



BWX Limited ACN 163 488 631

Retail Offer Booklet

Details of a fully underwritten 1 for 5.7 pro-rata accelerated renounceable entitlement offer of Shares at an issue price of \$5.92 per Share to raise up to approximately \$100 million

The Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Tuesday, 7 November 2017 (unless extended). Valid applications must be received before that time.

This document is dated 27 October 2017.

Underwriter

Goldman Sachs Australia Pty Ltd

Legal Adviser

MinterEllison

This is an important document which is accompanied by an Entitlement and Acceptance Form and both should be read in their entirety. This document requires your immediate attention. Please call your broker, professional adviser or the BWX Offer Information Line if you have any questions.

This document may not be released or distributed in the United States.

Contents

Important Information	1
Chairman's Letter	2
Key Dates for the Entitlement Offer	3
ASX Announcement – BWX Entitlement Offer launch	4
Investor Presentation	11
ASX Institutional Offer Completion Announcement	31
Details of the Offer and what you may do	34
Additional Information	38
Glossary	45
Corporate Directory	IBC

BWX website:

To view annual reports, Shareholder and Company information, news announcements, background information on BWX's businesses and historical information, visit BWX's website at www.bwxltd.com.

BWX Offer information line:

Australia: 1300 660 106

Overseas: +61 1300 660 106

Open 8.30am to 5.30pm (Melbourne time)

Monday to Friday during the Retail Entitlement Offer Period.

Important Information

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Retail Offer Booklet has been issued by BWX Limited ACN 163 488 631 (**BWX**).

The information in this Retail Offer Document is not a prospectus, product disclosure statement, disclosure document or other offering document under the Corporations Act (or any other law) and has not been lodged with ASIC. The Retail Entitlement Offer is made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. This Retail Offer Booklet may not be released or distributed in the United States. This Retail Offer Booklet does not constitute an offer, invitation or recommendation to subscribe for or purchase any security or financial product and neither this document nor anything attached to this document shall form the basis of any contract or commitment. In particular, this Retail Offer Booklet does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act, or any securities laws of any state or other jurisdiction of the United States. Accordingly, the securities may not be offered or sold directly or indirectly in the United States unless they have been registered under the U.S. Securities Act (which BWX has no obligation to do or procure) or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable United States state securities laws.

This Retail Offer Booklet may contain certain *forward-looking statements*. The words *anticipate, believe, expect, project, forecast, estimate, likely, intend, should, could, may, target, plan, consider, foresee, aim, will* and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of BWX. These factors may include changes in consumer demand for BWX's products, damage to brands and associated consumer images under which BWX's products are sold, fluctuations in the value of the Australian dollar, damage to BWX's relationships with its customers, suppliers and service providers, a breach by BWX of its debt covenants, increased competition, loss of key personnel, litigation and disputes, counterparty and credit risk, acquisitions and new business, change in operations, interest rate risk, market price fluctuations, general economic conditions, taxation, regulatory issues and changes in law and accounting policies. There can be no assurance that actual outcomes will not differ materially from these statements. The Underwriter has not authorised, approved or verified any forward-looking statements.

Neither the Underwriter, nor any of its affiliates, related bodies corporate (as that term is defined in the Corporations Act), nor their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the **Underwriter Parties**) have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet (or any other materials released by BWX) and, except to the extent referred to in this Retail Offer Booklet, none of them has, or purports to have, verified or made any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them.

The Underwriter Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from BWX.

This Retail Offer Booklet is not financial product or investment advice nor a recommendation to acquire New Shares and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

BWX is not licensed to provide financial product advice in respect of New Shares.

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of BWX, including possible loss of income and principal invested. BWX does not guarantee any particular rate of return or the performance of BWX, nor does it guarantee the repayment of capital from BWX or any particular taxation treatment. In considering an investment in New Shares, investors should have regard to (among other things) the risks and disclaimers outlined in this Retail Offer Booklet.

Chairman's Letter

Dear Shareholder

On behalf of the Directors of BWX, I am pleased to inform you of the agreement we have signed to acquire Andalou Naturals, Inc. (**Andalou Naturals**), a company based in the United States engaged in the development, distribution and sale of skin care, hair care and body products (**Proposed Acquisition**) and invite you to participate in our pro-rata accelerated renounceable Retail Entitlement Offer.

About Andalou Naturals and the Proposed Acquisition

We are very excited by the acquisition of Andalou Naturals, which we see as a strategically compelling acquisition that progresses BWX's goal to become a global leader in the natural personal care market.

Andalou Naturals is a leading growth brand of natural skin, hair and body care products, with a strong US distribution platform and a high quality management team. The management team, who will remain with the business for at least the next four years, have extensive industry experience and a track record of revenue growth, and are committed to overseeing Andalou Naturals' next phase of growth.

Not only is the acquisition transformative for BWX's US platform, creating scale which will enable management to extract operational efficiencies, we believe the acquisition represents a significant opportunity to expand the distribution of Andalou Naturals and other BWX brands across BWX's broadened geographic and channel footprints. In particular, the acquisition is additive to BWX's quality US distribution network, which is capable of supporting the entry of other BWX brands.

BWX will raise approximately A\$100 million via a fully underwritten, pro-rata, accelerated, renounceable entitlement offer (**Entitlement Offer**), to fund the acquisition and pay down debt.

Details of the Offer

As announced to ASX on Tuesday, 24 October 2017, BWX has successfully completed the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**). The Institutional Entitlement Offer raised approximately \$66 million.

Under the Retail Entitlement Offer, BWX is offering to Eligible Shareholders 1 Share for every 5.7 Shares already held. The issue price is \$5.92 per Share, which represents a discount of approximately 14.3% to the closing market price of \$6.91 on Tuesday, 17 October 2017, the last day the shares traded on ASX before the Entitlement Offer was announced. The Retail Entitlement Offer is renounceable. This means if you do not wish to take up (i.e. you "renounce") some or all of the New Shares which you are entitled to take up, they will be sold via a bookbuild process after the close of the Retail Entitlement Offer and you will receive the difference between the Issue Price and the bookbuild price (if any) after any taxes and costs.

The Retail Entitlement Offer is fully underwritten by Goldman Sachs Australia Pty Ltd and will raise approximately \$34 million, bringing the gross proceeds of the Entitlement Offer to \$100 million. The proceeds from the Entitlement Offer will be used to fund the Proposed Acquisition and related transaction costs, repay existing debt facilities of BWX and fund the costs of the Entitlement Offer.

Further information and application instructions

Details of the Retail Entitlement Offer and how to participate and take advantage of the Retail Entitlement Offer can be found in this Retail Offer Booklet. Shareholders who are in any doubt as to how they should respond to this Retail Entitlement Offer should consult their stockbroker, accountant, solicitor or other independent professional adviser.

If you require further assistance in relation to the details of the Offer, please do not hesitate to contact the BWX Offer Information Line on 1300 660 106 (within Australia) or +61 1300 660 106 (from outside Australia) at any time between 8.30am to 5.30pm (Melbourne time), Monday to Friday, during the Retail Entitlement Offer Period.

We look forward to your consideration of this Retail Entitlement Offer and your continued support.

Yours faithfully



Denis Shelley
Chairman

27 October 2017

Key Dates for the Entitlement Offer

Event	Date
Announcement of capital raising	Thursday, 19 October 2017
Institutional Entitlement Offer opens	Thursday, 19 October 2017
Institutional Entitlement Offer closes	Friday, 20 October 2017
Institutional Entitlement Offer bookbuild	Monday, 23 October 2017
Record Date for the Retail Entitlement Offer	7.00pm on Tuesday, 24 October 2017
Retail Entitlement Offer opens	Friday, 27 October 2017
Mailing of Retail Offer Booklet and Entitlement and Acceptance Form to Eligible Shareholders	Friday, 27 October 2017
Settlement of the Institutional Entitlement Offer	Tuesday, 31 October 2017
Issue of shares under the Institutional Entitlement Offer	Wednesday, 1 November 2017
Normal trading of New Shares issued under the Institutional Entitlement Offer	Wednesday, 1 November 2017
Retail Entitlement Offer closes	5.00pm on Tuesday, 7 November 2017
Retail Entitlement Offer Bookbuild	Monday, 13 November 2017
Settlement of the Retail Entitlement Offer	Thursday, 16 November 2017
Issue of New Shares under the Retail Entitlement Offer	Friday, 17 November 2017
Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	Monday, 20 November 2017
Despatch of holding statements and CHESS notices for Retail Entitlement Offer	Monday, 20 November 2017

Note: All times and dates refer to the time and date in Melbourne, Australia.

Applicants are encouraged to submit their Entitlement and Acceptance Form and Application Monies as soon as possible after the Retail Entitlement Offer opens. These dates are indicative only and are subject to change. BWX, in conjunction with the Underwriter, reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary any of the above dates of the Retail Entitlement Offer, including extending the Retail Entitlement Offer or accepting late applications, either generally or in particular cases, without notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares. No cooling off rights apply to the Retail Entitlement Offer.

If you do not accept all or part of your Entitlement then you will be deemed to have renounced it. If you renounce some or all of your Entitlement, the Shares that you were entitled to take up will be sold by the Underwriter (together with Shares which might otherwise have been available to Ineligible Shareholders if they had been eligible) via the Retail Entitlement Offer Bookbuild process after the close of the Retail Entitlement Offer. It is expected that the Retail Entitlement Offer Bookbuild will be completed on Monday, 13 November 2017.

Enquiries

If you are in doubt as to the course you should follow you should consult your stockbroker, accountant, solicitor or other independent professional adviser. If you:

- have questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- you have lost your Entitlement and Acceptance Form and would like a replacement form,

please call the BWX Offer Information Line on 1300 660 106 or on +61 1300 660 106 (outside Australia) at any time from 8.30am to 5.30pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period.

ASX Announcement – BWX Entitlement Offer Launch



ASX / BWX

ASX Announcement

19 October 2017

BWX ACQUIRES ANDALOU NATURALS, THE NO. 1 SELLING FACIAL SKIN CARE BRAND IN THE US NATURAL CHANNEL, AND LAUNCHES A\$100M ENTITLEMENT OFFER

- **BWX Limited (BWX or the Company) has entered into an agreement to acquire Andalou Naturals, Inc. (Andalou Naturals) for initial consideration of US\$80m, plus potential additional amounts subject to Andalou Naturals achieving particular financial milestones.**
- **Andalou Naturals is a leading skin, hair and body care brand in the US, inspired by innovative product development and quality natural ingredients and is expected to generate revenue for FY2018 of US\$41m and pro forma EBITDA of US\$8.5m.**
- **Implied multiple of 9.4x EV / FY2018 pro forma forecast EBITDA, or 8.4x including expected annual cost synergies¹.**
- **The acquisition creates a sizeable US operating platform when combined with Mineral Fusion, enabling management to drive operating efficiencies which are expected to deliver estimated annualised cost synergies of US\$1m by the end of the first full year of ownership.**
- **The acquisition presents the opportunity to expand distribution of Andalou Naturals and other BWX brands across BWX's broadened geographic and channel footprints.**
- **Initial cash consideration of US\$64m to be funded via a fully underwritten 1 for 5.7 pro-rata accelerated renounceable entitlement offer to raise A\$100m, with remaining proceeds used to paydown existing debt facilities and fund transaction costs.**
- **Approximately 10% EPS accretive on a pro forma FY2018 basis before expected annual cost synergies.**

Melbourne, Australia – BWX Limited (ASX:BWX) is pleased to announce that the Company has entered into a binding agreement to acquire Andalou Naturals for initial consideration of US\$80m, plus potential additional amounts subject to Andalou Naturals achieving particular financial milestones. A California-based business, Andalou Naturals is a leading growth brand of skin, hair and body care brand inspired by innovative product development and quality natural ingredients. Andalou Naturals has a strong distribution network in the US with a presence across a number of

¹ Excludes potential additional amounts of up to US\$11.2m subject to Andalou Naturals achieving particular financial milestones related to gross profit.

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key retailers, including Whole Foods Market, Sprouts, ULTA, Target and CVS, and is the number one selling facial skin care brand in the US natural channel.

BWX Chief Executive Officer, Mr John Humble, said "The acquisition of Andalou Naturals is strategically and financially compelling for BWX. Andalou Naturals is a business that is strongly aligned to our goal of becoming a global leader in the natural beauty and personal care markets and will deliver long-term value to our shareholders."

"The high-quality management team at Andalou Naturals have achieved great success with the business in the US and Canada, creating a brand that is the number one selling facial skin care brand in the US natural channel and is expanding its distribution into the ecommerce, mass and grocery channels. The Andalou Naturals brand is highly complementary to BWX's existing portfolio, adding a portfolio of 129 SKUs inspired by Nature's Intelligence® and Fruit Stem Cell Science® across its hair, skin and body care lines, with the products positioned at a clearly differentiated price point to Sukin."

The key management of Andalou Naturals have committed to the business for the next 4 years. Mark Egide, co-CEO and President of Andalou Naturals commented "Stacey and I welcome the opportunity to join BWX, a growing leader in the global natural personal care market. We are particularly excited to work alongside the team from Mineral Fusion, many of whom we have worked with in the past. The combination of the three leading brands, Sukin, Mineral Fusion and Andalou Naturals, provides a great platform on which to further develop BWX's sales and distribution. We can't wait to get started!"

The acquisition, in combination with Mineral Fusion, is transformative for BWX's US platform, creating the opportunity to streamline and rationalise its US operations and facilities, with further cost savings available through shifting the production of several high volume Andalou Natural SKUs to BWX's purpose built facility in Dandenong, Victoria. BWX management estimates that these initiatives will deliver US\$1m of annualised cost synergies by the end of the first full year of ownership.

The acquisition broadens and diversifies BWX's distribution footprint across geographies and channels, with the combined business having a strong presence in key retailers across Australia, the UK, the US and Canada, creating the ability to further expand distribution of the Andalou Naturals brand as well as BWX's other brands. In particular, the acquisition creates a quality US distribution network, adding key retailers such as Target, CVS, Kroger and Walgreens and is capable of supporting the entry of other BWX brands into the US.

Mr Humble went on to say "The US distribution network that we now have with Andalou Naturals and Mineral Fusion provides significant strategic advantage as BWX continues to expand the export reach of Sukin and other BWX brands in the next 12-24 months. There is also a significant opportunity to increase the distribution of Andalou Naturals products in Australia and other geographies where we have an existing presence."

Company Outlook

BWX refers to the company outlook statement contained in the Company's full year results presentation August 2017, noting that it does not include the impact of the recently completed acquisition of Nourished Life. At the Company's FY17 result, BWX commented:

"With the ongoing strategic initiatives we have in place, aimed at growing our brands across our existing domestic and expanding international platforms, combined with the expected contribution from recently acquired Mineral Fusion, we look forward to the continued growth of the company and expect growth in FY18 EBITDA to comfortably exceed the 30.7% increase achieved in FY17, assuming stable market and economic conditions during the period."

With the conclusion of the Andalous Naturals transaction the Company considers its current acquisition phase to be complete. Along with the continued growth of our existing brands, our focus will now be on the integration and consolidation of the recently acquired businesses.

BWX looks forward to providing an update on operations and the integration of the BWX businesses at the release of our half year results in February 2018.

Purchase Price

BWX has agreed to acquire Andalous Naturals for initial consideration of US\$80m, implying an acquisition multiple of 9.4x enterprise value / 2018 pro forma forecast EBITDA, or 8.4x including the annualised cost synergies BWX expects to achieve in the first full year of ownership.²

The initial consideration will be comprised of US\$64m of cash and US\$16m of BWX shares. The shares will be issued to Andalous Naturals shareholders at the 30-day VWAP immediately prior to the date which is 3 trading days before completion of the acquisition and subject to a 3 year escrow period.

In addition to the initial consideration, there are potential additional amounts payable up to US\$11.2m over the next 5 years, subject to Andalous Naturals achieving particular financial milestones related to gross profit.

It is anticipated that the transaction will complete on 31 October 2017, subject to customary conditions precedent.

Transaction Funding

The cash component of the initial consideration will be funded via a fully underwritten 1 for 5.7 pro-rata accelerated renounceable entitlement offer to raise A\$100m ("Entitlement Offer"). Remaining cash proceeds will be used to paydown existing debt facilities and fund transaction costs.

Further details on transaction funding are set out in the table below.

Sources	A\$m
Entitlement Offer	\$100m
BWX shares issued to vendor	\$20m
Total	\$120m

Uses	A\$m
Cash consideration (US\$64m)	\$82m
Share consideration (US\$16m)	\$20m
Acquisition and transaction costs	\$8m
Debt paydown	\$10m
Total	\$120m

Any USD amounts converted to AUD at AUDUSD of 0.7842. US\$64m cash component hedged at AUDUSD of 0.7842 through to anticipated closing date.

² Excludes potential additional amounts of up to US\$11.2m subject to Andalous Naturals achieving particular financial milestones related to gross profit.

The funding strategy for the transaction reflects BWX's commitment to maintaining a strong balance sheet to provide financial and operational flexibility. Post transaction net debt / FY2018E pro forma EBITDA (excluding additional cost synergies) will be below 1x, within BWX's stated core debt target.

Entitlement Offer

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 new BWX share ("New Shares") for every 5.7 existing BWX shares held as at 7:00pm Melbourne time on Tuesday, 24 October 2017.

All New Shares in the Entitlement Offer will be issued at a price of \$5.92 per New Share, which represents:

- a 14.3% discount to BWX's closing price of \$6.91 on 17 October 2017
- a 12.5% discount to the theoretical ex-rights price of \$6.76³

The Entitlement Offer will consist of:

- an accelerated institutional component to be conducted from Thursday, 19 October 2017 to Friday, 20 October 2017 ("Institutional Entitlement Offer"); and
- a retail component which will open on Friday, 27 October 2017 and close at 5:00pm Melbourne time on Tuesday, 7 November 2017 ("Retail Entitlement Offer").

Institutional Entitlement Offer

Eligible institutional shareholders can choose to take up all, part or none of their entitlements ("Institutional Entitlements"). Institutional Entitlements cannot be traded on ASX. Institutional Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer and the Institutional Entitlements of ineligible institutional shareholders, will be offered for sale through an institutional shortfall bookbuild ("Institutional Shortfall Bookbuild") to be conducted on Monday, 23 October 2017. Any proceeds from the sale of Institutional Entitlements under the Institutional Shortfall Bookbuild in excess of the Offer Price will be remitted proportionally to those institutional shareholders, less any applicable withholding tax and costs. There is no guarantee that there will be any proceeds remitted to those institutional shareholders.

BWX shares have been placed in trading halt while the Institutional Entitlement Offer and Institutional Shortfall Bookbuild are undertaken.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the Retail Entitlement Offer at the same offer price and offer ratio as the Institutional Entitlement Offer.

Eligible retail shareholders should carefully read the Retail Offer Booklet and accompanying personalised entitlement and acceptance form which are expected to be despatched on Friday, 27 October 2017 and will be made available on BWX's website (www.bwxltd.com).

³ The theoretical ex-rights price is the theoretical price at which BWX shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which BWX shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to BWX's closing price of \$6.91 on 17 October 2017.

Eligible retail shareholders can choose to take up all, part or none of their entitlements (“Retail Entitlements”). Retail Entitlements which are not exercised by the close of the Retail Entitlement Offer and the Retail Entitlements of ineligible retail shareholders, will be offered for sale through a retail shortfall bookbuild on Monday, 13 November 2017 (“Retail Shortfall Bookbuild”). Any proceeds from the sale of Retail Entitlements under the Retail Shortfall Bookbuild in excess of the Offer Price will be remitted proportionally to those retail shareholders, less any applicable withholding tax and costs. There is no guarantee that there will be any proceeds remitted to those retail shareholders.

Entitlements may only be exercised by eligible shareholders, being persons with a registered address in Australia or New Zealand, or certain categories of institutional investors in United Kingdom, New Zealand, Netherlands, Norway, Hong Kong and Singapore. Persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to take up Entitlements.

It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise. In the event that holders are not able to take up their Retail Entitlements, those Retail Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

Key dates

Event	Date
Trading halt and announcement of acquisition and Entitlement Offer	Thursday, 19 October 2017
Institutional Entitlement Offer opens	Thursday, 19 October 2017
Institutional Entitlement Offer closes	Friday, 20 October 2017
Institutional shortfall bookbuild	Monday, 23 October 2017
Trading halt lifted	Tuesday, 24 October 2017
Entitlement Offer record date (7.00pm Melbourne time)	Tuesday, 24 October 2017
Retail Entitlement Offer opens (9.00am Melbourne time)	Friday, 27 October 2017
Retail Offer Booklet, Entitlement and Acceptance Forms despatched to Eligible Retail Shareholders	Friday, 27 October 2017
Settlement of Institutional Entitlement Offer, including the Institutional Shortfall Bookbuild	Tuesday, 31 October 2017
Allotment of New Shares under the Institutional Entitlement Offer, including the Institutional Shortfall Bookbuild	Wednesday, 1 November 2017
Retail Entitlement Offer closes (5.00pm Melbourne time)	Tuesday, 7 November 2017
Retail shortfall bookbuild	Monday, 13 November 2017
Settlement of Retail Entitlement Offer, including the Retail Shortfall Bookbuild	Thursday, 16 November 2017
Allotment of New Shares under the Retail Entitlement Offer, including the Retail Shortfall Bookbuild	Friday, 17 November 2017

The indicative timetable is subject to change. BWX reserves the right to vary the timetable for the Entitlement Offer without notice, subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. The commencement of quotation of New Shares under the Entitlement Offer is subject to confirmation from ASX.

Further information

Further information on the acquisition and Entitlement Offer are set out in the investor presentation also provided to the ASX today. The investor presentation contains important information including key risks and foreign selling restrictions with regard to the Entitlement Offer.

Goldman Sachs is acting as sole lead manager, bookrunner, underwriter and financial advisor to BWX. Minter Ellison is acting as legal advisor.

Management will be hosting a conference call on Thursday 19 October at 10:30am AEDT, dial in details as follows:

Australia Toll Free: 1800 200 232

International: +61 3 8687 0634

Pin Code: 6970428

A playback of the call will be posted on the company website shortly after the call finishes.

-ENDS-

About BWX

ASX listed, BWX Limited is a vertically integrated developer, manufacturer, distributor and marketer of branded skin and hair care products with an emphasis on the natural segment of the beauty and personal care market.

The company owns, produces, and distributes under the Sukin, Mineral Fusion, DermaSukin, Uspa, Edward Beale, and Renew personal care brands as well as Nourished Life online marketplace.

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This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act of 1933 (“U.S. Securities Act”) or the securities laws of any state or other jurisdiction of the United States. The entitlements may not be taken up by, and the New Shares may not be offered or sold to, directly or indirectly, any person in the United States or any person that is, or is acting for the account or benefit of, any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

FORWARD LOOKING STATEMENTS

This announcement contains forward looking statement of current intention, statements of opinion and predictions as to possible future events.

Forward looking statements can generally be identified by the use of forward looking words such as ‘expect’, ‘anticipate’, ‘likely’, ‘intend’, ‘should’, ‘could’, ‘may’, ‘predict’, ‘plan’, ‘propose’, ‘will’, ‘believe’, ‘forecast’, ‘estimate’, ‘target’, ‘outlook’, ‘guidance’ and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, statements relating to the impact of the acquisition of Andalou Naturals, Inc., the future performance of BWX and the outcome and effects of the entitlement offer and the use of proceeds. Such forward looking statements are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of BWX and its directors) which may cause the actual results or performance of BWX to be materially different from any future results, strategies, objectives, expectations, estimates, intentions or performance expressed or implied by such forward looking statements. The forward looking statements should not be relied on as an indication of future value or for any other purpose. BWX, its Advisers and their respective related bodies corporate, affiliates, directors, employees or agents assume no responsibility for the accuracy of such information. Any market and industry data used in connection with this announcement was obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither BWX nor its representatives have independently verified market or industry data provided by third parties or industry or general publications.

FINANCIAL DATA

This announcement may include certain financial measures that may be considered “non-GAAP financial measures” under Regulation G of the U.S. Securities Exchange Act of 1934, as amended, and are not recognized under Australian Accounting Standards (**AAS**) or International Financial Reporting Standards (**IFRS**). These measures include underlying EBITDA and underlying EBIT. Such non-GAAP and non-IFRS financial measures do not have a standardized meaning prescribed by AAS or IFRS and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. The information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. BWX uses these measures to assess the performance of the business and believes that information is useful to investors. Recipients are cautioned not to place undue reliance on any non-GAAP and non-IFRS financial measures included in this announcement.

ACQUISITION OF ANDALOU NATURALS AND EQUITY RAISING

October 2017



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IMPORTANT NOTICE AND DISCLAIMER



The following notice and disclaimer applies to this presentation (**Presentation**) and you are therefore advised to read this carefully before reading or making any other use of this Presentation or any information contained in this Presentation. In accepting this Presentation, you agree to be bound by the following terms and conditions, including any modifications to them.

The information in this Presentation is not a prospectus or other form of disclosure document prepared in accordance with the requirements of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and will not be lodged with the Australian Securities and Investments Commission (**ASIC**). This Presentation provides information in summary form and general information regarding BWX Limited (**BWX** or the **Company**) and a proposed fully underwritten accelerated renounceable entitlement offer (the **Offering**). The Offering is being made without disclosure to investors under sections 708A and 708AA of the *Corporations Act* as modified by ASIC Instrument 2016/84. The Offering will be made to:

- eligible institutional shareholders of BWX (**Institutional Entitlement Offer**) and other eligible institutional investors of BWX; and
- eligible retail shareholders of BWX (**Retail Entitlement Offer**).

This Presentation is not complete, is intended only as an outline, and is designed to assist you in making a determination as to whether you wish to conduct a further evaluation of the proposed investment. This Presentation should be read in conjunction with BWX's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at www.asx.com.au. The entitlement offer booklet for the Retail Entitlement Offer will be available following its lodgement with ASX. Any eligible retail shareholder of BWX who wishes to participate in the Retail Entitlement Offer should consider the entitlement offer booklet in deciding whether to apply under that offer.

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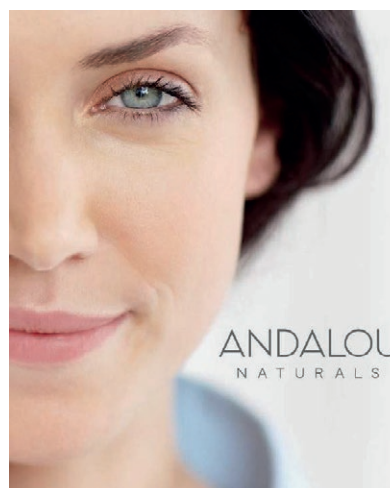


TRANSACTION OVERVIEW

ANDALOU NATURALS HIGHLIGHTS

BWX has entered into a binding agreement to acquire Andalou Naturals, Inc., a leading natural skin, body and hair care brand based in the US, for US\$80m plus potential additional amounts subject to Andalou Naturals achieving particular financial milestones

- **#1 selling facial skin care brand in the US natural channel¹**
- **Diversified sales channels**, with broad distribution across the natural, drug / pharmacy, mass & grocery, e-commerce and specialty channels
- **Proven track record of revenue growth** since the business was established in 2010
- **Well-established and high quality management team** with over 30 years' experience in natural personal care
- **Financially compelling transaction**
 - Estimated FY2018 revenue of US\$41m and pro forma forecast EBITDA of US\$8.5m
 - Implied multiple of 9.4x EV / FY2018 pro forma forecast EBITDA, or 8.4x including expected annual cost synergies²
 - Transaction forecast to be approximately 10% EPS accretive on a pro forma FY2018 basis before expected annual cost synergies³



¹ SPINs LLC, Brand Ranking Reports. Last 52 weeks ended 18-Jun-2017.

² Excludes potential additional amounts of up to US\$11.2m subject to Andalou Naturals achieving particular financial milestones related to gross profit. Expected annualised cost synergies of US\$1m expected to be achieved by the end of the first full year of ownership.

³ Assumes the transaction effective from 1-Jul-17, excludes acquisition and integration costs. In accordance with AASB 133, BWX EPS has been adjusted to reflect the bonus element of the Entitlement Offer.




ACQUISITION RATIONALE

A strategically compelling acquisition that progresses BWX's goal to become a global leader in the natural personal care market

- Leading growth brand in natural personal care products, with innovative product formulations, all natural ethically sourced ingredients, positioned at a clearly differentiated price point to Sukin
- Track record of revenue growth achieved by a high quality management team who have committed to the business for the next 4 years
- Acquisition of Andalou Naturals creates a sizeable US operating platform when combined with Mineral Fusion, enabling management to drive operating efficiencies
- Within the US, Andalou Naturals has further growth opportunities via channel expansion and new product development
- Opportunity to expand distribution of Andalou Naturals and other BWX brands across BWX's broadened geographic and channel footprints
- In particular, the acquisition creates a quality US distribution network capable of supporting the entry of other BWX brands

TRANSFORMATIVE ACQUISITION THAT ADDS A STRONG, COMPLEMENTARY BRAND TO THE BWX PORTFOLIO

BWX_{Ltd}

			
Brand positioning	Natural – Affordable	Natural – Mass	Natural – Masstige
Product categories	Skincare Hair Care Body Care	Colour Cosmetics Skincare Hair Care Nail Care	Skincare Hair Care Body Care
Average price	A\$10.73 ¹	A\$22.27 ²	A\$24.49 ³
Target customer	<ul style="list-style-type: none"> • 18 – 50 year old, value conscious consumers seeking quality, targeted personal care products • Ingredient-conscious • Environmental and sustainability focus 	<ul style="list-style-type: none"> • 22 – 55 year old female working professionals • Prefers a timeless, natural look • Demands uncompromised performance, ingredient purity and values-based ethos 	<ul style="list-style-type: none"> • Premium focused 22 – 60 year old female degree qualified, working professionals • Ingredient-conscious • Environmentally and socially conscious consumers who strive to make an impact
Geography	Australia 81% International 19%	US 99% International 1%	US 86% International 14%

¹ Nielsen scan data LTM 26-Jun-17.

² Cosmetics Whole Foods Markets scan data January to June 2017. USD converted at AUDUSD of 0.7842.

³ Total Andalou skin care sales Whole Foods Market scan data January to June 2017. USD converted at AUDUSD of 0.7842.

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TRANSACTION SUMMARY

BWX_{Ltd}

Transaction details	<ul style="list-style-type: none"> • Binding agreement to acquire Andalou Naturals, Inc., for initial consideration of US\$80m <ul style="list-style-type: none"> — 80% of initial consideration paid in cash (US\$64m), 20% paid in BWX shares (US\$16m) — Shares issued to vendors at 30-day VWAP immediately prior to the date which is 3 trading days before completion of the acquisition and subject to a 3 year escrow period • Implied acquisition multiple of 9.4x enterprise value / pro forma forecast EBITDA for the 12 months ended 30-Jun-18, or 8.4x including expected annual cost synergies¹ • In addition to the initial consideration, there are potential additional amounts payable of up to US\$11.2m over the next 5 years, subject to Andalou Naturals achieving particular financial milestones related to gross profit
Funding	<ul style="list-style-type: none"> • A\$100m fully underwritten, pro-rata, accelerated, renounceable entitlement offer ("Entitlement Offer")² <ul style="list-style-type: none"> — Cash component of acquisition of US\$64m / A\$82m³ — Remaining cash proceeds used to paydown existing debt facilities and fund transaction costs
Expected financial impacts	<ul style="list-style-type: none"> • Approximately 10% EPS accretive on a pro forma FY2018 basis before expected annual cost synergies⁴ • Post transaction net debt / FY2018 pro forma forecast EBITDA (excluding synergies) below 1x, within BWX's stated core debt target
Timing and closing considerations	<ul style="list-style-type: none"> • Anticipated closing on 31 October 2017, subject to customary conditions precedent

¹ Excludes potential additional amounts subject to Andalou Naturals achieving particular financial milestones related to gross profit. Expected annualised cost synergies of US\$1m expected to be achieved by the end of the first full year of ownership.

² Any funding gap between the completion of the acquisition of Andalou Naturals and the settlement of the Retail Entitlement Offer is to be bridged by way of a bridging facility provided by the Commonwealth Bank of Australia. All amounts drawn on the bridge are expected to be repaid upon settlement of the Retail Entitlement Offer.

³ Hedged at AUDUSD of 0.7842 through to anticipated closing date.

⁴ Assumes the transaction effective from 1-Jul-17, excludes acquisition and integration costs. In accordance with AASB 133, BWX EPS has been adjusted to reflect the bonus element of the Entitlement Offer.

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OVERVIEW OF ANDALOU NATURALS

INTRODUCING ANDALOU NATURALS

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Andalou Naturals is a leading skin, hair and body care brand in the US, inspired by innovative product development and quality natural ingredients

Established in 2010, Andalou Naturals is the #1 selling facial skin care brand in the US natural channel¹

Andalou Naturals bring together the best of nature with science. Inspired by Nature's Intelligence® and Fruit Stem Cell Science®, the Andalou Naturals range has grown to 129 SKU's across skin, hair and body care

All Andalou Naturals products are 100% vegan and cruelty free and Andalou Naturals was the first personal care brand to achieve 100% non GMO project verification on every product in its portfolio

A Path of Light®, Andalou Naturals' philanthropic vision, has partnered with Vital Voices, SHE-CAN and other organisations, with 100% of the net profits from A Path of Light® donated to support women's education, equality and empowerment



¹ SPINs LLC, Brand Ranking Reports. Last 52 weeks ended 18-Jun-2017.

ANDALOU NATURALS' PRODUCT PORTFOLIO

Andalou Naturals has developed a portfolio of 129 innovative SKUs featuring proprietary natural fragrances and premium quality packaging

Skin Care	Hair Care	Body Care	Beauty 2 Go
 <ul style="list-style-type: none"> Cleaners, masks, exfoliators, toners, serums, moisturisers, facial SPF and treatments Five targeted routines: age defying, brightening, clear skin, sensitive and quenching Sensitive skin products are dermatologist tested 49 SKUs 	 <ul style="list-style-type: none"> Shampoos, conditioners, hair sprays, thickening sprays, style cremes, taming cremes and styling gels Six targeted hair care lines: age defying, full volume, brilliant shine, moisture rich, silky smooth and colour care 28 SKUs 	 <ul style="list-style-type: none"> Shower gels, lotions, body butters and hand creams Fruit Stem Cell Science layers include: superfruit antioxidants, rosehip and argan oils, shea and cocoa butters plus ultra-hydrating aloe vera 18 SKUs 	 <ul style="list-style-type: none"> Embracing the Korean beauty trend of facial skin treatments on the go Facial sheet masks, face mask pods, face cream pods, facial and body sponges, micellar one step facial cleansing swipes, travel tubes and get started kits 34 SKUs

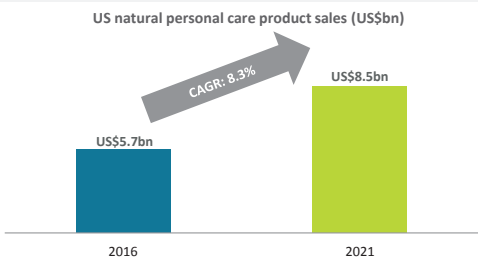



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ANDALOU NATURALS MARKET POSITIONING

Andalou Naturals operates in the fast growing natural products segment of the personal market and possesses key brand attributes that have resulted in growing market share

US natural personal care market	Key trends in natural personal care
<p>US natural personal care product sales (US\$bn)</p>  <p>2016: US\$5.7bn 2021: US\$8.5bn CAGR: 8.3%</p> <p>Data source: Kline & Company 2017</p> <ul style="list-style-type: none"> As consumers become increasingly educated on the benefits of natural personal care and beauty products, they continue to transition toward buying more naturally positioned products across a variety of distribution channels As a result, the natural segment of the US personal care industry is expected to grow at a CAGR of 8.3% in the medium-term, outpacing the broader personal care market which is expected to grow at a CAGR of 3.8%¹ 	<p>Ingredient focus</p>  <p>Premium look and feel at a masstige price point</p>  <p>Better for you beauty</p> 

¹ Kline & Company 2017, Euromonitor International 2017.








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ANDALOU NATURALS' DOMESTIC DISTRIBUTION NETWORK BWXLtd

Andalou Naturals has a strong distribution network in the US, with a presence across a number of key retailers

US Distribution Footprint	Mass & Grocery							
	Drug / Pharmacy							
	Natural							
	Other							
	eCommerce							

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ANDALOU NATURALS MANAGEMENT TEAM BWXLtd

Andalou Naturals has a high quality management team with deep industry experience who are committed to overseeing the future growth of the Andalou Naturals brand

- ✓ Leadership team committed to 4 years with the business and incentivised to oversee its next phase of growth
- ✓ Extensive industry experience, proven track record and key relationships in North America

Leadership	Mark Egide <i>Co-CEO and President</i> <ul style="list-style-type: none"> 35 years of entrepreneurial experience with financial, marketing and operational expertise Previous brand experience with Avalon Organics, Alba Botanica, The San Francisco Soap Co., Beauty Without Cruelty, Mill Creek and Jojoba Farms
	Stacey Kelly Egide <i>Founder and CEO</i> <ul style="list-style-type: none"> Founder of Andalou Naturals Previous brand experience at Avalon Organics, Alba Botanica, Alba Hawaiian, Sonoma Soap Company, The San Francisco Soap Co., Beauty Without Cruelty and private labels for Nordstrom, Bloomingdales, Cost Plus World Market and Bed Bath and Beyond

Business Development	Sales	Product Development	Logistics
Michael Internicola <i>Senior Vice President of Sales</i>	Nathalie Internicola <i>Senior Director of Sales</i>	Alissa Berihu <i>Senior Director of Product Development</i>	Darryl Egide <i>Director of Supply Chain</i>

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STRATEGIC RATIONALE FOR BWX

ACQUISITION OF ANDALOU NATURALS CREATES A SIZEABLE US OPERATING PLATFORM LEVERAGING BWX'S STREAMLINED GLOBAL SUPPLY CHAIN

BWX.Ltd

Estimated annualised cost synergies of US\$1m expected to be achieved by the end of the first full year of ownership

Operating efficiencies in BWX's US business

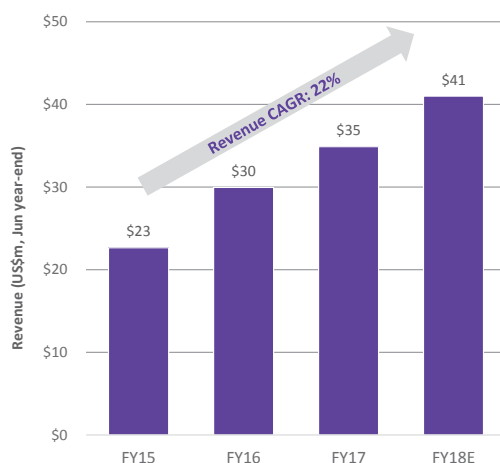
- The acquisition of Andalous Naturals is transformational for BWX's US operations, in combination with Mineral Fusion creating a significant natural care products platform
- Rationalisation of facilities provides the opportunity for sustainable cost savings to be realised
- The combination of these two brands within the BWX portfolio strengthens their position with distributors and retailers

Streamlining BWX's supply chain

- Andalous Naturals currently uses contracted co-packers to manufacture all products in the Andalous Naturals range
- Given BWX's extensive manufacturing ability and capacity in Australia, there is the opportunity to move the manufacturing of several high volume SKUs in-house
- Manufacturing several high volume Andalous Naturals SKUs at our purpose built facility presents the opportunity for significant cost savings on the cost of landed units

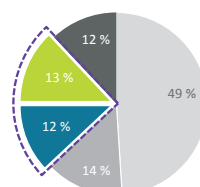
ANDALOU NATURALS' GROWTH SET TO CONTINUE THROUGH US CHANNEL EXPANSION AND NEW PRODUCT DEVELOPMENT

Strong revenue growth over the last 3 years



Significant opportunity to further expand into Drug / Pharmacy, Mass & Grocery and eCommerce channels

% FY17 sales



■ Natural ■ International ■ Drug / Pharmacy, Mass & Grocery ■ eCommerce ■ Other

Strong pipeline of new product development

- Andalou Naturals has a strong pipeline of new products
- New products include:
 - Line extensions of popular ranges
 - Extensions of the Andalou Naturals brand into adjacent categories in the natural personal care market

OPPORTUNITY TO EXPAND DISTRIBUTION OF ANDALOU NATURALS AND OTHER BWX BRANDS ACROSS BWX'S BROADENED GEOGRAPHIC AND CHANNEL FOOTPRINTS

	sukin® minerals on a mission®					MINERAL FUSION® minerals on a mission®					ANDALOU NATURALS					BWX Ltd				
	Mass & Grocery	Drug / Pharmacy	Natural	Other	eCommerce	Mass & Grocery	Drug / Pharmacy	Natural	Other	eCommerce	Mass & Grocery	Drug / Pharmacy	Natural	Other	eCommerce	Mass & Grocery	Drug / Pharmacy	Natural	Other	eCommerce
Australia																				
US																				
Canada																				
Europe																				
Asia																				

IN PARTICULAR, THE ACQUISITION CREATES A QUALITY US DISTRIBUTION NETWORK CAPABLE OF SUPPORTING THE ENTRY OF OTHER BWX BRANDS

BWX Ltd

US Distribution Footprint		MINERAL FUSION [®] minerals on a mission [®]		ANDALOU [®] NATURAL	
Mass & Grocery	   	 TARGET			
Drug / Pharmacy	  	 			
Natural	    	      			
Other	 	 			
eCommerce	    	   			

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PLATFORM INTEGRATION PLAN

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BWX has a well-defined plan for integrating the Andalou Naturals business into its existing platform, and over the near-term, we will focus on the consolidation of the business to improve operational performance and realise synergies from business combinations

Near-term integration objectives

- Realise cost synergies between Andalou Naturals and Mineral Fusion through the streamlining of operational roles
 - Remove duplication of existing activities
 - Extract procurement benefits of a larger scale US operation
 - Transition manufacturing of several high volume Andalou Naturals SKUs to Dandenong, Victoria
- Annualised cost synergies of US\$1m expected to be achieved by the end of the first full year of ownership



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TRANSACTION DETAILS

TRANSACTION AND TERMS

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Purchase price	<ul style="list-style-type: none"> US\$80m, plus potential additional amounts up to US\$11.2m over the next 5 years, subject to Andalou Naturals achieving particular financial milestones related to gross profit
Consideration structure	<ul style="list-style-type: none"> 80% to be paid in cash (US\$64m) 20% to be paid in BWX shares (US\$16m), issued at the 30-day VWAP immediately prior to the date which is three trading days before completion of the acquisition and subject to a 3 year escrow period Potential additional amounts, subject to Andalou Naturals achieving particular financial milestones related to gross profit, to be paid in cash
Timing	<ul style="list-style-type: none"> Anticipated closing on 31 October 2017, subject to customary conditions precedent

Sources and uses of funds¹

Sources	A\$m	Uses	A\$m
Entitlement offer	\$100m	Cash consideration (US\$64m)	\$82m
BWX shares issued to vendor	\$20m	Share consideration (US\$16m)	\$20m
		Acquisition and transaction costs	\$8m
		Debt paydown	\$10m
Total	\$120m	Total	\$120m

¹ Any USD amounts converted to AUD at AUDUSD of 0.7842. US\$64m cash component hedged at AUDUSD of 0.7842 through to anticipated closing date.

EQUITY RAISING DETAILS

Offer structure and size	<ul style="list-style-type: none"> Fully underwritten 1 for 5.7 pro-rata, accelerated, renounceable entitlement offer to raise A\$100m Approximately 17.0m New Shares to be issued
Offer pricing	<ul style="list-style-type: none"> \$5.92 per share 14.3% discount to BWX's closing price of \$6.91 on 17 October 2017 12.5% discount to the theoretical ex-rights price of \$6.76¹
Institutional investors	<ul style="list-style-type: none"> Institutional Entitlement Offer open from Thursday, 19 October 2017 to Friday, 20 October 2017 Institutional entitlements not taken up by institutional shareholders and entitlements of ineligible institutional shareholders (treated as being 'renounced') will be offered for sale to institutional investors in a bookbuild process managed by the underwriter. Any difference between the offer price and the bookbuild price (net of costs) will be paid to 'renouncing' shareholders
Retail investors	<ul style="list-style-type: none"> Retail Entitlement Offer open from Friday, 27 October 2017 to Tuesday, 7 November 2017 Retail entitlements not taken up by retail shareholders and entitlements of ineligible retail shareholders (treated as being 'renounced') will be offered for sale to institutional investors in a bookbuild process managed by the underwriter. Any difference between the offer price and the bookbuild price (net of costs) will be paid to 'renouncing' shareholders
Insider participation	<ul style="list-style-type: none"> Certain BWX Directors and key management personnel, representing c. 14% of issued capital, will be reinvesting any renunciation proceeds on a cash-neutral basis²
Ranking	<ul style="list-style-type: none"> New Shares will rank equally with existing shares from the date of issue
Underwriting	<ul style="list-style-type: none"> Entitlement Offer is fully underwritten by Goldman Sachs

¹ The Theoretical Ex-Rights Price ("TERP") is the theoretical price at which BWX shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which BWX shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to BWX's closing price of \$6.91 on 17 October 2017.

² Reinvestment post capital gains tax, and in some cases, post repayment of outstanding balances under the Employee Loan Plan.

INDICATIVE ENTITLEMENT OFFER TIMETABLE

Event	Date
Trading halt and announcement of acquisition and Entitlement Offer	Thursday, 19 October 2017
Institutional Entitlement Offer opens	Thursday, 19 October 2017
Institutional Entitlement Offer closes	Friday, 20 October 2017
Institutional shortfall bookbuild	Monday, 23 October 2017
Trading halt lifted	Tuesday, 24 October 2017
Entitlement Offer record date (7.00pm Melbourne time)	Tuesday, 24 October 2017
Retail Entitlement Offer opens (9.00am Melbourne time)	Friday, 27 October 2017
Retail Offer Booklet, Entitlement and Acceptance Forms despatched to Eligible Retail Shareholders	Friday, 27 October 2017
Settlement of Institutional Entitlement Offer, including the Institutional Shortfall Bookbuild	Tuesday, 31 October 2017
Allotment of New Shares under the Institutional Entitlement Offer, including the Institutional Shortfall Bookbuild	Wednesday, 1 November 2017
Retail Entitlement Offer closes (5.00pm Melbourne time)	Tuesday, 7 November 2017
Retail shortfall bookbuild	Monday, 13 November 2017
Settlement of Retail Entitlement Offer, including the Retail Shortfall Bookbuild	Thursday, 16 November 2017
Allotment of New Shares under the Retail Entitlement Offer, including the Retail Shortfall Bookbuild	Friday, 17 November 2017

Note: The indicative timetable is subject to change. BWX reserves the right to vary the timetable for the Entitlement Offer without notice, subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. The commencement of quotation of New Shares under the Entitlement Offer is subject to confirmation from ASX.



COMPANY OUTLOOK

RECONFIRMING COMPANY OUTLOOK

BWX^{Ltd}

We refer to the company outlook statement contained in the Company's full year results presentation August 2017, noting that it does not include the impact of the recently completed acquisition of Nourished Life.

"With the ongoing strategic initiatives we have in place, aimed at growing our brands across our existing domestic and expanding international platforms, combined with the expected contribution from recently acquired Mineral Fusion, we look forward to the continued growth of the company and expect growth in FY18 EBITDA to comfortably exceed the 30.7% increase achieved in FY17, assuming stable market and economic conditions during the period."

With the conclusion of the Andalou Naturals transaction the Company considers its current acquisition phase to be complete. Along with the continued growth of our existing brands, our focus will now be on the integration and consolidation of the recently acquired businesses.

We look forward to providing an update on operations and the integration of the BWX business at our half year results in February 2018.

APPENDIX A: KEY RISKS



KEY RISKS

BWX Ltd

This section includes details of the key risks attaching to an investment in shares in BWX, including those associated with the current expansion into the US. These risks may affect the future operating and financial performance of BWX and the value of BWX shares. Before deciding whether to invest in BWX shares, you should consider whether such an investment is suitable for you having regard to publicly available information (including this Presentation), your personal circumstances and following consultation with a financial or other professional adviser. Additional risks and uncertainties that BWX is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect BWX's operating and financial performance.

You should note that the occurrence or consequences of many of the risks described in this section are partially or completely outside the control of BWX, its directors and senior management. Further, you should note that this section focuses on the potentially key risks and does not purport to list every risk that BWX may have now or in the future. It is also important to note that there can be no guarantee that BWX will achieve its stated objectives or that any forward looking statements or forecasts contained in this Presentation will be realised or otherwise eventuate. All potential investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described in this section, and have regard to their own investment objectives, financial circumstances and taxation position.

KEY RISKS (CONT.)

Reliance on Sukin Brand	<p>BWX's financial performance is heavily reliant on the ongoing success of its Sukin brand.</p> <p>As the future performance of Sukin may be affected by many of the factors outlined in this Section, the Company cannot guarantee the future financial performance of Sukin. Should Sukin be adversely affected by any of these risks it is likely that the Company and its financial performance and results would also be materially adversely affected.</p>
Business Strategy Execution	<p>BWX's success will depend on its ability to successfully execute its business strategy.</p> <p>BWX's future growth, profitability and cash flows depend on the ability of BWX's management to successfully execute its business strategy, which is dependent on a number of factors, including its ability to:</p> <ul style="list-style-type: none"> • develop its brands portfolio through new product development and market execution; • identify and support new and existing brands with the potential to develop into global brands; • innovate and develop new products that are appealing to consumers; • extend its brands into the other segments of the beauty and personal care market in which BWX competes and develop new brands; • continue to expand its distribution channels within existing geographies to increase market presence, brand recognition and sales; • expand its market presence through alternative distribution channels; • expand margins through sales growth, the development of higher margin products and supply chain integration and efficiency initiatives; • effectively manage capital investments and working capital to improve the generation of cash flow; and • execute and integrate business acquisitions efficiently and successfully. <p>There can be no assurance that BWX can successfully achieve any or all of the above initiatives or anticipated time frames. The failure by BWX to successfully execute its business strategy could have a material adverse effect on the Company's business, financial condition and results of operations.</p>
Competition Risk	<p>The beauty and personal care market is highly competitive, and if BWX's customers and partners are unable to compete effectively, the Company's results may suffer.</p> <p>BWX faces competition from companies throughout the world, including large multinational consumer product companies. Some of these competitors have greater resources than BWX and may be able to respond more effectively to changing business and economic conditions. BWX's products compete with other widely advertised brands. Competition in the beauty and personal care market is based on pricing of products, quality of products and packaging, perceived value and quality of brands, innovation, in-store presence and visibility, promotional activities, advertising, editorials, e-commerce and other activities. BWX cannot predict the timing and scale of its competitors' actions in these areas or whether new competitors will emerge in the beauty and personal care market, including competitors who offer comparable products at more attractive prices. In addition, further technological breakthroughs, new product offerings by competitors, and the strength and success of competitors' marketing programs may impede BWX's growth and the implementation of its business strategy. BWX's ability to compete also depends on the following factors:</p> <ul style="list-style-type: none"> • the continued strength of its products and brands; • ongoing growth and innovation in the skin care and hair care segments; • the success of BWX's branding, execution and integration strategies; • the successful management of new products;

KEY RISKS (CONT.)

Competition Risk (continued)	<ul style="list-style-type: none"> • successfully entering new markets and increasing penetration in existing geographies; • the success of business acquisitions; and • its ability to protect the Company's intellectual property.
Product Safety and Liability	<p>Product safety or quality failures, actual or perceived, or allegations of product contamination, even when false or unfounded, could tarnish the image of BWX's brands and could cause consumers to choose other products. Allegations of contamination or other adverse commentary on product safety or suitability for use by a particular consumer, even if untrue, may require BWX to recall a product from all of the markets in which the affected product was distributed. Such issues or recalls could negatively affect the Company's profitability and reputation.</p> <p>If BWX's products are perceived to be defective or unsafe, or if they otherwise fail to meet consumers' expectations, the Company's relationships with consumers could suffer, the appeal of one or more of its brands could be diminished, and the Company could lose sales or become subject to liability claims. In addition, safety or other defects in BWX's competitors' products could reduce consumer demand for the Company's products if consumers view them to be similar. Any of these outcomes could result in a material adverse effect on BWX's business, financial condition and results of operations.</p>
Counterparty Risk	<p>As a manufacturing and distribution company, BWX is heavily reliant on its main customers, suppliers and strategic partners, including its distribution partners.</p> <p>In Australia BWX is reliant on its distribution partners who are responsible for a majority of the sales and distribution of BWX's products to Australian pharmacies, health stores and other retailers. These distribution partners each purchase and carry in their store networks a broad variety of BWX's product range. Each of them are large commercial entities with significant bargaining leverage in contractual negotiation. As is customary in the beauty and personal care market, BWX and/or its distributors are a party to each of their pharmacy customers' standard trading terms which do not contain minimum purchase volumes.</p> <p>Accordingly if underlying consumer demand for BWX's products diminishes then the distributors and direct customers will reduce the volume of their orders for BWX's products.</p> <p>BWX's distributors may cause damage to BWX's brand reputation by breaching exclusive distribution agreements. BWX sells its products internationally through agency partners located in export markets. A failure by any of BWX's distributors or agency partners to comply with their commitments could lead to a loss of opportunities for BWX and adversely impact BWX's operating results and financial position.</p> <p>BWX manufactures beauty and personal care products. Inputs consisting of raw materials and packaging components are purchased from various third party suppliers. The loss of multiple suppliers or a significant disruption or interruption in the supply chain could have a material adverse effect on the manufacturing and packaging of BWX's products. Increases in the costs of raw materials or other commodities may adversely affect the Company's profit margins if higher costs cannot be passed on in the form of price increases or unless the Company can achieve further cost efficiencies in the manufacturing and distribution processes. In addition, failure by BWX's third party suppliers to comply with ethical, social, product, labour and environmental laws, regulations or standards, or their engagement in politically or socially controversial conduct, such as animal testing, could negatively impact their reputations. Any of these failures or behaviours could lead to various adverse consequences, including damage to BWX's reputation, decreased sales and consumer boycotts.</p>
Customer Risk	<p>BWX and its brands rely heavily on its key retailer relationships and a loss of any one or more of these relationships may have a material adverse impact on the financial performance of BWX.</p>

KEY RISKS (CONT.)

Reputational Risk	<p>BWX's failure to protect its reputation, or the failure of the Company's partners to protect their reputations, could have a material adverse effect on the image of BWX's brands.</p> <p>BWX's ability to maintain its reputation is critical to the image and consumer perception of its various brands. BWX's reputation could be jeopardised if it fails to maintain high standards for merchandise quality and integrity or if the Company, or the third parties with whom it does business, do not comply with regulations or accepted practices. Any consequential negative publicity may reduce demand for BWX's products. Failure to comply with ethical, social, product, labour and environmental standards, or related political considerations, such as animal testing, could also jeopardise BWX's reputation and potentially lead to various adverse consumer actions, including boycotts. Failure to comply with local laws and regulations, to maintain an effective system of internal controls or to provide accurate and timely financial information could also damage BWX's reputation. BWX depends on the reputations of its third party clients, which can be affected by matters outside of the Company's control. Damage to BWX's reputation or the reputations of its third party clients could have a material adverse effect on BWX's results of operations, financial condition and cash flows, as well as require additional resources to rebuild the Company's reputation.</p>
Business Disruption	<p>BWX is engaged in manufacturing and distributing beauty and personal care products. As a result, BWX is subject to the risks inherent in such activities, including industrial accidents, environmental events, strikes and other labour disputes, disruptions in supply chain or information systems, loss or impairment of BWX's manufacturing facility, product quality control, safety, licensing requirements and other regulatory issues, as well as natural disasters, pandemics, border disputes, acts of terrorism, and other external factors over which BWX has no control. The loss of, or damage to, the BWX manufacturing facility could have a material adverse effect on BWX's business, results of operations and financial condition.</p>
Mineral Fusion Acquisition, Nourished Life Acquisition, Proposed Andalou Acquisition	<p>The Acquisition of the Mineral Fusion business in June 2017, the Nourished Life business in September 2017 and the proposed acquisition of the Andalou business may present managerial, integration, operational and financial risk.</p> <p>These acquisitions expose the Company to certain risks, including diversion of management attention from existing core businesses and potential loss of customers or key employees of these businesses. In addition, there is a risk that BWX's management may not be able to sustain growth in these businesses. The acquisitions of the Mineral Fusion, Nourished Life and Andalou Naturals businesses involves risks of unanticipated or unknown liabilities, including with respect to environmental matters. BWX's failure to successfully integrate these businesses could have a material adverse effect on its business, financial condition and operating results.</p> <p>In addition, if the proposed acquisition of Andalou Naturals does not complete for any reason and the equity raising proceeds to raise A\$100m, BWX will have surplus funds. BWX will consider options in relation to the use of the funds raised including return of the funds to shareholders, paydown of debt or for general working capital purposes.</p>
Acquisition Risk	<p>Part of BWX's business strategy is to seek suitable business acquisitions, like Andalou Naturals. The inherent risk with any business acquisition is that the underlying assets do not ultimately produce the financial returns that the acquirer anticipates. In addition, the acquisition of an existing business involves a risk of unknown or unanticipated liabilities being revealed. If BWX undertakes an acquisition which proves to be unsuccessful in either the short or medium term this may have a material adverse effect on BWX's business, financial condition and operating result.</p>

KEY RISKS (CONT.)

New Product Risk	<p>BWX's new products may not be as successful as anticipated, which could have a material adverse effect on BWX's business, financial condition or results of operations.</p> <p>A failure to successfully develop and commercialise these products could lead to loss of opportunities and adversely impact BWX's operating results and financial position.</p> <p>Each new product launch carries risks, as well as the possibility of unexpected consequences, including:</p> <ul style="list-style-type: none"> the advertising, promotional and marketing strategies for new products may be less effective than planned and may fail to effectively reach the targeted consumers; product purchases by consumers may not be as high as anticipated; the Company may experience product shortages and/or product returns exceeding expectations as a result of new product launches. In addition, retailer space reconfigurations may be impacted by retailer inventory management or changes in retailer pricing or promotional strategies; costs may exceed expectations as a result of the continued development and launch of new products, including, for example, advertising, promotional and marketing expenses, sales return expenses or other costs related to launching new products; and product pricing strategies for new products may not be accepted by retail customers or their consumers, which may result in sales being less than anticipated.
Growth Risk	<p>Should the Company's growth accelerate at a higher rate than anticipated, the Company may, through lack of availability of materials or packaging, inability to scale production in a timely manner, lack of manufacturing capacity, lack of suitable labour or other unforeseen circumstances, be unable to supply its products in a timely manner to meet the demand of its customers. Should this occur the Company may risk the loss of either third party manufacturing clients or suffer a reduction in the customer base for its own products. Such events could have an adverse effect on both the reputation of the Company as well as its financial results.</p>
Customer Credit Risk	<p>A sudden disruption in business conditions or a general economic downturn may adversely effect the financial strength of BWX's retailer customers. A general decline in economic conditions in Australia, the US or any other jurisdiction where BWX distributes its products either currently or in the future, may negatively impact the financial position of BWX's retailer customers. The financial difficulties of a retailer customer could cause BWX to reduce or cease business with that customer. BWX may also decide to assume more credit risk relating to the receivables from that retailer customer. BWX's inability to collect receivables from one or a group of retailer customers could have a material adverse effect on the Company's business, results of operations and financial condition. If a retailer customer were to go into liquidation, BWX could incur additional costs if the Company chooses to purchase the retailer customer's inventory of BWX's products to protect its brand equity.</p>
Reliance on Key Management	<p>BWX, and each of its businesses, depend substantially on its key management, the loss of whose services might significantly delay or prevent the achievement of its business strategy. Currently, BWX has no insurance against the adverse effects of the loss of key management.</p> <p>The ability of BWX to retain and attract qualified individuals is also critical to its success. BWX may not be able to attract and retain suitable individuals currently or in the future on acceptable terms, or at all, and the failure to do so may adversely effect BWX's business.</p>
Access to Equity and Debt Funding	<p>Volatility in the financial markets could have a material adverse effect on BWX's ability to equity or debt fund its business.</p> <p>BWX's ability to raise additional funds will be subject to, among other things, factors beyond the control of the Company and its Directors, including cyclical factors affecting the economy and share markets generally.</p>

KEY RISKS (CONT.)



Access to Equity and Debt Funding (continued)	In addition, a deterioration in global financial markets could impact risk appetite among lending institutions which may impact BWX's ability to renew existing loan facilities or enter into new loan facilities. The Directors can give no assurance that future funds can be raised by the Company on favourable terms, if at all.
Impairment of Intangibles	BWX has made, and is proposing to make a number of acquisitions including the acquisition of Mineral Fusion, Nourished Life and Andalou Naturals. Accordingly, BWX has a substantial amount of intangible assets on its balance sheet relating to goodwill and identifiable intangible assets. Under the relevant accounting standards BWX is required to annually test for impairment all indefinite life intangible assets. If this annual testing revealed that some or all of BWX's intangible assets are impaired to a level below their carrying value, BWX would be required to write down the value of those intangible assets. Such write downs could have a material adverse effect on BWX's financial position.
Market and Consumer Trends	Rapid changes in market trends and consumer preferences could adversely effect the Company's financial results. BWX's continued success depends on its ability to anticipate, gauge and react in a timely and cost effective manner to industry trends and changes in consumer preferences and attitudes toward skin care products. BWX must continually work to develop, produce and market new products and maintain and enhance the recognition of its existing brands, in order to achieve a favourable mix of products. However, BWX cannot predict consumer trends which may change rapidly. Additionally, due to the increasing use of social and digital media by consumers and the speed by which information and opinions are shared, trends may vary more rapidly than in the past. If BWX is unable to anticipate and respond to trends in the market for beauty and personal care products and changing consumer demands, its financial results may suffer.
Regulatory and Legislative Risk	BWX's business is subject to numerous laws and regulations in Australia and overseas. Changes in these laws and regulations, including their interpretation or enforcement, that affect, or will affect, the Company's business or products, including changes in accounting standards, tax laws and regulations, environmental or climate change laws, restrictions or requirements related to product content, labelling and packaging, regulations or accords, trade rules and customs regulations, could adversely effect BWX's financial results. Regulation is specific to each geographic region. There are many important differences in regards to the suitability of key ingredients for specific markets and this can pose a risk to product registration across different jurisdictions. Animal testing for example is banned for any product being sold in the European Union, but is mandatory for many products being sold in China. Failure to remain up to date with these various regulatory requirements and any regulatory action or enforcement may adversely affect BWX's financial position.
Intellectual Property Infringement	BWX's commercial success depends at least in part on its ability to operate without infringing, misappropriating or otherwise violating the trade marks, patents, copyrights and other proprietary rights of others. BWX cannot be certain that the conduct of its business does not and will not infringe, misappropriate or otherwise violate such rights. As BWX gains greater visibility and market exposure as a public company, third parties may allege that BWX's products, services or activities infringe, misappropriate or otherwise violate their trade mark, patent, copyright or other proprietary rights in an attempt to gain a competitive advantage. Defending against allegations and litigation could be expensive, take significant time and divert management's attention. BWX may also be required to pay substantial damages or be subject to court orders prohibiting the Company and its customers from selling certain products or engaging in certain activities.

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Investor Presentation October 2017 Page 33

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KEY RISKS (CONT.)



Intellectual Property Infringement (continued)	If BWX operates its business in a way which infringes, misappropriates or otherwise violates the trade marks, patents, copyrights and proprietary rights of others, this could have a material adverse effect on the Company's business, financial condition and results of operations.
Counterfeit Products	Third parties may distribute and sell counterfeit versions of BWX's products, which may be inferior in quality and/or pose safety risks for consumers. Consumers could confuse BWX's products with these counterfeit products, which could cause them to refrain from purchasing the Company's brands in the future and in turn could adversely affect sales revenue. The presence of counterfeit versions of BWX's products in the market could also dilute the value of the Company's brands or otherwise have a negative impact on its reputation and business. BWX believes its trademarks, copyrights, and other intellectual property rights are important to its success and its competitive position. BWX devotes resources to the registration and protection of its intellectual property and, subject to circumstances at the time, intends to pursue any parties involved in the sale of counterfeit products. However, despite these efforts BWX may be unable to prevent all counterfeiting of its products or the infringement of its intellectual property rights. For the reasons outlined above, the counterfeiting of BWX's products may have an adverse impact on BWX's business reputation and financial performance.
Insurance Coverage	BWX currently has in place what it believes are adequate levels of insurance for property, general and product liability, directors and officer's liability, and worker's compensation to protect BWX from potential losses and liabilities. There is a possibility that events may arise which are not adequately covered by existing insurance policies. In this case the Company may suffer adverse effects to its financial results as well as to the value of its brands. The Company cannot guarantee that its existing insurance will be available or offered in the future. An inability of the Company to secure such cover in the future could restrict the ability of the Company to conduct its business, and this could have a negative impact on the financial results of the Company.
Unforeseen Expenditure Risk	BWX's future growth is dependent on having adequate capital available to fund its business strategy. BWX expects that the proceeds from this Offer will provide sufficient capital resources to enable BWX to achieve its stated business strategy. Should BWX require additional funding, there can be no assurance that additional funds will be available on acceptable terms or at all.
Information Technology	BWX is increasingly dependent on information technology, and if the Company is unable to protect against service interruptions, data corruption, cyber based attacks or network security breaches, BWX's operations could be disrupted. BWX relies on information technology networks and systems, including the internet, to process, transmit and store electronic and financial information, to manage a variety of business processes and activities such as production management, inventory control, financial management and reporting database management and to comply with regulatory, legal and tax requirements. BWX also depends on information technology infrastructure for digital marketing activities and for electronic communications among personnel, customers and suppliers around the world. These information technology systems, some of which are managed by third parties, may be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading or replacing software, databases or components, power outages, hardware failures, computer viruses, attacks by computer hackers, telecommunication failures, user errors or other unforeseen events. If BWX's information technology systems suffer severe damage, disruption or shutdown and do not effectively resolve the issues in a timely manner, the Company's product sales, financial condition and results of operations may be materially and adversely affected and the Company may experience delays in reporting financial results.

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Investor Presentation October 2017 Page 34

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KEY RISKS (CONT.)

BWX Ltd

Information Technology (continued)

If BWX is unable to prevent security breaches, it may suffer financial and reputational damage or penalties because of the unauthorised disclosure of confidential information belonging to the Company or to its partners, customers or suppliers. In addition, the disclosure of non public sensitive information could lead to the loss of intellectual property or damage to BWX's reputation.

Foreign Exchange Rate Fluctuations

Fluctuations in currency exchange rates may negatively impact BWX's financial position and operating results.

Exchange rate fluctuations may affect the costs that BWX incurs in its operations. The main currency to which BWX is exposed is US dollars. In addition BWX is exposed to the Euro, the British pound and the Canadian dollar. The exchange rates between these currencies and the Australian dollar in recent years have fluctuated significantly and may continue to do so in the future.

A lower Australian dollar may increase the costs of input materials to BWX and a higher Australian dollar may decrease export demand for BWX's products.

APPENDIX B: INTERNATIONAL OFFER RESTRICTIONS



INTERNATIONAL OFFER RESTRICTIONS

International Offer Restrictions

This document does not constitute an offer of entitlements ("Entitlements") or new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

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

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

INTERNATIONAL OFFER RESTRICTIONS

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The Entitlements and the New Shares in the entitlement offer are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

INTERNATIONAL OFFER RESTRICTIONS

Netherlands

This document has been prepared on the basis that all offers of Entitlements and New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as amended and implemented in the Netherlands, from the requirement to publish a prospectus for offers of securities.

An offer to the public of Entitlements or New Shares has not been made, and may not be made, in the Netherlands except pursuant to one of the following exemptions under the Prospectus Directive as implemented in the Netherlands:

- to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Entitlements or the New Shares.

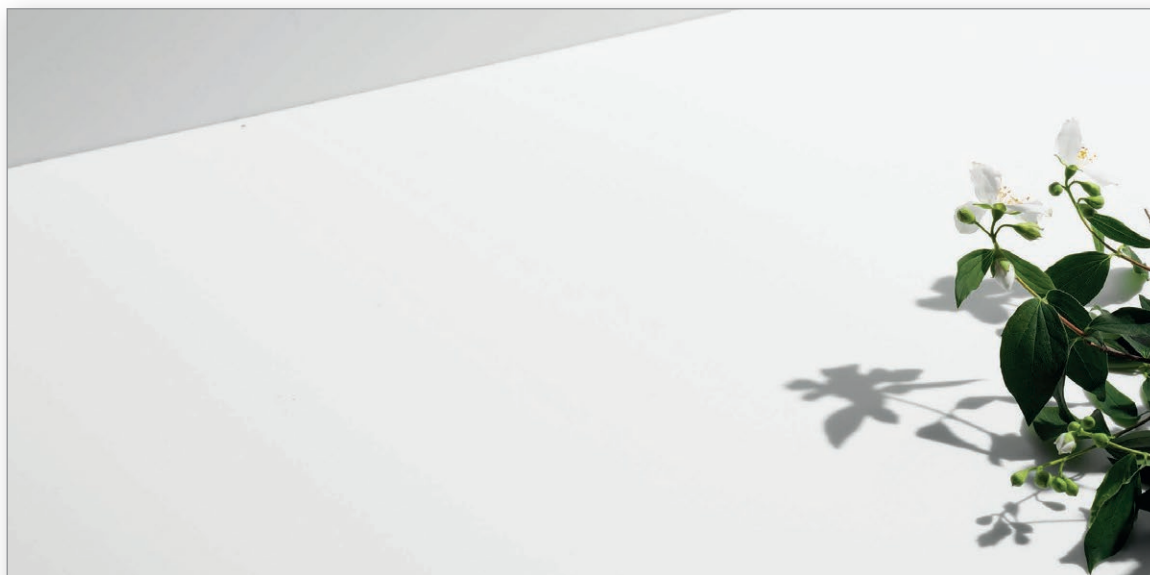
This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and these securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Entitlements or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.



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ASX Institutional Offer Completion Announcement



ASX / BWX

ASX Announcement

24 October 2017

BWX successfully completes the Institutional component of its 1 for 5.7 pro rata accelerated renounceable entitlement offer

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Melbourne, Australia – BWX Limited (ASX:BWX) (“BWX” or “Company”) today announced the completion of the institutional component of its fully underwritten 1 for 5.7 pro rata accelerated renounceable entitlement offer (“Entitlement Offer”) of new fully paid BWX ordinary shares (“New Shares”) to raise gross proceeds of approximately A\$100 million.

Summary of the Institutional Entitlement Offer

- **Completion of the institutional component of the Entitlement Offer (“Institutional Entitlement Offer”) raised gross proceeds of approximately A\$66 million**
- **Approximately 94% of entitlements available to eligible institutional investors (excluding certain BWX Directors and key management personnel) taken up**
- **Institutional shortfall bookbuild (“Institutional Bookbuild”) cleared at A\$7.00 (being the offer price of A\$5.92 for each New Share (“Offer Price”), plus A\$1.08 for each entitlement), representing a 3.6% premium to theoretical ex-rights price¹ of A\$6.76 and a 1.3% premium to the last closing price of A\$6.91**
- **Retail component of Entitlement Offer (“Retail Entitlement Offer”) opens Friday, 27 October 2017**

The Institutional Entitlement Offer attracted strong support from BWX’s institutional shareholders, raising A\$66 million, with approximately 94% of entitlements available to eligible institutional investors (excluding certain BWX Directors and key management personnel) taken up. Overall, approximately 76% of entitlements available to eligible institutional investors (including certain BWX Directors and key management personnel) were taken up.

The Institutional Bookbuild attracted significant demand from both existing BWX shareholders and other institutional investors, clearing at A\$7.00 (being the offer price of A\$5.92 for each New Share, plus A\$1.08 for each entitlement) which represents:

¹ The theoretical ex-rights price is the theoretical price at which BWX shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which BWX shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to BWX’s closing price of \$6.91 on 17 October 2017.

BWX Limited ACN 163 488 631
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www.bwxltd.com

- a 3.6% premium to theoretical ex-rights price of A\$6.76.
- a 1.3% premium to the last closing price of A\$6.91

Eligible institutional shareholders who elected not to take up their entitlements, and ineligible institutional shareholders, will receive A\$1.08 for each of their entitlements sold in the Institutional Bookbuild.

Certain BWX Directors and key management personnel, representing approximately 14% of BWX's total issued capital, have reinvested their renunciation proceeds on a cash-neutral basis.²

BWX Chief Executive Officer, Mr John Humble, said "We are pleased with the strong support shown by BWX's shareholders and other institutional investors for both the equity raising and BWX's acquisition of Andalou Naturals.

"We now look forward to completing the retail component of the entitlement offer, closing the acquisition and integrating Andalou Naturals' leading brands into BWX's existing portfolio, for the benefit of BWX's shareholders."

Settlement of the Institutional Entitlement Offer will take place on Tuesday, 31 October 2017, with the New Shares to commence trading on Wednesday, 1 November 2017.

BWX's fully paid ordinary shares will resume trading from market open today on an ex-entitlement basis.

Retail Entitlement Offer

The Retail Entitlement Offer is expected to raise approximately A\$34 million. The Retail Entitlement Offer will open at 9.00am (Melbourne time) on Friday, 27 October 2017 and close at 5.00pm (Melbourne time) on Tuesday, 7 November 2017.

Eligible retail shareholders will be invited to participate in the Retail Entitlement Offer at the same offer price and offer ratio as the Institutional Entitlement Offer.

Eligible retail shareholders should carefully read the Retail Offer Booklet and accompanying personalised entitlement and acceptance form which are expected to be despatched on Friday, 27 October 2017 and will be made available on BWX's website (www.bwxltd.com).

Eligible retail shareholders can choose to take up all, part or none of their entitlements ("Retail Entitlements"). Retail Entitlements which are not exercised by the close of the Retail Entitlement Offer and the Retail Entitlements of ineligible retail shareholders, will be offered for sale through a retail shortfall bookbuild on Monday, 13 November 2017 ("Retail Shortfall Bookbuild"). Any proceeds from the sale of Retail Entitlements under the Retail Shortfall Bookbuild in excess of the Offer Price will be remitted to those retail shareholders, less any applicable withholding tax and costs. There is no guarantee that there will be any proceeds remitted to those retail shareholders.

Entitlements may only be exercised by eligible shareholders, being persons with a registered address in Australia or New Zealand, or certain categories of institutional investors in the United Kingdom, New Zealand, the Netherlands, Norway, Hong Kong or Singapore. Persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to take up Entitlements.

It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise. In the event that holders are not able to take up their Retail Entitlements, those

² Reinvestment post capital gains tax, and in some cases, post repayment of outstanding loan balances under BWX's Employee Loan Plan.

Retail Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

-ENDS-

About BWX

ASX listed, BWX Limited is a vertically integrated developer, manufacturer, distributor and marketer of branded skin and hair care products with an emphasis on the natural segment of the beauty and personal care market.

The company owns, produces, and distributes under the Sukin, Mineral Fusion, DermaSukin, Uspa, Edward Beale, and Renew personal care brands as well as Nourished Life online marketplace.

For further information please contact:

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act of 1933 ("U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. The entitlements may not be taken up by, and the New Shares may not be offered or sold to, directly or indirectly, any person in the United States or any person that is, or is acting for the account or benefit of, any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Details of the Offer and what you may do

Read this Retail Offer Booklet in its entirety and consider the Retail Entitlement Offer carefully in light of your particular investment objectives and circumstances.

1. Details of the Entitlement Offer

BWX is conducting a 1 for 5.7 pro-rata accelerated renounceable entitlement offer to Shareholders as at the Record Date at the Issue Price.

The Entitlement Offer is fully underwritten by the Underwriter, on the terms of an underwriting agreement with the Underwriter which sets out their rights and obligations with respect to the Entitlement Offer (**Underwriting Agreement**), and will raise approximately \$100 million (before the deduction of related expenses) and result in the issue of approximately 17.0 million New Shares.

Institutional Entitlement Offer

On Tuesday, 24 October 2017, BWX announced that it had successfully completed the Institutional Entitlement Offer, raising approximately \$66 million. Settlement of the Institutional Entitlement Offer is expected to occur on Tuesday, 31 October 2017. The 11.2 million New Shares to be issued under the Institutional Entitlement Offer are expected to be allotted and commence trading on Wednesday, 1 November 2017.

Retail Entitlement Offer

Eligible Shareholders are being offered the opportunity to apply for 1 New Share for every 5.7 Shares held at 7.00pm (Melbourne time) on the Record Date, at the Issue Price. The Retail Entitlement Offer will raise approximately \$34 million (before the deduction of related expenses) and result in the issue of approximately 5.7 million New Shares.

The Retail Entitlement Offer is being made under provisions of the Corporations Act which allow rights issues to be offered without a prospectus. As a result, it is important for Eligible Shareholders to read and understand the information on BWX and the Retail Entitlement Offer that has been made publicly available, prior to accepting all or part of their Entitlement. In particular, please read this Retail Offer Booklet in its entirety and refer to the Investor Presentation, BWX's interim and annual reports and other announcements made available at www.asx.com.au and also on www.bwxltd.com.

Please consult with your stockbroker, accountant, solicitor or other independent professional adviser if you have any queries or are uncertain about any aspects of the Entitlement Offer. You should also refer to the "Key Risks" section of the Investor Presentation.

Purpose of the Entitlement Offer

The proceeds of the Entitlement Offer will be used to:

- fund the cash consideration for the Proposed Acquisition and related transaction costs;
- repay existing debt facilities of BWX; and
- fund the costs of the Entitlement Offer.

2. What you may do

You may do any one of the following:

- apply for all of your Entitlement to New Shares;
- apply for part of your Entitlement and allow the balance to lapse; or
- not apply for any of your Entitlement and allow it to lapse.

If you do not take up your Entitlement in full then your proportionate shareholding in BWX at the conclusion of the Entitlement Offer will be diluted. If you allow all or part of your Entitlement to lapse then you will be deemed to have renounced that part of your Entitlement and the New Shares that you would have been entitled to take up will be sold by the Underwriter through the Retail Entitlement Offer Bookbuild on the terms and conditions described in Section 2 of the "Additional Information" section of this Retail Offer Booklet. Any premium received over the Issue Price for the New Shares attributable to your Entitlement that are sold through the Retail Entitlement Offer Bookbuild will be paid to you as consideration for the lapsing of your Entitlement. There is no guarantee that you will receive any value for the sale of the New Shares attributable to your Entitlement via the Retail Entitlement Offer Bookbuild.

3. Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form. If an Entitlement and Acceptance Form does not accompany this Retail Offer Booklet, please contact the Registry.

Your Entitlement has been calculated as 1 New Share for every 5.7 Existing Shares held as an Eligible Shareholder as at 7.00pm (Melbourne time) on the Record Date. Where fractions arise in the calculation of an Entitlement, they have been rounded down to the next whole number of New Shares. If you have more than one holding of Existing Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each holding.

New Shares issued under the Entitlement Offer will be fully paid and rank equally with existing BWX ordinary shares on issue, including the right to receive any dividends.

Nominees and custodians

The Entitlement Offer is being made to all Eligible Shareholders on the register of BWX at 7.00pm (Melbourne time) on the Record Date with an address in Australia or New Zealand. BWX is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Existing Shares. Where any holder is acting as a nominee or custodian for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary is compatible with applicable foreign laws. BWX is not able to advise on foreign laws.

As a result, the Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Existing Shares on behalf of a U.S. Person.

4. Acceptance of all or part of your Entitlement

If you decide to take up all or part of your Entitlement then you must complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies or pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form.

BWX will treat you as applying for as many New Shares as your payment will pay for in full. Amounts received by BWX in excess of your Entitlement will be refunded to you without interest.

If you decide to take up all or part of your Entitlement then you must ensure that you submit your personalised Entitlement and Acceptance Form with the requisite Application Monies before the close of the Entitlement Offer at 5.00pm (Melbourne time) on Tuesday, 7 November 2017. New Shares are expected to be issued on Friday, 17 November 2017.

5. Payment methods

You may make payment of your Application Monies by BPAY® or by cheque, bank draft or money order.

Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Reference Number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

Please make sure to use the specific Biller Code and unique Reference Number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Reference Number specific to the Entitlement on that form.

It is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than 5.00pm (Melbourne time) on Tuesday, 7 November 2017 (subject to any variation). You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

Any Application Monies received for more than your final allocation of New Shares (only where the amount is A\$1.00 or greater) will be refunded as soon as practicable. No interest will be paid to applicants on any Application Monies received or refunded.

Payment by cheque, bank draft or money order

You should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to “BWX Entitlement Offer” and crossed “Not Negotiable”.

Your cheque, bank draft or money order must be:

- for an amount equal to the Issue Price multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application may not be accepted. Please note that post dated cheques may not be accepted.

Any Application Monies received for more than your final allocation of New Shares (only where the amount is A\$1.00 or greater) will be refunded as soon as practicable. No interest will be paid on any Application Monies received or refunded.

Cash payments will not be accepted. Receipts for payment will not be issued.

To participate in the Entitlement Offer, your payment must be received by the Registry no later than the close of the Entitlement Offer, at 5.00pm (Melbourne time) on Tuesday, 7 November 2017 (subject to any variation). Shareholders who make payment via cheque, bank draft or money order should mail their completed personalised Entitlement and Acceptance Form together with Application Monies to:

BWX Limited
c/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

A reply paid envelope is enclosed for the convenience of Eligible Shareholders based in Australia. Eligible Shareholders in New Zealand will need to affix the appropriate postage.

Alternatively, Shareholders who make payment via cheque, bank draft or money order may hand deliver their completed personalised Entitlement and Acceptance Form together with Application Monies to:

BWX Limited
c/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

(please do not use this address for mailing purposes)

6. Renouncing your Entitlement

Your Entitlement is renounceable and can be taken up in whole or in part. If you do not take up your Entitlement in full then your proportionate shareholding in BWX at the conclusion of the Entitlement Offer will be diluted.

If you do not accept all or part of your Entitlement then you will be deemed to have renounced it. If you renounce some or all of your Entitlement, the Shares that you were entitled to take up will be sold by the Underwriter (together with Shares which might otherwise have been available to Ineligible Shareholders if they had been eligible) via the Retail Entitlement Offer Bookbuild process after the close of the Retail Entitlement Offer.

Retail Entitlement Offer Bookbuild

The New Shares in respect of those Entitlements not taken up by Eligible Shareholders (and those which would have been otherwise offered to Ineligible Shareholders if they had been entitled to participate in the Entitlement Offer) will be offered for subscription to Institutional Investors by the Underwriter via the Retail Entitlement Offer Bookbuild to be conducted by the Underwriter on Monday, 13 November 2017.

Any premium received over the Issue Price for the New Shares attributable to your Entitlement that are sold via the Retail Entitlement Offer Bookbuild (i.e. the Entitlement Offer Premium) (net of expenses and any withholdings required by law) will be paid to you as consideration for the lapsing of your Entitlement.

No assurance can be given as to the price that will be achieved under the Retail Entitlement Offer Bookbuild for the sale of New Shares. There is also no guarantee that Shareholders will receive any Entitlement Offer Premium from the sale of all or part of their Entitlement in the Retail Entitlement Offer Bookbuild. The ability to sell New Shares under the Retail Entitlement Offer Bookbuild and the ability to obtain any Entitlement Offer Premium will be dependent on various factors, including market conditions. Similarly, the Retail Entitlement Offer Bookbuild price may not be the highest price offered but will be determined by agreement between BWX and the Underwriter having regard to a number of matters, such as having binding and bona fide offers which in the reasonable opinion of BWX and the Underwriter will (if accepted) result in allocations to dispose of all, or as many as possible, New Shares offered for sale through the Retail Entitlement Offer Bookbuild.

To the maximum extent permitted by law, neither BWX, the Underwriter or their respective related bodies corporate, affiliates or the directors, officers, employees or advisers of any of them, will be liable for any failure to procure applications under the Retail Entitlement Offer Bookbuild at a price in excess of the Issue Price.

The Underwriter will subscribe for, or procure subscriptions for, any remaining shortfall in accordance with the Underwriting Agreement.

7. Representations by Acceptance

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

- you and each person on whose account you are acting are not in the United States and you are not acting for the account or benefit of a person in the United States, and are not otherwise a person to whom it would be illegal to make an offer of or issue of New Shares under the Retail Entitlement Offer and under any applicable laws and regulations;
- you understand that the Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand. Despite the above, the Entitlements and the New Shares may not be taken up by persons who are and are acting for the account or benefit of a person in the United States. The New Shares may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction in the United States;
- you and each person on whose account you are acting have not sent and will not send any materials, or copies thereof, relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand;
- you acknowledge that you have read and understand this Retail Offer Booklet and your Entitlement and Acceptance Form in their entirety;
- you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet and the Company's constitution;
- you authorise the Company to register you as the holder(s) of New Shares allotted to you;
- you declare that all details and statements in your Entitlement and Acceptance Form are complete and accurate;
- you declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under your Entitlement and Acceptance Form;
- you acknowledge that after the Company receives your Entitlement and Acceptance Form or any payment of Application Monies through BPAY®, you may not withdraw your application or funds provided except as allowed by law;
- you agree to apply for and be issued up to the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies through BPAY®, at the Issue Price;
- you authorise the Company, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry on using the contact details set out in your Entitlement and Acceptance Form;
- you declare that you were the registered holder(s) at the Record Date of the Shares indicated on your Entitlement and Acceptance Form as being held by you on the Record Date;
- you acknowledge that the information contained in this Retail Offer Booklet and your Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- you acknowledge that this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- you acknowledge the statement of risks in the "Key Risks" section of the Investor Presentation included in this Retail Offer Booklet, and that investments in the Company are subject to risk;
- you acknowledge that none of the Company, the Underwriter nor their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;

- you authorise the Company to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- you represent and warrant (for the benefit of the Company, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are an Eligible Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- you represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and your Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular way transactions on ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or is acting for the account or benefit of a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person.

8. Taxation

Shareholders should be aware that there may be taxation and stamp duty implications of participating in the Retail Entitlement Offer and subscribing for New Shares. The taxation and stamp duty consequences of participating in the Retail Entitlement Offer and/or acquiring New Shares may vary depending on the individual circumstances of each Shareholder.

Please refer to Section 10 of the “Additional Information” section of this Retail Offer Booklet for a general discussion of the Australian taxation and stamp duty consequences of the Retail Entitlement Offer for Eligible Shareholders resident for tax purposes in Australia and who hold their Shares as capital assets.

Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation and stamp duty laws and regulations applicable to their personal circumstances.

Additional Information

This Retail Offer Booklet (including any accompanying materials) and enclosed personalised Entitlement and Acceptance Form have been prepared by BWX. This Retail Offer Booklet is dated 27 October 2017.

No party other than BWX has authorised or caused the issue of this Retail Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Retail Offer Booklet.

This Retail Offer Booklet is important and requires your immediate attention.

You should read this Retail Offer Booklet carefully and in its entirety before deciding whether to invest in New Shares. In particular, you should consider factors outlined in the “Key Risks” section of the Investor Presentation that could affect the operating and financial performance of BWX or the value of an investment in BWX.

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

1. Eligible Shareholders

This Retail Offer Booklet contains an offer of New Shares to Eligible Shareholders (as defined below) in Australia or New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84.

“**Eligible Shareholders**” are those holders of Shares who:

- acquired Shares prior to the Ex-Date;
- continue to be a registered holder of the Shares as at 7.00pm (Melbourne time) on the Record Date;
- have a registered address in Australia or New Zealand as at 7.00pm (Melbourne time) on the Record Date;
- have not received an offer (other than as a nominee) under the Institutional Entitlement Offer (and were not treated as an ineligible institutional Shareholder under the Institutional Entitlement Offer);
- are not in the United States and must not be acting for the account or benefit of a person in the United States (to the extent such a person holds securities in BWX for the account or benefit of such persons in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus, disclosure document, or any lodgement, filing, registration or qualification.

Shareholders who do not satisfy each of these criteria are “**Ineligible Shareholders**”.

2. Ineligible Shareholders

BWX has decided that it is unreasonable to make the Retail Entitlement Offer to other Shareholders with registered addresses outside of Australia or New Zealand as at the Record Date having regard to the number of Shareholders in each other jurisdiction, the number and value of securities held by those Shareholders and the costs of complying with the legal and regulatory requirements in those jurisdictions. In accordance with the ASX Listing Rules, Entitlement and Acceptance Forms are not being sent to Ineligible Shareholders.

The New Shares in respect of those Entitlements which would have been otherwise offered to Ineligible Shareholders if they had been entitled to participate in the Retail Entitlement Offer (as well as those Entitlements not taken up by Eligible Shareholders) will be offered for subscription to Institutional Investors by the Underwriter through the Retail Entitlement Offer Bookbuild to be conducted by the Underwriter on Monday, 13 November 2017.

Any Entitlement Offer Premium realised through the Retail Entitlement Offer Bookbuild (net of any expenses or withholdings required by law) will be returned to Ineligible Shareholders and renouncing Eligible Shareholders and in proportion to the number of New Shares represented by their renounced Entitlements.

There is no guarantee that Eligible Shareholders and renouncing Eligible Shareholders will receive any value for the sale of the New Shares attributable to their Entitlements through the Retail Entitlement Offer Bookbuild.

The Retail Entitlement Offer Bookbuild will be subject to the terms and conditions described in Section 6 of the “Details of the Offer and what you may do” section of this Retail Offer Booklet.

3. Capital structure

Effect on existing capital structure

The approximate effect of the Entitlement Offer on the capital structure of BWX will be as follows:

Shares on issue as at 19 October 2017	96,619,648
Shares issued under the Institutional Entitlement Offer	11,210,585
New Shares offered under the Retail Entitlement Offer	5,740,231
Total Shares on issue on close of the Retail Entitlement Offer	113,570,464

Details of substantial Shareholders

The potential effect that the Entitlement Offer may have on the control of BWX, and the consequences of that effect, will depend on a number of factors, including Eligible Shareholders’ interest in taking up their Entitlements.

As at the date of the announcement of the Offer (19 October 2017), those persons who had ‘voting power’ in 5.0% or more of the Shares on issue are set out below:

Shareholder	Number of Shares	%
Bennelong Australian Equity Partners	17,231,976	17.83%
Mr John Humble	10,042,945	10.39%
Capital World Investors	7,708,000	7.98%

Directors’ and key management personnel participation

Certain Directors and key management personnel, representing approximately 14% of issued capital, will be reinvesting any renunciation proceeds on a cash-neutral basis. Reinvestment is post capital gains tax, and in some cases, post repayment of outstanding balances under BWX’s Employee Loan Plan.

4. Issue of New Shares

New Shares under the Retail Entitlement Offer are expected to be issued on or around Friday, 17 November 2017 (subject to variation at the discretion of BWX). Fractional entitlements to New Shares will be rounded down to the nearest whole number of New Shares.

BWX reserves the right (in its absolute discretion) to reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claims prove to be overstated or otherwise incorrect or if they fail to provide information to substantiate their claims.

5. ASX quotation

BWX has applied to ASX for official quotation of the New Shares. It is expected that normal trading on ASX of New Shares issued under the Retail Entitlement Offer will commence on Monday, 20 November 2017. BWX disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before the New Shares are listed on the Official List of ASX or before receiving their confirmation of holding, whether on the basis of confirmation of the allocation provided by BWX, the Registry or the Underwriters.

6. Underwriting

BWX has entered into the Underwriting Agreement with the Underwriter. Under the Underwriting Agreement, the Underwriter has agreed to manage and fully underwrite the Entitlement Offer. BWX and the Underwriter have each given certain representations, warranties and undertakings in relation to, among other things, the conduct of the Entitlement Offer.

Conditions precedent

The obligations of the Underwriter under the Underwriting Agreement to subscribe, or procure subscription for, New Shares under the Entitlement Offer are subject to the satisfaction of several conditions precedent which are common for transactions of this nature, including (in summary form):

- the sale and purchase agreement in respect of the Proposed Acquisition (**Acquisition Agreement**) not being void or voidable, or amended or breached in a material respect, terminated or rescinded or a condition precedent being incapable of being satisfied;
- all conditions to draw down (other than those relating to completion of the Proposed Acquisition and Entitlement Offer) under the bridging banking facilities with Commonwealth Bank of Australia for the purpose of partially funding payment of the cash consideration for the Proposed Acquisition (**Debt Documents**) are satisfied and the Debt Documents are not otherwise void or voidable, or amended or breached in a material respect, terminated or rescinded or a condition precedent is not capable of being satisfied; and
- ASX not indicating that it will not admit the New Shares to quotation.

Indemnity

BWX has (subject to certain limitations) agreed to indemnify the Underwriter and its affiliates, successors or related bodies corporate and the respective directors, officers, agents, employees, representatives or advisers of the Underwriter or any of its affiliates, successors or related bodies corporate against losses suffered or claims made in connection with the Entitlement Offer or the appointment of the Underwriter under the Underwriting Agreement.

Termination events

The Underwriting Agreement also contains a number of customary termination events. The Underwriter may, in certain circumstances, terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events (some requiring regard to materiality of the relevant event) on or prior to the settlement date of the Retail Entitlement Offer, including (in summary form) where:

- (**Proposed Acquisition**) any of the material obligations of the relevant parties under the Acquisition Agreement are not capable of being performed in accordance with their terms or all or any part of the Acquisition Agreement is amended or varied in any material respect without the consent of the Underwriter, terminated or rescinded, is materially breached, ceases to have effect or is or becomes void, illegal, invalid or unenforceable;
- (**Debt Documents**) a condition to the Debt Documents is not capable of being satisfied within the time allowed for satisfaction, or the Debt Documents are terminated or rendered void, voidable, illegal or otherwise unenforceable;
- (**delisting**) the Company ceases to be admitted to the official list of ASX or any Shares are suspended from trading or cease to be quoted by ASX for any reason (other than a trading halt requested for the purposes of the Institutional Entitlement Offer);
- (**market fall**) either:
 - the S&P/ASX 200 Index closes on any two consecutive trading days from (and including) the date of announcement of the Entitlement Offer to ASX (**Announcement Date**) to (and including) the business day before the Institutional Entitlement Offer settlement date, or closes on the business day immediately prior to the Institutional Entitlement Offer settlement date, at a level that is 10% or more below the level of that index as at the close of trading on the Business Day immediately preceding the date of the Underwriting Agreement (**Starting Level**); or
 - closes on any two consecutive trading days from the Institutional Entitlement Offer settlement date until the Retail Settlement Date, or on the Business Day immediately prior to the Retail Entitlement Offer settlement date, at a level that is 10% or more below the Starting Level;
- (**quotation**) ASX does not, or makes a statement that it will not, agree to grant official quotation of all the New Shares or the approval is subsequently withdrawn, qualified (other than by way of conditions which in the opinion of the Underwriter, acting reasonably, will have a material adverse effect on the success of the Entitlement Offer) or withheld;
- (**delay**) there are delays in the Entitlement Offer timetable of more than one business day which are not consented to by the Underwriter;
- (**withdrawal**) the Company withdraws the Entitlement Offer;
- (**certificate**) any certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished when required or a statement in that certificate is untrue, incorrect, misleading or deceptive in a material respect;
- (**insolvency**) the Company or a material subsidiary of the Company suffers an insolvency event or there is an act or omission which will or is likely to result in the Company or a material subsidiary of the Company becoming Insolvent;

- **(Entitlement Offer documents)** a statement contained in the documents prepared in respect of the Offer is or becomes false, misleading or deceptive (including by omission), or likely to mislead or deceive, or omits information required to be included;
- **(fraud)** the Company or any of its Directors or officers engage in any fraudulent conduct or activity whether or not in connection with the Entitlement Offer;
- **(indictable offence)** a Director is charged with an indictable offence or any regulatory body commences any public action against the Director or announces that it intends to take any such action, or a Director is disqualified from managing a corporation;
- **(change in senior management or board)** there is a change to the Board of the position of Chief Executive Officer or Chief Financial Officer of the Company; or
- **(market disruption)** there are material disruptions in financial or economic conditions in key markets or on key securities exchanges, or hostilities commence or escalate in certain key countries.

Fees

In consideration for the services provided by the Underwriter under the Underwriting Agreement, BWX has agreed to pay the Underwriter an underwriting fee of 2.25% (plus GST) and a management fee of 1.0% (plus GST) of the proceeds of the Entitlement Offer.

7. Proposed Acquisition

BWX has entered into a binding agreement to acquire Andalou Naturals for total consideration of US\$80 million. 80% of total consideration will be paid in cash (US\$64 million) and 20% will be paid in BWX shares (US\$16 million). The implied acquisition multiple is 9.4x enterprise value/pro forma forecast EBITDA for the 12 months ended 30 June 2018; and 8.4x including estimated annual cost synergies (with annual cost synergies of US\$1 million expected to be achieved in the first full year of ownership). The transaction's anticipated closing date is 31 October 2017, subject to customary conditions precedent.

8. No cooling off rights

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

9. Not investment or financial product advice

This Retail Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. BWX is not licensed to provide financial product advice in respect of the New Shares. The Retail Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant, solicitor or other independent professional adviser.

10. Taxation

This section is a general summary of the Australian income tax, goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Shareholders.

Eligible Shareholders should seek and rely on their own professional advice before concluding on the particular taxation or stamp duty treatment that will apply.

The comments in this section deal only with the Australian taxation implications of the Entitlement Offer if Eligible Shareholders:

- are resident for tax purposes in Australia; and
- hold their Shares on capital account.

The taxation comments do not apply if Eligible Shareholders:

- are not resident for tax purposes in Australia; or
- hold their Shares and/or New Shares as revenue assets or trading stock (which will generally be the case if the Eligible Shareholder is a bank, insurance company or carries on a business of share trading); or
- are subject to the “taxation of financial arrangements” rules (commonly referred to as the TOFA rules) in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to their holding of Shares, Entitlements or New Shares; or
- acquired the Shares in respect of which the Entitlements are issued under any employee share scheme; or
- acquired Entitlements otherwise than because they are an Eligible Shareholder (e.g. where the Entitlements are acquired in the Retail Entitlement Offer Bookbuild).

This taxation and stamp duty summary is necessarily general in nature and is based on the Australian taxation and stamp duty legislation and administrative practice in force as at the date of this Retail Offer Booklet. It does not take into account any financial objectives, tax positions or investment needs of Eligible Shareholders.

The taxation and stamp duty implications of the Entitlement Offer will vary depending upon your particular circumstances. It is strongly recommended that you seek your own independent professional tax advice applicable to your particular circumstances. Neither BWX nor any of its Directors, officers or employees, nor its taxation and other advisers, accepts any liability or responsibility in respect of any statement concerning taxation or stamp duty consequences, or in respect of the taxation and stamp duty consequences.

(a) Income tax consequences of Entitlements

(i) Issue of Entitlements

The issue of the Entitlements should not, of itself, result in any amount being included in the assessable income of the Eligible Shareholders.

(ii) Exercise of Entitlements

The Entitlements will be capital gains tax (CGT) assets. The exercise of the Entitlements (i.e. taking up of the Entitlements) should not, in itself, give rise to an income tax (including CGT) liability to the Eligible Shareholder.

The amount paid to exercise the Entitlements (i.e. the Issue Price payable for the New Shares) will form part of the cost base of the New Shares acquired through the take-up of the Entitlements.

The New Shares will be taken to be acquired by Eligible Shareholders on the same date the Entitlements are exercised.

(iii) Sale of Entitlements through the Retail Entitlement Offer Bookbuild for Renouncing Shareholders

Eligible Shareholders who do not exercise or renounce their Entitlements will have their Entitlements sold on their behalf by the Underwriter through the Retail Entitlement Offer Bookbuild process. Any proceeds in excess of the Issue Price will be paid to those Eligible Shareholders net of expenses and withholdings required by law.

In July 2017, the Commissioner released *Taxation Ruling TR 2017/4: Income tax: taxation of rights and retail premiums under renounceable rights offers where shares are held on capital account (TR 2017/4)*. In TR 2017/4 the Commissioner stated that any “retail premium” for renounceable entitlement offers received by the Eligible Shareholder when an Entitlement is transferred to a successful bidder under the retail bookbuild process is treated as capital proceeds from a CGT event such that an Eligible Shareholder will make a capital gain and should be taxable under the CGT provisions if the capital proceeds exceed the cost base of the Entitlement.

Having regard to the features of the Retail Entitlement Offer specifically, the fact that the Entitlements are renounceable, and the fact that Entitlements which are not exercised by Eligible Shareholders will be sold on their behalf under the Entitlement Offer Bookbuild, TR 2017/4 should apply, meaning that Eligible Shareholders who sell their Entitlements will be subject to CGT on the disposal.

An Eligible Shareholder's Entitlements are taken to have been acquired for CGT purposes when the Eligible Shareholder acquired their original BWX Shares. Therefore, any capital gain may represent a discount capital gain so far as the Eligible Shareholder's original shares have been held for 12 months or more and the conditions discussed below under Section 10(b)(ii) are satisfied.

(b) Income tax consequences of New Shares

(i) Dividends on New Shares

Any future dividends or other distributions made in respect of those New Shares will be subject to the same taxation treatment as dividends or other distributions made on Shares held in the same circumstances.

Australian tax resident individuals and complying superannuation entities

Dividends paid by BWX on a New Share will constitute assessable income of an Australian tax resident Eligible Shareholder. Australian tax resident shareholders who are individuals or complying superannuation entities should include the dividend in their assessable income in the year the dividend is paid, together with any franking credit attached to that dividend. In some cases, superannuation funds may be exempt to the extent the New Shares are held to support current pension liabilities.

In most cases, shareholders should be entitled to a tax offset equal to the franking credit attached to the dividend, subject to satisfying the *holding period rule* and the *related payment rule* (as discussed below). The tax offset can be applied to reduce the tax payable on the Eligible Shareholder's taxable income. Where the tax offset exceeds the tax payable on the Eligible Shareholder's taxable income, such shareholders should be entitled to a tax refund.

To the extent that the dividend is *unfranked* (i.e. paid out of untaxed profits), the Eligible Shareholder will generally be taxed at their relevant tax rate on the dividend received, with no tax offset.

Australian tax resident corporate shareholders

Australian tax resident corporate Eligible Shareholders are also required to include both the dividend and any associated franking credit in their assessable income.

They are then allowed a tax offset up to the amount of the franking credit on the dividend. An Australian tax resident corporate Eligible Shareholder should also be entitled to a credit in its own franking account to the extent of the franking credit on the dividend received. This should allow the corporate Eligible Shareholder to pass on the benefit of the franking credits to its own shareholder(s) on the payment of dividends.

Excess franking credits received cannot give rise to a refund for an Eligible Shareholder that is a company, but may in certain circumstances be converted into carry forward tax losses.

Australian tax resident trusts and partnerships

Eligible Shareholders who are Australian tax resident trusts and trustees (other than trustees of complying superannuation entities) or partnerships should include both the dividend and the franking credit in their assessable income in determining the net income of the trust or partnership. The relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership.

Special rules apply to trusts and beneficiaries. Specifically, there are particular difficulties in satisfying the *holding period rule* (see below) where an Eligible Shareholder holds their Shares through a discretionary trust where no family trust election has been made. It may be the case that the *holding period rule* cannot be satisfied in these circumstances, except in the case of individual beneficiaries who have franking credit entitlements that do not exceed A\$5,000 in a year. If you are the trustee of a discretionary trust, it is strongly recommended that you seek professional advice.

Franking credit integrity rules

For Eligible Shareholders to be eligible for a tax offset in relation to any franking credits attached to a dividend paid by BWX on the New Shares, they will need to be a “qualified person”.

In order for an Eligible Shareholder to be a “qualified person” they must satisfy the *holding period rule* and if applicable the *related payment rule*.

Under the *holding period rule*, Eligible Shareholders must hold the New Shares *at risk* for at least 45 days, not counting the day of acquisition or disposal to be a “qualified person”. The *holding period rule* generally only needs to be satisfied once for the New Shares in the period beginning on the day after the day on which the Eligible Shareholder acquires the New Shares and ending 45 days after the ex-dividend date. The *holding period rule* does not apply if the Eligible Shareholder is an individual where the total franking credit entitlement for the year of income of the individual in which the dividend is received is below A\$5,000.

Any day on which an Eligible Shareholder has a materially diminished risk or loss of opportunity for gain (through transactions such as granting options or warrants over the New Shares or entering into a contract to sell the New Shares) may not be counted as a day on which the Eligible Shareholder held the New Shares *at risk*.

Under the *related payment rule*, a different testing period applies where the Eligible Shareholder has made, or is under an obligation to make, a related payment in relation to the dividend. The *related payment rule* requires the Eligible Shareholder to have held the New Shares at risk for the continuous 45-day period as above and, more specifically, within the limited period commencing on the 45th day before, and ending on the 45th day after, the day the New Shares become ex-dividend.

Eligible Shareholders should seek professional advice to determine if these requirements, as they apply to them, have been satisfied.

Dividend washing

The Australian Government has introduced specific integrity rules that may apply to deny franking tax offsets to certain “dividend washing” arrangements. Broadly, dividend washing (or “distribution washing”) is a type of scheme by which a taxpayer can obtain multiple franking credits in respect of a single economic interest by selling an interest after an entitlement to a franked distribution has accrued and then immediately purchasing an equivalent interest with a further entitlement to a corresponding franked distribution.

Eligible Shareholders should have regard to these changes in considering the tax implications of their personal circumstances.

(ii) Disposal of New Shares

Australian tax resident shareholders that hold their New Shares on capital account will be subject to Australian CGT on the disposal of the New Shares. Some Eligible Shareholders may hold their New Shares on revenue account, as trading stock or under the Taxation of Financial Arrangements regime and these Eligible Shareholders should seek their own advice.

An Eligible Shareholder will make a capital gain if the capital proceeds on disposal of their New Shares exceed the cost base of those New Shares. In an arm’s length transaction, the capital proceeds should generally be the cash proceeds received from the sale of the New Shares. The cost base of the New Shares is broadly the amount paid to acquire those New Shares plus any attributable transaction/incidental costs – see Section 10(a)(ii) above.

This capital gain may be subject to the CGT discount for Eligible Shareholders that are individuals, trustees or complying superannuation entities. In order to be eligible for the CGT discount, the New Shares must be held for at least 12 months after the date an Eligible Shareholder exercises their Entitlement. Any current year or carry forward capital losses should be applied to offset the capital gain prior to the application of any applicable CGT discount.

The CGT discount for individuals and entities acting as trustees (other than a trust that is a complying superannuation entity) is 50%, and for complying superannuation entities is 33.33%. In relation to trusts the rules are complex, but the benefit of the CGT discount may be flowed up to beneficiaries of the trust, subject to certain requirements being satisfied.

An Eligible Shareholder will make a capital loss if the capital proceeds in respect of the disposal of the New Shares are less than the reduced cost base of the New Shares. If an Eligible Shareholder makes a capital loss, the Eligible Shareholder can only use that capital loss to offset other capital gains (i.e. the capital loss cannot be used to offset other assessable income). However, if the capital loss cannot be used in a particular income year, it may be carried forward for use in future income years, providing certain tax loss recoupment tests are satisfied. The capital loss cannot be carried back to offset a prior year net capital gain. Trusts are not subject to tax loss recoupment rules in relation to net capital losses.

(c) Tax file numbers and withholding

An Eligible Shareholder is not required to quote their tax file number (TFN) or their Australian Business Number (ABN) to BWX. However, if TFN, ABN or exemption details are not provided, Australian tax may be required to be deducted by BWX at the maximum marginal tax rate plus the Medicare levy from certain dividends paid.

No withholding requirement applies in respect of fully franked dividends paid by BWX on the New Shares.

(d) Other Australian taxes

(i) GST

The issue or exercise of the Retail Entitlement Offer or the acquisition of the New Shares should be either an input taxed financial supply (if the Eligible Shareholder is an Australian resident and registered for GST), or an out of scope supply (if the Eligible Shareholder is not an Australian resident or not registered for GST). In either case, no Australian GST should be payable.

No GST should be payable in respect of dividends paid to Eligible Shareholders.

Eligible Shareholders may be charged GST on costs (such as third party brokerage or adviser costs) that relate to their participation in the Retail Entitlement Offer. Eligible Shareholders may not be entitled to claim full input tax credits for the GST included in such costs that relate to the issue or exercise of the Entitlement Offer or the acquisition of New Shares.

Eligible Shareholders should obtain independent advice in relation to the impact of GST on their individual circumstances.

(ii) Stamp duty

No Australian stamp duty should be payable by an Eligible Shareholder in respect of either the issue, exercise or sale of the Entitlements or the acquisition of the New Shares issued under the Entitlement Offer.

11. Information availability

Eligible Shareholders in Australia or New Zealand can obtain a copy of this Retail Offer Booklet during the period of the Entitlement Offer on the BWX website at www.bwxltd.com or by calling the BWX Offer Information Line on 1300 660 106 or +61 1300 660 106 (outside Australia) at any time from 8.30am to 5.30pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period. Persons who access an electronic version of this Retail Offer Booklet should ensure that they download and read the entire Retail Offer Booklet. The electronic version of this Retail Offer Booklet on the BWX website will not include an Entitlement and Acceptance Form. A replacement Entitlement and Acceptance Form can be requested by calling the BWX Offer Information Line or by visiting the Registry website at www.linkmarketservices.com.au.

Note: Neither this Retail Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed to, or relied on by, persons in the United States who are, or who are acting on behalf of or for the account or benefit of, a US Person, or otherwise distributed in the United States.

12. Future performance and forward-looking statements

Neither BWX nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made in the New Shares or on the basis of the Information. Forward-looking statements, opinions and estimates provided in the Information are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Any forward-looking statements, and guidance on future revenues, earnings and estimates are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of BWX and the Board, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward-looking statements in the Information. Please refer to the “Key Risks” section of the Investor Presentation.

13. Past performance

Investors should note that the past price performance of BWX's shares provides no indicator, guidance or guarantee as to future price performance.

14. Governing law

This Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on completion and return of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

15. Foreign jurisdictions

This Retail Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia.

The Entitlements and the New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. The offer of New Shares is renounceable in favour of members of the public.

This Retail Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Retail Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

This Retail Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Retail Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

This Retail Offer Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

16. Financial data

All dollar values in this Retail Offer Booklet are in Australian dollars (A\$) unless otherwise stated.

17. Other interests

Persons holding rights or interests in relation to Shares, other than Shares, will not be entitled to participate in the Retail Entitlement Offer in respect of those rights or interests unless they have become entitled to exercise their right or interest under the terms of their issue and do so such that they become the holder of Shares and an Eligible Shareholder in respect of those Shares.

18. Privacy

As an existing Shareholder in BWX, BWX and the Registry have already collected personal information about you. If you apply for New Shares, BWX and the Registry may update that personal information or collect additional personal information about you. Such information may be used to assess your acceptance of New Shares, service your needs as a BWX shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, BWX and the Registry may disclose your personal information for purposes related to your shareholding to their agents, contractors or third party service providers to whom they outsource services, including to the Underwriters in order to assess your acceptance of New Shares, the Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation and distribution of shareholder information and for handling of mail, or as otherwise authorised under the *Privacy Act 1988* (Cth).

If you do not provide BWX or the Registry with your personal information then your application may not be able to be processed.

You can request access to your personal information by contacting BWX through the Registry as follows:

Link Market Services Limited
Level 13, Tower 4, 727 Collins Street, Melbourne VIC 3000
Telephone: 1300 660 106 (within Australia) or +61 1300 660 106 (outside Australia)
Email: registrars@linkmarketservices.com.au

19. Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Retail Offer Booklet.

Any information or representation that is not in this Retail Offer Booklet may not be relied on as having been authorised by BWX, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required:

- none of BWX, or any other person (including the Underwriter), warrants or guarantees the future performance of BWX or any return on any investment made pursuant to the Information; and
- BWX, its officers, employees and advisers (including the Underwriter) disclaim all liability (including for negligence) that may otherwise arise due to the Retail Offer Booklet being inaccurate or incomplete in any respect.

The Underwriter has not authorised, permitted or caused the issue, lodgement or submission of this Retail Offer Booklet. The Underwriter takes no responsibility for any part of this Retail Offer Booklet or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Retail Offer Booklet or otherwise arising in connection with either of them.

The Underwriter makes no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor does it make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information.

Glossary

Term	Definition
\$ or A\$ or dollars	Australian dollars.
Andalou Naturals	Has the meaning given in the Chairman's Letter.
Application Monies	A payment or payments made to apply for New Shares.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or, as the context requires, a financial market operated by it.
BWX or Company	BWX Limited ACN 163 488 631.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Eligible Shareholders	Has the meaning given in Section 1 of the "Additional Information" section of this Retail Offer Booklet.
Entitlement	The right of an Eligible Shareholder to apply for a number of New Shares under the Retail Entitlement Offer.
Entitlement and Acceptance Form	The personalised entitlement and acceptance form accompanying this Retail Offer Booklet which Eligible Shareholders may use to apply for New Shares.
Entitlement Offer	The 1 for 5.7 renounceable rights issue to apply for New Shares at the Issue Price set out in this Retail Offer Booklet and the Entitlement and Acceptance Form.
Entitlement Offer Premium	Any proceeds in excess of the Issue Price that may be achieved under the Retail Entitlement Offer Bookbuild.
Ex-Date	The first date on which Shares trade without the right to subscribe for New Shares, being Friday, 20 October 2017.
Existing Shares	Shares held by Eligible Shareholders on the Record Date.
Ineligible Shareholders	Has the meaning given in Section 1 of the "Additional Information" section of this Retail Offer Booklet.
Information	The information contained in this Retail Offer Booklet (including any accompanying materials) and the enclosed personalised Entitlement and Acceptance Form.
Institutional Investor	A person whom the Company reasonably believes is a person: <ul style="list-style-type: none"> – who is a sophisticated investor for the purposes of section 708(8) of the Corporations Act or a professional investor for the purposes of section 708(11) of the Corporations Act and who is not in the United States and is not, and is not acting for the benefit or account of, a US Person; or – to whom offers and issues of New Shares may lawfully be made outside Australia without any other lodgement, registration or approval with or by a government agency (other than one with which BWX, in its absolute discretion, is willing to comply) and who is not in the United States and is not, and is not acting for the benefit or account of, a US Person.
Institutional Entitlement Offer	Has the meaning given in the Chairman's Letter.
Investor Presentation	The investor presentation relating to the Entitlement Offer given to ASX by BWX on Thursday, 19 October 2017.
Issue Price	\$5.92 per New Share.
New Share	A Share issued under the Entitlement Offer.
Proposed Acquisition	Has the meaning given in the Chairman's Letter.

Term	Definition
Record Date	7.00pm (Melbourne time) on Tuesday, 24 October 2017.
Registry	Link Market Services Limited.
Retail Entitlement Offer	The retail component of the Entitlement Offer being the offer of 1 New Share for each 5.7 Existing Shares to Eligible Shareholders.
Retail Entitlement Offer Bookbuild	The bookbuild process to be undertaken by the Underwriter under which the Entitlements of Eligible Shareholders who do not take up some or all of their Entitlement and Ineligible Shareholders will be offered for sale.
Retail Entitlement Offer Period	From 27 October 2017 to 5.00pm (Melbourne time) on 7 November 2017.
Retail Offer Booklet	This offer document setting out the terms of the Retail Entitlement Offer.
Share	A fully paid ordinary share in the capital of BWX.
Shareholder	A registered holder of Shares.
Underwriter	Goldman Sachs Australia Pty Ltd ABN 21 006 797 897.
US Person	A “US Person” as defined in Regulation S of the US Securities Act.
US Securities Act	US Securities Act of 1933, as amended.

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Corporate Directory

BWX Registered Office

c/- MinterEllison,
Level 23, Rialto Towers,
525 Collins Street,
Melbourne VIC 3000
Ph: +61 3 8785 6300

Share Registry

Link Market Services Limited
Level 13, Tower 4
727 Collins Street
Melbourne VIC 3000
Website: www.linkmarketservices.com.au

Underwriter

Goldman Sachs Australia Pty Ltd
Level 46, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

Legal Adviser

MinterEllison
Level 23, Rialto Towers
525 Collins Street
Melbourne VIC 3000

BWX website:

To view annual reports, Shareholder and Company information, news announcements, background information on BWX's businesses and historical information, visit BWX's website at www.bwxltd.com.

BWX Offer information line:

Australia: 1300 660 106
Overseas: +61 1300 660 106

Open 8.30am to 5.30pm (Melbourne time)
Monday to Friday during the Retail Entitlement Offer Period.

