WEBSTER DOLILTA FINANCE LIMITED
ACN 004 664 322
SUPPLEMENTARY PROSPECTUS

This document is a supplementary prospectus to prospectus number 19 dated 6th December 2016 (the prospectus) issued by Webster Dolilta Finance Ltd (the Company).

This supplementary prospectus is dated 9th August 2017 and was lodged with the Australian Securities and Investments Commission (ASIC) on that date. ASIC takes no responsibility for the contents of this document.

This document should be read together with the prospectus, it provides additional information to supplement that which is in the prospectus.

1. The company is relying on a number of valuations relating to two loans. Old valuations may affect the company's ability to properly assess provisions for loan impairments. The valuation for the loan referred to as loan 1 in benchmark 5 of the current prospectus should be updated annually in accordance with benchmark 7 (b) in our prospectus. The valuations for the loan referred to as loan 4 in benchmark 5 of the prospectus are over three years old and should be updated. The company has issued instructions to a registered valuer to prepare fresh valuations.

2. In some circumstances there can be delays acting on non-performing loans which could have an adverse impact on recovering money owed to the company. However the company makes decisions in light of current circumstances as to what action is required to achieve the best outcome for the company, sometimes the best action is to work with the borrowers and not take legal action to recover outstanding debts.

3. Loan 1 referred to in Benchmark 5 of the current prospectus involves a local land subdivision which the owner is managing and the company and the second lender is overseeing. The owner has in June 2017 received final sign off of the engineering plans to proceed with the construction works to enable a further 43 lots to come on the market. Construction works will commence late August 2017. 16 blocks are under contract now. It is anticipated the balance of this stage will be sold out within 12 months. The development of the last stage of 22 lots and 1super lot will commence late 2018. The company has engaged an independent accountant to prepare detailed projections to enable us to assess the likelihood or otherwise of the company's expectation that it will recover in full the money it is owed. In the unlikely event this subdivision does not proceed it is possible the company may incur a loss.

4. The company has 8 loans on its books that fund the purchase of land holdings where the intention of the borrower is to develop the land in future. The company has no intention to fund the future development indeed these loans are usually paid out by way of refinance. The exit strategy is always a consideration when assessing these types of loans, we look at the size of the development, the initial loan to valuation levels, the financial strength of the borrower, the process and time required to complete the permit application, the location of the property and the saleability of the property both at the time the loan is made and at the time the loan will mature. More importantly we review the borrower's experience and history in this type of development. The company does not consider these loans to be development or construction loans. These loans are not the loans referred to in Benchmark 1of the prospectus.

5. The company engages in sub-division and property development activities in the Ballarat region on land that it owns from time to time, at present the company has development land that was originally purchased for $90,000 by Dolilta Investments Ltd and others in 1999 for future development. This land has subsequently provided a boost to our capital to $770,000 by way of asset revaluation reserve. We have incurred approximately $360,000 in preliminary development costs. If we proceed with the development our costs in the 1st stage (2018) will amount to approximately $720,000 and the 2nd stage (2019) approximately $1.2m. The gross realizable value on this development is estimated to be $4.5m. These figures represent our half share in the project. Our obligations to meet debenture liabilities is assessed primarily on our liquidity levels and rollover history and if/when the time comes to commence the property development funds will used from cash held but our liquidity levels of around 20% will be maintained to meet expected debenture liabilities. Our property developments have not and will not affect our ability to meet debenture liabilities.

This supplementary prospectus has been issued pursuant to a resolution of the directors of the Company each of whom has consented to its issue