1944

2. OVERVIEW OF THE COMPANY

The Company was listed on the Australian Stock Exchange on 22 March 2000 and at the time was known as Sales Pursuit Limited and is now known as Wentworth Mutual Limited.

2.1 Seminar and Publishing Business

The Company is in the process of disposing of its remaining shareholding in Vision Pursuit whose main activity is the promotion and marketing of large-scale seminars in the areas of personal development, wealth creation, sales, marketing, business finance and investment topics. Vision Pursuit markets seminars across Australia, New Zealand and Singapore featuring some of the world's best speakers and authors. Further details of the disposal of this shareholding are set out in Section 8.8.

2.2 Residential Property Management

In the latter half of 2002 the Company acquired Wentworth which specialises in the provision of property management services to owners of residential properties in Western Australia. Wentworth's focus is on wealth creation by the provision of property management services to residential owners and investors. Its objective is to introduce innovative, professional property investment management services to existing and new clients.

The Wentworth acquisition provided the Company with an opportunity to expand its focus on asset and wealth management. Since then the value of properties under management has more than doubled and now exceeds \$40,000,000.

Industry Background

Real estate agents generally grow their property management activities largely as a by-product of their main business – house sales activities. When an agent sells a property to an investor, they will normally endeavour to secure the on-going management of that property if it is to be subsequently offered for rental.

Industry participants are typically traditional real estate agents (including proprietors of franchise chain outlets) who generally are under capitalised and primarily focused on selling property which generally contributes more than 70% of an agency's total income.

The Directors' experience generally has shown that tenants and owners of residential investment properties have for many years been disappointed with the level of service, professionalism and performance provided by many traditional real estate agencies, in regard to the management of rental properties. Clients now demand more. They are performance-oriented and willing to shop around for a better service. In the directors' opinion, the future belongs to larger, better resourced service providers who are able to meet the requirements of tenants and property owners/investors.

To the residential property owner and investor, good management can have an enormous impact, both in terms of returns and peace of mind. Residential property management is not simply a matter of collecting rents and arranging for repairs and maintenance. As fundamentally important as these tasks are, a truly professional residential property manager will extend his or her services and energies well beyond these basic tasks and will in fact embrace a whole range of initiatives.

These initiatives, which can have a major influence on the ongoing rent received and the value of the property when finally sold, embrace higher level investor communication services and more effective and efficient property investment portfolio management systems, methods and techniques.

Growth Strategy

Wentworth's growth strategy relies primarily on acquiring properties for management and establishing a unique relationship with its customers. To develop that relationship it is envisaged that all clients of Wentworth will become equity holders in the Company thus giving true meaning to the name "Wentworth Mutual".

Wentworth obtains new managements directly from residential property owners and investors by an acquisition strategy based on equity participation in the Company which is in effect a form of loyalty programme. The model developed by the Company to achieve this goal involves as issue of Shares and Options to Property Owners who have signed a Management Authority with Wentworth. Property Owners who apply during the life of this Prospectus will be entitled to receive an issue of Shares and Options in consideration of their engagement of Wentworth. The details of the Offer to Property Owners are set out in Section 5.1.

Present clients of Wentworth will be able to terminate their current management agreement with Wentworth and enter into a Management Authority. By entering into the Management Authority, present clients of Wentworth who have not applied under previous Client Offer's 1 and 2 will also become entitled to apply for an issue of Shares and Options pursuant to this Prospectus.

Parties who refer a person who owns a Property to Wentworth will also be entitled to an issue of Options as well as a payment in cash for their services when the person completes a Management Authority. The details of the Offer to these parties are set out in Sections 5.2 and 5.3.

The Company has also commenced the process of establishing commercial alliances with a number of real estate and financial intermediaries so that investment properties are referred to Wentworth.

The 2001 Census (conducted by the Australian Government Statistician) reports that there, are approximately 172,800 residential rental properties in Western Australia alone. Some of those properties are managed by the owners themselves. The majority of the others are managed by real estate agents. The majority of these are small real estate businesses which, in the absence of capital injection, have a limited scope for growth or improvement of services.

By making the Offer, the directors believe that a significant number of properties will be added to Wentworth's existing rent roll thus allowing Wentworth to move towards economies of scale which will further improve its efficiency and profitability. The directors also believe that the marketing initiatives and the services offered by Wentworth, which are referred to below, will attract further properties to Wentworth.

Marketing Initiatives

The Company has embarked on a series of marketing initiatives intended to distinguish Wentworth from its competitors in the provision of property management services to residential owners and investors.

In particular, a focus on tenants and their importance, will, in the directors' opinion, lead to shorter vacancy periods and thus greater returns to Property Owners.

Wentworth's philosophy towards tenants is to consider them as guests and provide them with a professional service when moving into and out of a tenancy. By attracting quality tenants, Wentworth is aiming to deliver both a financial return and peace of mind to Property Owners.

To maximise its exposure to potential tenants, the Company has developed an informative and user friendly website at www.wentworthmutual.com, which displays properties available for rent. Applications to rent a property can be made online (subject to credit and tenant checks).

Wentworth also intends to develop a tenant incentive scheme to reward selected tenants who comply with the terms of their lease. The Company will also investigate providing services to tenants which will be intended to improve their satisfaction with a property and hence increase the term of their lease at the same time adding value to the Property Owner.

Services Offered

Wentworth does not take listings for the sale of properties. Consequently, Wentworth is focused on providing the highest level of property management services and has the resources required to provide an outstanding service to tenants, property owners and investors.

The Directors believe that Wentworth will distinguish itself in the area of property management as a result of:

- a) a shared vision by all staff and management that Wentworth become a market leader;
- b) the commitment, level of client service and energy of its staff;
- c) its innovative approach to achieving the economies of scale which will see Wentworth offer its services at competitive rates; and
- d) Wentworth's Property Management Services System

Wentworth has developed the Wentworth Property Management System, which the directors believe, will facilitate efficient management throughout Wentworth's growth. The system employs sophisticated computer software, detailed operational manuals on all aspects of management and maintenance, a centralised administration and provides user friendly accounting information to Property Owners. For instance at the end of each financial year Property Owners will be provided with a detailed statement of income and expenditure in relation to the Property in a format which is readily adaptable by the Property Owner's accountant for the purpose of lodging income tax returns.

The Wentworth Property Management System provides a pro-active approach to landlord/tenant relations and towards risk management issues. It also flags potential vacancies to prompt Wentworth staff to start seeking new tenants well before the expiry date so as to reduce the vacancy periods between tenancies.

All processes under the Wentworth Property Management System are documented and monitored so any problems can be resolved expediently even though a client's Service Manager may not be available. Other features of the system include:

- All rent payments are collected by electronic funds transfer ensuring that non-payment comes to notice within 24 hours.
- Property inspection managers use the latest technology to ensure an efficient and accurate service is provided.
- The prompt return of all telephone calls in relation to inquiries and complaints by landlords and tenants.

Summary

The directors consider that Wentworth will be instrumental in restructuring the residential property management industry by providing the level of quality service and professionalism, which is presently lacking in the industry.

The incentive of equity ownership via an issue of securities in the Company will ensure that Property Owners have both an impact and participate in the financial future of the Company that manages their Property.

3. DIRECTORS AND OFFICERS

Reg Gillard

Chairman (Non Executive Director) - Age 57

Reg Gillard has more than 30 years experience in accounting and corporate finance. He has extensive experience in the evaluation and acquisition of businesses requiring seed and development capital, initial public offerings, rights issues and placements together with the ongoing funding, corporate management, governance and compliance issues of listed public companies.

Mr Gillard has developed close working arrangements with a number of investors and European investment funds and has been responsible for, and involved with, the funding of several listed public companies.

He is a Fellow of the Certified Practicing Accountants of Australia and a Fellow of the Australian Institute of Company Directors. He is also a director and/or chairman of a number of listed public companies and is a licensed real estate agent.

Glenn Wheeler

Managing Director - Age 47

Glenn Wheeler has over 25 years of experience in the provision of financial services through his involvement in the financial planning and mortgage origination industries. He has also been Chairman of a group of building societies in Western Australia and Chairman of Roy Weston, one of Western Australia's largest chains of franchised real estate agents. Earlier in his career whilst chairman of Roy Weston Limited, his achievements include growing the number of franchised offices to more than 50, significantly increasing property sales and managing more than 7,000 properties.

Mr Wheeler has extensive experience in both development capital for growing businesses and the management of significant financial services and property based businesses.

Jong Kan Foo

Non-Executive Director - Age 47

J K Foo graduated from the University of New South Wales with a Bachelor of Surveying (1st Class Honours) and is the managing director of the consulting surveying firm, J. K. Foo & Associates Surveyor Pte Ltd. He is also chairman of the Leun Wah Electric Co (Pte) Ltd in Singapore, and a director of the ASX listed Optima Corporation Limited.

Over the last 15 years, he has been actively investing in businesses and property projects in Australia, New Zealand, China and Malaysia and currently has significant property interests and investments in New South Wales, Victoria, South Australia and Western Australia.

Brian McNamara

Chief Executive Officer – Age 52

Prior to being appointed Chief Executive Officer of Wentworth Mutual Limited Brian McNamara was the Chief Executive Officer of Health Services Credit Union Society Limited for a period of 15 years. During that time he was instrumental in growing the Company's asset base from \$29 million to over \$130 million and enhancing its reputation as one of the more customer focussed organisations in Western Australia.

Mr. McNamara has a Bachelor of Economics Degree, is a Graduate Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management. In addition, he is also a licensed Finance Broker and holds a Triennial Certificate in Property Management.

Anthony Begovich

Chief Financial Officer – Age 36

Anthony Begovich has more than 10 years experience in accounting and corporate finance. He was previously a Senior Manager with PricewaterhouseCoopers where he gained valuable experience servicing many listed multinational companies across a number of industries in three different countries.

Anthony has extensive experience in corporate reporting and compliance and has also developed wide-ranging operational and analytical skills. Mr. Begovich has a Bachelor of Business Degree in Accounting and Finance and is a member of the Institute of Chartered Accountants in Australia.

4. RISK FACTORS

Applicants should be aware that their expectations as a result of applying for New Shares and New Options may not be met as a result of a number of risk factors that are specific to an investment in the Company. These risks are set out below.

4.1 General Considerations

Applicants should recognise that the price of the Shares may fall as well as rise. A number of factors outside the Company's control may have a significant impact on the performance and the price of its Shares, including the economic conditions prevailing in Australia and internationally.

The New Options are not quoted on ASX and are not transferable.

Shares ultimately subscribed for may have a different value than that at the time an Application is made. The Offer has been calculated by reference to the weighted average value of Shares between the Opening Date and the Closing Date. The Company does not in any way represent that at the Exercise Date the New Options offered will have a value of \$500 in relation to Property Owners, \$150 in relation to Referees or \$250 in relation to Agents.

4.2 Share Investment

There can be no guarantee that an active market in the Shares will develop or that the market price of the Shares will not fall below the current price.

4.3 Competition

There is the possibility that competition from existing or new competitors in the seminar or property management industry will increase or new competitors of the Company may develop marketing initiatives that could alter the market affecting the profitability and value of the Company.

4.4 Consumer Demand

There can be no assurance that consumer preference and acceptance of the Company's products and services will continue and any change may impact on the Company's performance in the future.

4.5 Reliance on Key Personnel

The Company relies on a number of key personnel that are either employed or contracted. The ability to attract, motivate and retain the staff necessary to implement its plans will also be vital to its success. A loss of key personnel could have a detrimental effect on the Company.

If the property management business of Wentworth grows, it will need to be able to attract further skilled staff to occupy key positions with Wentworth.

4.6 Change of Law

Changes in relevant taxation or other legal and administrative regimes may adversely affect the financial performance of the Company.

4.7 New Marketing Initiatives

Some of the Company's marketing initiatives in relation to the proposed provision of property management services are in the early stages of development and will require further development to prove their worth in the marketplace.

4.8 Real Estate Investments

Demand for property management is influenced by factors which affect real estate investments such as:

- any downturn in demand for property management services;
- any downturn in the value of the property market in general;
- any downturn in the economy;
- movements in occupancy levels;
- any interest rate fluctuations; and
- any adverse consequences of amendments to statutes and regulations affecting property investment.

4.9 Real Estate Licence

Wentworth requires a licence and triennial certificate under the Real Estate and Business Agents Act (WA) 1978 to operate the property management business. A number of factors may affect the continuing eligibility of that company to hold that licence including:

- Wentworth continuing to comply with all the terms of its licence and triennial certificate;
- any legislative changes in relation to the holding of the licence and triennial certificate.

4.10 Properties Under Management

The Company's ability to generate profits from its property management business will be dependent on Wentworth's ability to retain the rights to manage the properties Wentworth currently has under management and also Wentworth's ability to attract new property managements. The property management market is a highly competitive market which may restrict Wentworth's ability to retain its existing property management rights and obtain new properties to manage.

5. TERMS OF OFFER

5.1 Terms of Offer to Property Owners

The terms of the Offer to Property Owners are as follows: -

- (a) For each Property owned by the Property Owner which becomes the subject of a Management Authority, the Property Owner will be entitled to apply for New Shares equivalent in number to \$250 worth of Shares at the Average Price and New Options to acquire Shares equivalent in number to \$500 worth of Shares at the Average Price.
- (b) The precise number of New Shares to be issued to Property Owners will be determined by reference to the weighted average share price for the Shares (calculated to four decimal places) quoted by ASX for the period between the Opening Date and the Closing Date. That is, the number of New Shares to be issued is equal to 250 divided by the Average Price. Fractional entitlements to a New Share will be rounded up.
- (c) The entitlement to be issued Shares shall terminate if the Management Authority in respect of the Property is repudiated or terminated by either Wentworth or the Property Owner prior to 15 days after the Closing Date.
- (d) Shares to be issued pursuant to the Offer will be allotted 15 days after the Closing Date.
- (e) The precise number of New Options to be issued to Property Owners will be determined by reference to the weighted average share price for the Shares (calculated to four decimal places) quoted by ASX for the period between the Opening Date and the Closing Date.
- (f) Two tranches of New Options will be issued to Property Owners described as Class One Options and Class Two Options. The number of Class One Options to be issued is equal to 250 divided by the Average Price. The number of Class Two Options to be issued is equal to 250 divided by the Average Price.
- (g) The Class One Options issued in respect of a Property may be exercised between the Second Anniversary and 90 days after that date provided that the Property shown on the Application Form is still, and has continuously been, the subject of a Management Authority.
- (h) The Class Two Options issued in respect of a Property may be exercised between the Third Anniversary and 90 days after that date provided that the Property shown on the Application Form is still, and has continuously been, the subject of a Management Authority.

- (i) Where a Property is sold and the Property Owner acquires a new property which becomes the subject of a Management Authority, the Property Owner may elect to have the new property treated as the Property for the purpose of this Offer provided that the new property does not become the subject of an Application under this Prospectus or an application under a later Prospectus.
- (j) Property Owners who were at the date of this Prospectus using the services of Wentworth shall be entitled to participate in the Offer if they execute a Management Authority.
- (k) No cash consideration is required from a Property Owner to exercise the New Options.

5.2 Terms of Offer to Referees

The terms of the Offer to Referees are as follows: -

- (a) For each Property introduced, or referred by a Referee, which becomes the subject of a Management Authority, the Referee will be entitled to New Options to acquire Shares equivalent in number to \$150 worth of Shares at the Average Price. Referees will also be paid an amount of \$150 in cash for their referral.
- (b) The precise number of New Options to be issued to the Referee will be determined by reference to the weighted average share price for the Shares (calculated to four decimal places) quoted by ASX for the period between the Opening Date and the Closing Date. That is, the number of New Options to be issued per Property is equal to 150 divided by the Average Price. The New Options to be issued to Referees shall be described as Class One Options.
- (c) The Class One Options issued in respect of a Property may be exercised between the Second Anniversary and 90 days after that date provided that the Property shown on the Application Form is still, and has continuously been, the Subject of a Management Authority or has been substituted in the circumstances contemplated in Section 5.1(i).
- (d) Applications from Referees in relation to a Property, which was managed by Wentworth at the date of this Prospectus, will not be accepted.
- (e) No cash consideration is required from a Referee to exercise the New Options.

5.3 Terms of Offer to Agents

The terms of the Offer to Agents are as follows: -

- (a) For each Property introduced, referred or procured by an Agent, which becomes the subject of a Management Authority, the Agent will be entitled to New Options to acquire Shares equivalent in number to \$250 worth of Shares at the Average Price. Agents will also be paid an amount of \$250 in cash for their referral.

- (b) The precise number of New Options to be issued to the Agent will be determined by reference to the weighted average share price for the Shares (calculated to four decimal places) quoted by ASX for the period between the Opening Date and the Closing Date. That is, the number of New Options to be issued per Property is equal to 250 divided by the Average Price. The New Options to be issued to Agents shall be described as Class Three Options.
- (c) The Class Three Options issued in respect of a Property may be exercised between the First Anniversary and 90 days after that date provided that the Property shown in the Application Form is still, and has continuously been the subject of a Management Authority or has been substituted in the circumstances contemplated in Section 5.1(f).
- (d) Applications from Agents in relation to a Property, which was managed by Wentworth at the date of this Prospectus, will not be accepted.
- (e) No cash consideration is required from an Agent to exercise the New Options.

6. EFFECT OF OFFER

6.1 *Shares and Options*

If all the Shares and Options which are the subject of the Offer are taken up by Property Owners, Referees and Agents, the Offer will affect the Share and Option holdings in the Company as summarised in the table below, assuming there are no other issues of Shares or Options during the Offer period.

Number of Shares on issue as at 3 October 2003	187,305,417
Total New Shares to be issued under the Offer	8,000,000
Number of Shares on issue following completion of the Offer	195,305,417

Number of Options on issue as at 3 October 2003	3,592,467
Options to be issued under the Offer	24,000,000
Number of Options on issue following completion of the Offer	27,592,467

6.2 *Statement of Financial Position*

The Offer will have an effect on the consolidated statement of financial position of the Company. The pro forma consolidated statement of financial position as set out below illustrates the effects of the Offer as if the Offer was fully subscribed.

As none of the Options issued under Client Offer's 1 and 2 can be exercised prior to 10 March 2004, and New Options issued under this Offer cannot be exercised until 30 November 2004, the effect of the exercise of those Options has not been brought to account.

Subsequent Events

Subsequent to 30 June 2003 the Company entered into the following significant transactions all of which have been brought to account in the pro forma accounts, except for the exercise of the Options:

- Issued 304,494 Shares and 814,119 Options and paid commissions of \$6,390 to Referees and Agents pursuant to Client Offer 2;
- Issued Convertible Notes to the value of \$15,000 pursuant to the Company's Convertible Note Issue announced to the market on 4 February 2003;
- Issued 7,000,000 Shares to employees on 9 July 2003 pursuant to employee contracts; and
- Issued 2,036,613 Shares to Directors in lieu of directors fees on 1 September 2003.

Assumptions

The following assumptions have been made:-

- Having regard to the recent trading history for the Shares on ASX the directors believe that a reasonable estimate of the effect of the Offer on the financial position of the Company is achieved if an Average Price of 2.5 cents is utilised.
- On the assumption of an Average Price of 2.5 cents, a total of 800 Properties may be the subject of the Offer.

This has been calculated as follows:

Total number of New Shares to be issued under this Prospectus: 8,000,000

Number of New Shares issued for each Property @ 2.5 cents

to satisfy the Offer: 10,000

Hence maximum number of Properties that can be accepted

under this Prospectus (at 2.5 cents): 800

- The trading price for the Shares is subject to market fluctuations which will affect the number of properties that can be accepted under this Prospectus.
- The value of the management rights for Properties, which come under management, has been estimated by reference to the capital outlay the Company may be called upon to make, which is capitalised in management rights under intangible assets at \$250 per Property (representing shares issued to Property Owners) together with the cash outlays payable to Referees and Agents as set out below.
- It is assumed that 400 Properties are referred by Agents (with a cash payment of \$250 per property made to those Agents) and 300 Properties are referred by Referees (with a cash payment of \$150 per Property made to those Referees). The total costs associated with Properties referred by Agents and Referees has been capitalised in the pro forma accounts under intangible assets.

WENTWORTH MUTUAL LIMITED**Pro Forma Statement of Financial Position as at 30 June 2003**

	Accounts as at 30 June 2003	Pro forma accounts as at 30 June 2003
<i>Current Assets</i>		
Cash assets	582,674	591,284
Receivables	695,492	779,202
Inventories	98,447	98,447
Other financial assets	176,198	176,198
Other	625,893	625,893
<i>Total Current Assets</i>	2,178,704	2,271,024
<i>Non-Current Assets</i>		
Property, plant and equipment	365,786	365,786
Intangibles	1,449,455	1,449,855
<i>Total Non-Current Assets</i>	1,815,241	1,815,641
<i>Total Assets</i>	3,993,945	4,086,665
<i>Current Liabilities</i>		
Payables	1,366,321	1,366,321
Provisions	152,259	152,259
Other	1,257,329	1,257,329
<i>Total Current Liabilities</i>	2,775,909	2,775,909
<i>Non-Current Liabilities</i>		
Interest-bearing liabilities	829,858	844,858
<i>Total Non-Current Liabilities</i>	829,858	844,858
<i>Total Liabilities</i>	3,605,767	3,620,767
<i>Net Assets</i>	388,178	465,898
<i>Equity</i>		
Contributed equity	8,802,489	8,880,209
Accumulated losses	(9,153,717)	(9,153,717)
Parent Entity Interest	(351,228)	(273,508)
Outside Equity Interest	739,406	739,406
<i>Total Equity</i>	388,178	465,898

The pro forma accounts are based on the consolidated Statement of Financial Position as at 30 June 2003 included in the Annual Report lodged with ASX on 30 September 2003 which has been audited by the Auditors.

7. RIGHTS AND LIABILITY ATTACHING TO SHARES AND NEW OPTIONS

- 7.1 The rights attaching to ownership of the New Shares and Shares issued following the exercise of New Options are detailed in the Constitution of the Company, which may be inspected during normal business hours at the Company's registered office. Set out below is a summary of the rights, liabilities, privileges and restrictions that will attach to the New Shares offered under this Prospectus.

(i) **Voting**

At a general meeting, every holder of Shares present in person or by proxy, attorney or representative has one vote on a show of hands and on a poll, for each Share held.

(ii) **General Meeting**

Each holder of Shares is entitled to receive notice of, and to attend and vote at general meetings of the Company and receive all financial statements, notices and other documents required to be sent to members under the Constitution or the Corporations Act.

(iii) **Dividends**

The profits of the Company which the directors from time to time determine by way of dividend are divisible amongst the members in proportion to the number of Shares held by them.

(iv) **Issue of Further Shares**

The directors may (subject to the restrictions on the allotment of Shares imposed by the Constitution, the Listing Rules and the Corporations Act) allot further Shares on such terms and conditions as they see fit and issue preference shares on the terms set out in the Constitution.

(v) **Transfers of Shares**

Holders of Shares may transfer them by a proper transfer effected in accordance with the SCH Business Rules and the ASX and as otherwise permitted by the Corporations Act.

The directors may decline to register a transfer of Shares where the transfer is not in registrable form or where the refusal to register the transfer is permitted under the ASX Listing Rules. If the directors decline to register a transfer the Company must give the party lodging the transfer written notice of the refusal and the reason for refusal.

(vi) **Winding Up**

Holder of Shares will be entitled in a winding up of the Company to share in any surplus assets of the Company in proportion to the Shares held by them.

7.2 The Constitution of the Company allows the directors to grant options over unissued shares to any person on such conditions as the directors think fit subject to ASX Listing Rules. The directors have resolved that the New Options be granted with the following rights, liabilities and reservations.

- (i) No cash consideration is required to exercise the New Options.
- (ii) Each New Option entitles the holder to subscribe for a Share.
- (iii) The Company will not apply for Official Quotation of the New Options.
- (iv) The New Options are not transferable.
- (v) Fractional entitlements to a New Option will be rounded up.
- (vi) An Applicant may, by endorsing the Application Form, authorise the Company Secretary to exercise the New Options on their behalf. Where authorised the Company Secretary shall exercise the new Options on the First, Second or Third Anniversary Date, as the case requires. An Applicant may at any time by notice in writing to the Company revoke the authority given to the Company Secretary. An Applicant may exercise part only of their number of New Options. Options not exercised shall lapse on the expiry of the Exercise Period.
- (vii) Applicants who do not endorse the Application Form as provided in Section 7.2(vi) will be sent an exercise notice by the Company in accordance with ASX Listing Rules.
- (viii) In the event of any reorganisation of the issued capital of the Company prior to the expiry of the New Options the terms of the New Options will also be re-organised in order to comply with ASX Listing Rules.
- (ix) The Company shall allot Shares on exercise of New Options in accordance with the ASX Listing Rules and shall cause a holding statement to be issued, for Shares so allotted within 15 business days after the date of exercise of the New Options.
- (x) Shares issued on the exercise of New Options will rank *pari passu* with all existing Shares in the capital of the Company from the date of issue of those Shares.
- (xi) In relation to new issues, there are no participating rights or entitlements inherent in the New Options.
- (xii) Any change to these terms and conditions must be made in accordance with the Listing Rules.

8. ADDITIONAL INFORMATION

8.1 *Interests of Directors*

Other than set out below or elsewhere in this Prospectus:

- No director of the Company has, or has had in the 2 years before lodgement of this Prospectus, any interest in:
 - (a) the formation or promotion of the Company; or
 - (b) in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offer; or
 - (c) the Offer.
- No amount, has been paid or agreed to be paid to any director of the Company either to induce him to become, or to qualify as a director, or otherwise for services rendered by him in connection with:
 - (a) the promotion or formation of the Company; or
 - (b) the Offer.

8.2 *Shareholdings*

Directors are not required under the Constitution to hold any Shares in the Company.

At the date of this Prospectus, directors of the Company have an interest in the following securities:

Director	Shares	Options
Reg Gillard	877,193	Nil
Glenn Wheeler	50,288,437 ¹	Nil
Jong Kan Foo	28,310,670 ²	Nil

1. Glenn Wheeler has a relevant interest in 44,205,437 Shares held by Carnegie Capital Pty Ltd and 3,083,000 shares held by the Carnegie Capital Superannuation Fund of which he and Vicki Wheeler are Trustees. Glenn Wheeler also holds an additional 3,000,000 Shares directly.
2. Jong Kan Foo has a relevant interest in 27,151,250 Shares owned by Joefield Investment (Aust) Pty Ltd. Jong Kan Foo also holds an additional 1,159,420 Shares directly

8.3 *Directors' Fees*

The Constitution of the Company provides that the directors are entitled to such remuneration as the directors determine, but the remuneration of non-executive directors must not exceed in aggregate a maximum amount fixed by the Company in a meeting for that purpose. The current maximum is \$200,000.

8.4 *Interests of Experts and Named Parties*

Other than as set out below or elsewhere in this Prospectus:

- no person named in the Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus (“Named Person”) has, or has had in the 2 years before lodgement of this Prospectus, any interest in the:
 - (a) formation or promotion of the Company; or
 - (b) in any property proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
 - (c) the Offer.
- no amount has been paid or agreed to be paid to any Named Person for services rendered by them in connection with:
 - (a) the promotion or formation of the Company; or
 - (b) the Offer.

Bennett & Co is entitled to receive legal fees of approximately \$1,000 for legal services provided in relation to this Prospectus.

8.5 *Consents*

Bennett & Co has given and has not withdrawn its consent to be named as legal advisers to the Offer. They have not authorised or caused the issue of this Prospectus and take no responsibility for any part of this Prospectus other than references to their name.

Director’s consents to the lodgement of this Prospectus have been received from each of the directors and have not been withdrawn.

Deloitte Touche Tohmatsu has given and has not withdrawn its consent to be named as auditors to the Company. They have not authorised or caused the issue of this Prospectus and take no responsibility for any part of this Prospectus other than references to their name.

8.6 *Expenses of the Offer*

The total expenses of the Offer are estimated to be approximately \$5,000. The expenses of the Offer will be borne by the Company.

8.7 *Litigation*

In September 2003 Goodwill Group Pty Ltd (a minority shareholder of Vision Pursuit Pty Ltd) commenced proceedings against Wentworth Mutual Limited and Vision Pursuit Pty Ltd regarding the validity of approximately 7% of Wentworth Mutual Limited’s sale of 25% of its shareholding in Vision Pursuit Pty Ltd. The Directors do not believe there is any basis for the claim and intend to defend the claim.

8.8 Other

Convertible Note

On the 4 February 2003 the Company announced that it was seeking funding via a Convertible Note issue in compliance with section 708 of the Corporations Act of up to \$2 million part of which will be subject to shareholders approving the issue of securities. A significant proportion of the funding is intended to be utilized to acquire existing rent rolls which combined with the organic growth being experienced by the residential investment property management business is expected to rapidly increase the Company's market share.

The Convertible Notes will entitle the Note holders to convert their investment at a price of \$0.04 per share. The Notes will have a term of 2 years and will pay interest at the rate of 9.75% per annum quarterly in arrears.

As at the date of this Prospectus a total of \$316,000 has been raised by the issue of Convertible Notes.

Sale of Vision Pursuit Pty Ltd

On the 28 July 2003 the Company announced that it was seeking shareholder approval for the sale of the Company's remaining 40% interest in Vision Pursuit. Shareholder approval was given at the General Meeting held on the 26 August 2003.

The directors believe that the sale of Vision Pursuit will reignite interest in the Company by investors who appeared disinterested in the type of business in which Vision Pursuit is engaged. In addition, the sale would allow the Company to concentrate all its efforts on the Property Management business using the sale proceeds to further develop that business.

The Company has offered its remaining shares in Vision Pursuit for sale for approximately \$400,000 and that offer has been accepted by an independent third party. The price offered is at least equivalent to the Company's share of the estimated net asset value of Vision Pursuit as at 30 June 2003.

Acquisition of premises

The Company will be moving its head office operations to new premises in Subiaco that it is proposing to acquire for \$1.65 million. This acquisition will be financed via a combination of cash, convertible notes and loan funds.

8.9 Continuous Disclosure and Documents Available for Inspection

The Company is a "disclosing entity" for the purposes of section 111AC and section 713 of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material affect on the price or value of securities of the Company.

In general terms, prospectuses in relation to continuously quoted securities are only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of the making that information available to the stock market conducted by ASX.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the Half Yearly Report for the Company for the six month period to 31 December 2002; and
 - (ii) the Annual Financial Report for the Company for the financial year ended 30 June 2003;
 - (iii) all documents used to notify the ASX of information relating to the Company under the provisions of the ASX Listing Rules since lodgement of the Annual Financial Report for the financial year ended 30 June 2003 and ending before the issue of this Prospectus.

All documents released to the ASX are also available on the ASX website.

9. ACTION REQUIRED BY APPLICANTS

Applications for New Shares and New Options under this Prospectus must be made on the Application Form which accompanies this Prospectus in accordance with the instructions referred to in this Prospectus and on the Application Form.

Completed Application Forms must be lodged at any time after the receipt of the Prospectus and on or before the Closing Date with the Company at the address set out on page 2.

10. GLOSSARY

\$	means Australian dollars. All amounts in this Prospectus are in Australian dollars unless otherwise stated
Agent	means:- (a) a person who has been approved by the company as an Agent and has been allocated an Agent number; or (b) a person who has not been approved as an Agent but is the holder of an Australian financial services licence or is a licensed real estate agent.
Applicant	means a person who submits an Application
Application	means a valid application made to subscribe for New Shares and New Options offered by this Prospectus
Application Form	means the application form accompanying this Prospectus
ASIC	means Australian Securities and Investments Commission
ASX	means Australian Stock Exchange Limited
Average Price	means the weighted average share price for the shares quoted by ASX for the period between the Opening Date and the Closing Date as a proportion of one dollar to the fourth decimal place rounded up.
Business Day	means Monday to Friday inclusive except for public holidays and any other day that the ASX declares is not a business day
Client Offer 1	means Client Offer Prospectus No. 1 dated 7 October 2002 as amended by a Supplementary Prospectus dated 18 December 2002.
Client Offer 2	means Client Offer Prospectus No. 2 dated 19 March 2003 as amended by a Supplementary Prospectus dated 6 June 2003.
Closing Date	means the last date for receipt of completed Application Forms for the Offer which is 5.00 p.m. WST 19 December 2003 unless the directors decide to extend the closing date.
Company (s)	means Wentworth Mutual Limited ACN 080 167 264
Constitution	means the Constitution of Wentworth Mutual Limited
Corporations Act	means Corporations Act 2001 as amended from time to time
Class One Options	means the New Options described at Sections 5.1 & 5.2
Class Two Options	means the New Options described at Sections 5.1
Class Three Options	means the New Options described at Section 5.3
Exercise Period	Means:- (a) in relation to the Class One Options, the period which commences on the Second Anniversary and ends at 5.00pm WST on the day which is the 90 th day after the Second Anniversary. (b) in relation to the Class Two Options, the period which commences on the Third Anniversary and ends at 5.00pm WST on the day which is the 90 th day after the Third Anniversary. (c) in relation to the Class Three Options the period which commences on the First Anniversary and ends at 5.00pm WST on the day which is the 90 th day after the First Anniversary.
First Anniversary	means the first anniversary of the Closing Date
Issue	means the issue pursuant to this Prospectus by the Company of New Shares and New Options

Management Authority	means a written Investment Portfolio Management Authority between Wentworth and a Property Owner
New Option	means an Option issued pursuant to the terms and conditions of this Prospectus
New Share	means a Share issued pursuant to the terms and conditions of this Prospectus
Offer	means an offer pursuant to this Prospectus
Opening Date	means the first date for receipt of completed Entitlement and Application Forms which is 9.00 am WST on 3 October 2003
Option	Means an option to acquire a fully paid ordinary share in the capital of the Company
Property	means a residential premise suitable to be occupied by a Tenant which becomes the subject of a Management Authority
Property Owner	means any person who has signed a Management Authority with Wentworth
Quotation	has the same meaning as in the ASX Listing Rules
Referee	means a person (other than a director of the Company or Wentworth or an Agent) who refers introduces or procures another person to enter into a Management Authority.
SCH Business Rules	means the Business Rules of the Securities Clearing House
Second Anniversary	means the second anniversary of the Closing Date
Share	means a fully paid ordinary share in the capital of the Company
Tenant	means a tenant occupying a property at the time management by Wentworth commences and a tenant who commences occupying a property during the term of a Management Authority
Third Anniversary	means the third anniversary of the Closing Date
Vision Pursuit	means Vision Pursuit Pty Ltd ACN 094 848 325
Wentworth	means Wentworth Mutual Investment Management Pty Ltd ACN 099 896 876
WST	means Western Australian Standard Time