

HORIZON GLOBAL LIMITED

ABN 97 009 201 763

(Proposed to be renamed Imagine Un Limited)

PROSPECTUS

For the offer of up to 62,500,000 Shares at an issue price of 4 cents each to raise up to \$2,500,000.

Oversubscriptions of up to a further 12,500,000 Shares at an issue price of 4 cents each to raise up to a further \$500,000 may be accepted.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety.

If you do not understand it you should consult your professional advisers without delay.
The Shares offered by this Prospectus should be considered speculative.

IMPORTANT NOTICE

This Prospectus is dated 5 October 2006 and was lodged with the ASIC on that date. The ASIC and ASX and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

The expiry date of this Prospectus is at 5.00pm WST on that date which is 13 months after the date this Prospectus was lodged with the ASIC (**Expiry Date**). No securities may be issued on the basis of this Prospectus after the Expiry Date.

Application will be made to ASX for Official Quotation of the Shares the subject of this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered speculative.

WEB SITE – ELECTRONIC PROSPECTUS

A copy of this Prospectus can be downloaded from the website of the Company at <http://members.iinet.net.au/~hzmnl>. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company Secretary on +61.2.9362.5014.

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APPLICATION FORM

1. CORPORATE DIRECTORY

Directors

Mark Scott
Paul Burge
Shubber Ali

Share Registry

Advanced Share Registry*
110 Stirling Hwy
NEDLANDS WA 6009

Telephone: (08) 9389 8033
Facsimile: (08) 9389 7871

Proposed Directors

Richard Evans
Thomas Leahy
Mark Gomes
Mark Atkinson
Malcolm Beville

Solicitors to the Company

Steinepreis Paganin*
Lawyers and Consultants
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

Company Secretary

Paul Burge

Auditors

William Buck
Level 24
201 Elizabeth St
SYDNEY NSW 2000

Registered Office

Suite 9
Level 1, Rodeo Plaza
2 Short Street
DOUBLE BAY NSW 2028

Telephone: (02) 9362 5014
Facsimile: (02) 9362 5018

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. CHAIRMAN'S LETTER

Dear Investor,

The purpose of this Prospectus is to raise capital to support the developing business of the Imagine Group of companies (Imagine Essential Services Limited and Imagine Global Pty Limited). Concurrent with the raising of this capital, Horizon Global Limited is investing \$21 million (through the issue of Shares in lieu of cash) to acquire up to 100% of Imagine Essential Services Limited and 100% of Imagine Global Pty Limited.

A notice of meeting will be sent to Shareholders shortly in respect of the Annual General Meeting at which Shareholders will consider a number of resolutions including resolutions relating to the acquisition of Imagine Essential Services Limited and Imagine Global Pty Ltd and the issue of Shares pursuant to this Prospectus.

The Imagine business is based around price competitiveness in the market for essential services such as telephony, gas and electricity. Imagine deals directly with the service providers and negotiates attractive prices for the provision of these services to Imagine clients. Through a growing network of advisors, the Imagine Group already boasts approximately 4,500 active clients. It is a growth story that is both easy to understand and appealing to the commercial mind. Indeed current and future Shareholders are encouraged to view the Imagine website at www.imagine.com.au and from personal experience determine benefits available and the attractiveness of the business.

Although the current Board of Horizon Global Ltd will resign shortly after completion of the Acquisitions, this should not be construed as a lack of faith in the Imagine business but rather the belief that a new, fresh Board that is finely attuned to the Imagine business would be advantageous to Shareholders. The new Board of Directors will ensure that the potential offered by the Imagine business model is properly captured. Certainly there will be "growth pains" which is typical of any business growing at pace but, carefully managed, the rewards should be significant.

Notwithstanding, you are encouraged to review this Prospectus carefully and consult with your investment advisor, accountant or lawyer to determine whether or not such an investment is appropriate for you.

Yours sincerely

Mark R Scott
CHAIRMAN
4th October 2006

3. IMAGINE CEO'S LETTER

Dear Investor,

For more than twelve years now the government in Australia has been deregulating the essential services sector. This sector includes the telecommunications, energy and gas industries. Last year the combined annual revenue of this group was many billions of dollars.

With the deregulation of these key industries there are now more services and more providers than ever before, yet the market place has never been more confused with unprecedented levels of customer dissatisfaction. My vision for "Imagine" has always been to create a company that sets a new standard of service to the deregulated essential services industry and provides clarity of choice to the customer. Accordingly, I want Imagine to provide to the SME business and household market place:

- (a) a trusting relationship with providers;
- (b) tailored services;
- (c) one on one professional advice;
- (d) a reduction in the complexity of the market place;
- (e) effective problem handling; and
- (f) savings.

All at no extra cost to our members.

Certainly since the creation of Imagine in early 2003 we have faced many challenges but with the support of our licensed advisors and dedicated management team (and of course our loyal members) we have achieved truly amazing things. Least of all we have been recognized for creating a new industry of essential service advisors.

We now are entering a new phase of growth and a landmark point through the investment by Horizon. Our reverse listing on the official list of ASX will hopefully result in Imagine becoming part of the Australian business landscape for many years to come.

I believe with the continued support of our dedicated management team, our two hundred and fifty plus advisors and our four thousand five hundred plus active members, we will continue to experience strong growth and become a household name that is recognised for bringing great services and savings to our members.

I am very confident in the future of our exciting company. I welcome you as a fellow shareholder but, as with all investments with risk, you should seek professional advice as to whether this particular investment is appropriate for you.

Yours sincerely

Richard Evans
CEO - Imagine Group
4th October 2006

4. INVESTMENT OVERVIEW

4.1 Important Notice

This section is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

The Offer is subject to conditions. Refer to Section 5.5 for details.

Shareholder approval will be sought at the Annual General Meeting for a consolidation of the Company's capital on a 5:1 basis. All Securities referred to in this Prospectus is on a pre Consolidated basis (unless otherwise stated).

4.2 Objectives

The strategic objective of the Company is to complete the acquisitions of Imagine Essential Services and Imagine Global and raise sufficient funds to comply with Chapters 1 and 2 of the ASX Listing Rules. On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.

4.3 The Imagine Business

The Imagine Group has been operating since 2003 and, in essence, arranges cost effective essential services (such as telephony, gas, electricity) for its clients. Through a network of essential service advisors it makes contact with potential clients, analyses their current costs and provides a lower cost alternative. The client switches to the lower cost alternative, with Imagine being paid by the service provider. This revenue is in the form of an upfront payment and a trailing commission.

Current active clients total in excess of 4,500. As this number grows the income streams from upfront and trailing commissions also increases.

Still in its formative years, the Imagine Group expects to expand throughout Australia and eventually move to apply the model internationally. Undoubtedly there are meaningful risks involved with an expanding business, but if successful, the rewards are also meaningful.

4.4 Market Capitalisation

The current undiluted market capitalization of Horizon, assuming completion of the Acquisitions, is approximately \$24 million (at 4 cents per Share). Under this Prospectus up to an additional \$3 million will be added to this market capitalization. Subscribers to the Prospectus need to justify in their own minds as to whether this valuation is fair and reasonable, prior to making any investment. Subscribers should seek independent advice as to the inherent risks involved in such an investment and the potential for loss of such an investment. While management and Directors aim to maximize wealth for Shareholders there is no certainty that this will occur and indeed losses could eventuate.

4.5 Indicative Timetable

Lodgement of Prospectus with the ASIC	5 October 2006
Opening Date	5 October 2006
Closing Date (the Directors reserve the right to close the Prospectus early)	5:00 PM WST on 31 October 2006
Suspension of the Company's Shares from trading on ASX at the close of trading	9 November 2006
Annual General Meeting*	10 November 2006
Issue of Shares pursuant to the Prospectus	13 November 2006
Trading in Shares on a deferred settlement basis	13 November 2006
First day for Company to send notices to Shareholders of pre Consolidated Shares	20 November 2006
Expected date for requotation of Shares on ASX (renamed "Imagine Un Limited")	22 November 2006

* Investors should note that the Offer is subject to, inter alia, approval from Shareholders at the Annual General Meeting.

These dates are indicative only and may vary. The Company reserves the right to vary the opening and Closing Dates of the Offer without prior notice.

4.6 Purpose of the Offer and Use of Proceeds

The Company intends to apply funds raised from the Offer as follows:

	Minimum Subscription \$	Full Subscription \$	Over Subscription \$
Expenses in connection with the Offer – (refer to Section 11.7)	100,010	115,010	130,010
Repayment of Loans(1)	710,000	710,000	710,000
Marketing (2)	600,000	1,100,000	1,600,000
Working Capital (3)	589,990	574,990	559,990
Total	2,000,000	2,500,000	3,000,000

(1) On 21 August 2006 Kale Capital Corporation Limited, a company associated with Mark Scott, Chairman of Horizon, lent \$500,000 to Imagine Essential Services at 10% interest per annum. The purpose of the loan was to provide short-term working capital for the Imagine Group. The loan is repayable immediately after approval by the Shareholders at the Annual General Meeting for the issue of Shares pursuant to this Prospectus.

(2) The business objectives of Horizon are to fund the development and expansion of the Imagine business. The proceeds from the Prospectus Offer will be used primarily for marketing and working capital.

Imagine's marketing program includes:

- (a) creation of national awareness of the Imagine Brand
- (b) expanding Imagine's network of licensees and advisors
- (c) increasing the numbers of Imagine members, and
- (d) converting non-active members to active members who use Imagine's services and supplier network.

It is anticipated that \$600,000 to \$1,600,000 of the funds raised from the Prospectus Offer will be expended over the next 2 years to implement Imagine's marketing program, with the amount dependant on the level of subscriptions received.

- (3) Working capital requirements are primarily to fund any potential shortfall from revenues failing to fund the group's overhead expenditure.

4.7 Capital Structure

The capital structure of the Company following completion of the Offer (assuming full subscription) is summarised below¹:

Shares	Minimum Subscription	Number Full Subscription	Over-Subscriptions
Shares on issue at date of Prospectus	74,068,775	74,068,775	74,068,775
Shares to be issued pursuant to Acquisitions	525,000,000	525,000,000	525,000,000
Shares now offered	50,000,000	62,500,000	75,000,000
Total Shares on issue at completion of the Offer	649,068,775	661,568,775	674,068,775
Post Consolidation (5:1) ¹	129,813,755	132,313,755	134,813,755
Options			
Options on issue at date of Prospectus ²	35,710,607	35,710,607	35,710,607
Options issued pursuant to Acquisitions ³	100,000,000	100,000,000	100,000,000
Total Options on issue at completion of the Offer	135,710,067	135,710,067	135,710,067
Post Consolidation (5:1) ¹	27,142,013	27,142,013	27,142,013

Notes:

¹ Investors should note that approval is being sought at the Annual General Meeting for a consolidation of the capital of the Company on a 5:1 basis. Accordingly, Shares applied for pursuant to this Prospectus (and Shares and Options currently on issue) will be consolidated on a 5:1 basis and the exercise price of existing Options will be adjusted inversely to the Consolidation.

- ² Options on issue have the following terms:
- (a) 2,000,000 exercisable at 7.5 cents each on or before 30 June 2007 - unlisted;
 - (b) 550,000 exercisable at 15 cents each on or before 30 June 2007 - unlisted;
 - (c) 382,000 exercisable at 25 cents each on or before 30 June 2007 - unlisted;
 - (d) 9,753,750 exercisable at 10 cents each on or before 31 December 2007 - unlisted;
 - (e) 4,250,000 exercisable at 15 cents each on or before 31 December 2007 - unlisted;
 - (f) 7,753,750 exercisable at 15c each on or before 31 December 2008 - unlisted;
 - (g) 7,021,107 exercisable at 25c each on or before 31 December 2008 - listed on the ASX
 - (h) 4,000,000 exercisable at 10 cents on or before 31 December 2009 - unlisted

- ³ Options to be issued pursuant to the Acquisitions have the following terms:
- (a) 30,000,000 exercisable at 10 cents each on or before 30 June 2009 - unlisted;
 - (b) 30,000,000 exercisable at 15 cents each on or before 30 June 2010 - unlisted;
 - (c) 40,000,000 exercisable at 20 cents each on or before 30 June 2011 - unlisted.

5. DETAILS OF THE OFFER

5.1 The Offer

By this Prospectus, the Company offers for subscription up to 62,500,000 Shares at \$0.04 each to raise up to \$2,500,000. Oversubscriptions of up to a further \$500,000 through the issue of up to a further 12,500,000 Shares at an issue price of 4 cents each may be accepted.

The Offer is subject to conditions. Refer to Section 5.5 for details.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

Investors should note that approval is being sought at the Annual General Meeting for a consolidation of the capital of the Company on a 5:1 basis. Accordingly, Shares applied for pursuant to this Prospectus (and the Shares and Options currently on issue) will be consolidated on a 5:1 basis before the Company's Shares are requoted on ASX (post Acquisitions).

5.2 Applications

Applications for Shares under the Offer must be made using the Application Form.

Payment for the Shares must be made in full at the issue price of \$0.04 per Share. Applications for Shares must be for a minimum of 62,500 Shares (\$2,500) and thereafter in multiples of 12,500 Shares (\$500). Completed Application Forms and accompanying cheques must be mailed or delivered to:

The Company Secretary
Horizon Global Limited
Suite 9, level 1
2 Short St
Double Bay NSW 2028

Cheques should be made payable to "Horizon Global Limited – Share Offer Account" and crossed "Not Negotiable". Completed Application Forms must reach one of the above addresses by no later than the Closing Date.

The Company reserves the right to close the Offer early or extend the Closing Date.

5.3 Oversubscriptions

The Company may accept oversubscriptions of up to a further \$500,000 through the issue of up to a further 12,500,000 Shares at an issue price of 4 cents each under the Offer. The maximum amount which may be raised under this Prospectus is therefore \$3,000,000.

5.4 Allotment

Subject to ASX granting approval for the Shares to be requoted on the Official List, satisfaction of the conditions of the Offer referred to in Section 5.5 and the minimum subscription being reached, allotment of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date. Prior to allotment, all application monies shall be held by the Company on trust. The

Company, irrespective of whether the allotment of Shares takes place, will retain any interest earned on the application monies.

The Directors reserve the right to allot Shares in full for any application or to allot any lesser number or to decline any application. Where the number of Shares allotted is less than the number applied for, or where no allotment is made, the surplus application monies will be returned by cheque to the applicant within seven (7) days of the allotment date.

5.5 Conditions of the Offer

The Offer is conditional upon:

- (a) Shareholders approving certain resolutions at the Annual General Meeting (refer to Section 5.8); and
- (b) the Share Sale and Purchase Agreements becoming unconditional.

If one or both of the conditions set out above are not satisfied, none of the Shares offered by this Prospectus will be allotted or issued. In these circumstances, all applications will be dealt with in accordance with the Corporations Act.

5.6 Minimum Subscription

The minimum subscription to be raised pursuant to this Prospectus is \$2,000,000.

If the minimum subscription has not been raised within four (4) months after the date of this Prospectus, all applications will be dealt with in accordance with the Corporations Act.

5.7 ASX Listing

The Company is listed on the official list of ASX. It is anticipated that trading in the Company's Shares will be suspended in accordance with Chapter 11 of the Listing Rules at the close of business on 9 November 2006. Chapter 11 of the Listing Rules applies when a company listed on ASX contemplates or undertakes the significant change in the nature and scale of its activities. The acquisition by the Company of Imagine Essential Services and Imagine Global constitutes a significant change to the nature and scale of the Company's activities. Accordingly, the Company must comply with Chapter 11 of the Listing Rules. Before the Shares of the Company can be reinstated to official quotation, the Company must re-comply with the admission requirements of Chapters 1 and 2 of the Listing Rules.

Following the issue of this Prospectus, the Directors are of the opinion that obtaining approval at the Annual General Meeting for certain resolutions, completion of the Acquisitions (refer Section 5.5), the Consolidation and the issue of Shares pursuant to this Prospectus are the outstanding matters required to enable the Company to comply with the admission requirements of Chapters 1 and 2 of the Listing Rules, with a consequential granting of re-quotation of the Company's Shares.

The Company will apply to ASX for Official Quotation of the Shares offered pursuant to this Prospectus. If ASX does not grant permission for Official Quotation of the Shares within three (3) months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, none of the Shares offered by this Prospectus will be allotted or issued. In that circumstance, all applications will be dealt with in accordance with the Corporations Act.

5.8 Shareholder Approvals and Change of Name

Horizon has investments in Horizon TV (Operations) Pty Ltd and Astrovision Australia Limited. A substantial amount of time and money has been invested in developing both businesses with no meaningful success to date. While the board of Horizon has not given up on the possibility that each business could eventually lead to the establishment of viable operations, the continued inability of their respective management to achieve the requisite milestones necessary to create such operations has now led to a lack of confidence.

Rather than continue to expend resources under such circumstances, the Board has determined to proceed with the Acquisitions.

In accordance with Chapter 11 of the Listing Rules, the Acquisitions constitute a change to the nature and scale of the activities of the Company. At the Annual General Meeting, which is anticipated to be held on 10 November 2006, Shareholders of the Company will consider, inter alia, the following resolutions:

- (a) the change in the nature of the Company's activities by the entry into the Share Sale Agreements in respect of the Acquisitions;
- (b) the approval of the issue of 525,000,000 Shares pursuant to the Share Sale Agreements;
- (c) the issue of up to 75,000,000 Shares pursuant to this Prospectus;
- (d) a consolidation of the capital of the Company on a 5:1 basis;
- (e) the election of Messrs Evans, Leahy, Gomes, Atkinson, and Beville as Directors; and
- (f) the change of name of the Company from Horizon Global Limited to Imagine Un Limited.

The Offer is conditional in the approval by Shareholders of these resolutions.

5.9 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction or to any person to whom it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law, and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify these Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of the Shares pursuant to this Prospectus. The return of a completed application form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained.

5.10 Underwriter

The Offer is not underwritten.

5.11 Commissions on Application Forms

The Company reserves the right to pay a commission of up to 3% (inclusive of goods and services tax) of amounts subscribed to any licensed securities dealers or Australian Financial Services licensee in respect of valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian Financial Services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian Financial Services licensee.

5.12 CHESS

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement and Transfer Corporation Pty Ltd (**ASTC**), a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASTC Settlement Rules.

Under CHESS, the Company will not issue certificates to investors. Instead, Share and Option holders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASTC will send a CHESS statement.

5.13 Risk factors

Prospective investors in the Company should be aware that subscribing for securities the subject of this Prospectus involves a number of risks. These risks are set out in Section 9 of this Prospectus and investors are urged to consider those risks carefully (and if necessary, consult their professional adviser) before deciding whether to invest in the Company.

The risk factors set out in Section 9, and other general risks applicable to all investments in listed securities not specifically referred to, may in the future affect the value of the securities. Accordingly, an investment in the Company should be considered speculative.

5.14 Share Price Information

In the 12 months before the date of this Prospectus the highest, lowest and latest trading price of Shares on ASX are as set out below:

Highest: 18.5c on 7 October 2005.

Lowest: 3.5c on 29 June 2006.

Latest 4.5c on 4 October 2006.

5.15 Privacy Statement

If you complete an application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers; regulatory bodies, including the Australian Taxation Office; authorised securities brokers; print service providers; mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the Share Registry at the relevant contact number set out in this Prospectus.

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

6. COMPANY AND PROJECT OVERVIEW

In recent years Horizon has made investments in two businesses.

The first, Horizon TV (Operations) Pty Limited (75% owned) has proved unsuccessful and the Horizon TV technology has not been able to be commercialized. Accordingly, the value of the investment has been fully provided for at 30 June 2006.

The second, AstroVision Australia Limited, was the focus of activity over the last 2 years but this, too, has proven unsuccessful due to the inability to raise the requisite funds to provide the required infrastructure for the project. The value of the investment has also been fully provided for at 30 June 2006.

It is the current intention of the Directors to keep a watching brief on both potential businesses, but not to commit any further significant funds to those investments.

Concurrent with the capital raising under this Prospectus is the acquisition by Horizon of Imagine Essential Services and Imagine Global, which is essentially a reverse listing of the Imagine Group on the official list of ASX. As a result, the market capitalization of the new Horizon / Imagine Group will be approximately \$24 million plus the capital raised under this Prospectus. Potential subscribers should refer to the pro forma balance sheets in Section 8 of this Prospectus to get a better understanding of the Imagine Group's financial situation.

The Imagine Group operates in the essential services market. Its founder, Richard Evans, identified an opportunity to provide advisory services to business owners regarding cost effectiveness in the purchase of essential services such as telephony, gas and electricity. The smaller to medium sized business owner often makes the decision on which service provider to deal through without full knowledge of the alternatives available. Not dissimilar to the mortgage model developed by Aussie Home Loans and Wizard, the Imagine Group firstly negotiated with the larger service providers on a bulk basis on the promise that it would deliver many new clients. It then proceeded to secure the clients through selling licenses to individuals giving them the right to offer businesses the lower cost service providers already contracted to the Imagine Group.

As a result of this model there are approximately 4,500 active clients availing themselves of the Imagine Group service. Importantly, the direct cost to the clients is zero and hence its attractiveness. It is the service provider who pays Imagine Essential Services (and its advisors) with an upfront fee and a trailing commission.

Given the attractiveness of this model, it is the belief of the Imagine Group that the potential market is very large because there are in excess of 3,000,000 Australian business enterprises that have valid ABN's (source: Australian Bureau of Statistics – Counts of Business - Summary Of Findings - June 2004). While some of these will be non-operative, it does indicate the relative size of the potential market. Moreover, in time, this can be supplemented by the vast residential market (7,500,000 Australian homes) which would be very attracted by reduced prices for essential services.

The Imagine Group's success to date in consolidating its business confirms that the time is right for offering a free, independent advisory service to small-to-medium size businesses and thereby aid in the complex decision making process associated with the essential services industry.

The ever-increasing competitive nature of the Australian business landscape is focusing the attention of the operator of small-to-medium sized business enterprises more and more on managing their cost base, and this fact alone has provided opportunity for the potential growth of Imagine.

7. DIRECTORS AND CORPORATE GOVERNANCE

7.1 Current Directors

Mark Richard Scott

Mr. Scott has an investment banking and corporate finance background. Director for ten years.

Paul Gregory Burge

Mr. Burge is a qualified accountant and company secretary with 20 years experience. Director for seven years.

Shubber Husnain Ali

Mr. Ali has a background in management consulting and strategic planning. Director for six months.

Intentions of Current Directors

Subject to the election of the Proposed Directors at the Annual General Meeting, the Directors of Horizon intend to retire shortly after completion of the Acquisitions.

7.2 Proposed Directors

A key component to ensuring the successful acquisition of Imagine Essential and Imagine Global is ensuring the Company has an experienced management team. The Board proposes that Messrs Evans and Leahy be appointed executive Directors of the company, and Messrs Gomes, Atkinson and Beville be appointed as non-executive Directors of the Company.

Resolutions for the elections of Messrs Evans, Leahy, Gomes, Atkinson and Beville as Directors will be considered at the Annual General Meeting.

Messrs Evans and Leahy have significant experience in the Essential Services Advisory Business, and will be responsible for the development of Imagine's business. Mr Gomes also has significant experience in the Essential Services Advisory Business. Mr Atkinson has significant experience in product development and business applications in the Asian region telecommunications industry. Mr Beville has significant experience in the Australian financial and investment markets.

Details of the Proposed Directors are as follows:

Mr Richard Evans (38)

Mr Evans had 3 years experience in the Australian Armed Forces before beginning his commercial career. He first entered the insurance industry, then became a financial planner and developed a financial services consultancy. He then expanded activities to the fashion industry and set up retail outlets in three states.

Mr Evans founded Imagine Essential Services in 2003 and has expanded the business concept to the extent that it is the prime mover in the Australian Essential Services Advisory industry.

Mr Evans is the public face of the Imagine Group and his focus is on the cultivation of Imagine's senior management team and the achievement of strong future growth in the industry.

Mr Thomas Leahy (52)

Mr. Leahy has over 30 years experience, the vast majority of this in the insurance sector where he held a number of top positions with Combined Insurance Group of America, part of the AON Group. His roles included VP Sales for Australia, VP and General Manager for New Zealand, and resident VP and CEO for Asia Pacific. He was also a director of two other companies within CIGA.

Mr. Leahy will perform the role of Managing Director and he is particularly focused on the development of the licensee and executive teams within the Imagine Group.

Mr Mark Gomes (46)

Mr. Gomes spent a number of years in the marine industry, gaining extensive experience in transport franchising. He then entered the telecommunications field and was instrumental in building a new payphone business model which went on to become Payphones Australia, one of the largest privately owned payphone businesses in Australia. Mr Gomes established the Imagine Group business with Mr Evans in 2003 and has performed the role of Managing Director since that time.

Mr Gomes will relinquish his role as managing director to Mr Leahy and serve as a non-executive Director.

Mr Mark Atkinson (46)

Mr Atkinson has an engineering and telecommunications management background. He started his career as a project manager for the Australian Army before joining Rockwell International, Lochard Australia, Siemens, and Boldworks. Mr Atkinson is currently the VP of Solutions (Middle East and Asia Pacific) for Deutsche Telekom.

Mr Atkinson brings technical and commercial experience in the Asian regional telecommunications industry to the Board, and in particular large service provider liaison skills. Mr Atkins will serve as a non-executive Director.

Mr Malcolm Beville (34)

Mr Beville worked in the Property Investment Division of Macquarie Bank before his current role of running the Beville Family businesses with his father, John Beville. He has experience and expertise from investments in venture capital, funds management, biotechnology, property acquisition and property redevelopment. Mr Beville has also established a medical research foundation that provides research grants and makes investments in biotechnology and life sciences.

Mr Beville brings financial market and investment experience to the Horizon Board. Mr Beville will serve as a non-executive Director.

7.3 Corporate Governance

The Directors monitor the business affairs of the Company on behalf of Shareholders and have adopted a corporate governance policy which is

designed to encourage Directors to focus their attention on accountability, risk management and ethical conduct.

The Board of Directors

The Company's Board of Directors is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (a) developing initiatives for profit and asset growth;
- (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- (b) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

No formal nomination committee or procedures have been adopted for the identification, appointment and review of the Board membership, but an informal assessment process, facilitated by the Chairman in consultation with the Company's professional advisors, has been committed to by the Board.

Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

Remuneration arrangements

The remuneration of an Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

The total maximum remuneration of Non-executive Directors is the subject of a Shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-executive Director.

At the Annual General Meeting a resolution will be put to Shareholders to set the limit at an aggregate amount of \$250,000 per annum.

The Board may award additional remuneration to Non-executive Directors called upon to perform extra services or make special exertions on behalf of the Company.

External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

Audit committee

The Company does not have a separate constituted audit committee. It is intended that a separate constituted audit committee will be established after the acquisition of the Imagine Group by Horizon.

Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

8. FINANCIAL INFORMATION

PRO-FORMA STATEMENTS OF FINANCIAL POSITION as at 30 June 2006

	Horizon Group Audited Accounts as at 30 June 2006	Imagine Group Audited Accounts as at 30 June 2006	Pro-Forma Post Prospectus Offer and Acquisition of Imagine Group as at 30 June 2006
	\$,000	\$,000	\$,000
<u>Current Assets</u>			
Cash assets	1,002	26	3,413
Receivables	3	480	483
Other financial assets	34	46	80
<u>Total Current Assets</u>	1,039	552	3,976
<u>Non Current Assets</u>			
Receivables	0	2,614	2,614
Plant & Equipment	0	358	358
Intangibles	0	12	993
<u>Total Non Current Assets</u>	0	2,984	3,965
TOTAL ASSETS	1,039	3,536	7,941
<u>Current liabilities</u>			
Payables	88	711	799
Loans	0	148	148
Tax	0	260	260
Provisions	0	16	16
<u>Total Current Liabilities</u>	88	1,135	1,223
<u>Non Current Liabilities</u>			
Loans	0	139	139
<u>Total Non Current Liabilities</u>	0	139	139
TOTAL LIABILITIES	88	1,274	1,362
NET ASSETS	951	2,262	6,579
EQUITY			
Contributed equity	18,339	0	5,238
Accumulated profits (losses)	(16,582)	2,262	2,147
Outside equity interests	(806)	0	(806)
TOTAL EQUITY	951	2,262	6,579

Notes

1. The pro-forma statement has been prepared under AASB 3 "Business Combinations".
2. The pro-forma statement has been prepared on the basis that \$2.5m is raised under this Prospectus from the issue of 62,500,000 Shares, and that 100% of Imagine Essential Services and 100% of Imagine Global is acquired by Horizon.
3. The pro-forma statement has been prepared to include the maximum amount that would be payable as commissions pursuant to the Prospectus Offer.

9. RISK FACTORS

9.1 Introduction

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

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

9.2 Key Risks to Horizon's Existing Businesses

The Directors are not aware of any specific risk factors that relate to Horizon TV Operations Pty Limited or Astrovision Australia Limited.

9.3 Key Risks to Imagine's Business Model

Dependence on Short Term Revenue From License Sales

The Imagine revenue model can be broken into three periods or phases:

- (a) phase 1 (the early years of the company's operation) has been funded primarily through licensee fees;
- (b) phase 2 (the transition period) where trailing commissions grow to match and eventually overtake the licensee sales revenue;
- (c) phase 3 (long term) where the bulk of revenues and profits are obtained through commissions through a large base of active members, as well as additional product lines and services and geographic expansion.

Until Imagine has fully transitioned to Phase 3 there is an exposure to risk should licensee sales falter.

Active Members

Tied to the licensee growth risk is the underlying risk associated with commissions generation, which is based upon licensees signing up active members i.e. converting potential members to "active" members through switching at least one of their services to an Imagine recommended vendor. People purchase licenses on the expectation of building a significant residual income stream through their base of active members. As the pool of licensees expands, the number of active members available must also grow in order to provide the commissions licensees are expecting to generate. Failure to expand active member base to support trailing commissions for existing licensees could negatively impact both relations with existing licensees as well as the ability to acquire significant numbers of new licensees.

Vendors

Imagine relies upon a base of attractive vendor agreements to be able to offer services to active members which generate both savings for those members and upfront and trailing commissions to Imagine and its licensees. The business strategy going forward requires that Imagine continue to secure substantial agreements with reputable vendors in order to keep offering attractive options to active members. As the base of active members grows, and the brand name

of Imagine expands, this should become an easier task, but the interim years will still prove challenging.

Expansion

The business strategy calls for expansion into a range of markets which present two challenges for the company - geographic expansion and expansion into other services that have existing competition.

Geographic expansion presents a risk in that it has historically proven challenging for small companies to successfully leave the Australian market, and a hands-on system such as Imagine will likely face the same hurdles.

The adjacent vertical market expansion, however, has different risks. The executive management in IES is not necessarily experienced in the provision of services in well developed markets such as mortgage advice, and thus may find it difficult to compete with established networks that provide similar services, even with a strong active member-licensee relationship in areas such as telephony and utilities.

Internal Threats

The critical internal risks faced by the business include the consequences of failing to achieve any or all of the following:

- (a) Provision of the level of support, training, guidance necessary to maintain the confidence of licensed entities in the IDT, and to ensure their ongoing commitment to continually developing their Imagine businesses;
- (b) Growing the business beyond the point where additional funding from shareholders is regularly required to cover any ongoing operational costs not fully covered by Imagine's share of trail payments;
- (c) Continuing to acquire sufficient volume of quality licensees to service the growth in membership;
- (d) Continuing to attract quality staff and management team members to support the growing administrative, accounting, legal and operational workloads that are a by-product of our rapid growth;
- (e) Retaining the services of key directors who have the integral understanding of the complexities involved in getting the business to where it is at, and where it is going, under their strong and clear direction; and
- (f) Attracting additional directors and non-executive directors who have the experience and skill sets to make an outstanding contribution to the IDT as Imagine continues to grow.

These risks are being addressed on a continual basis with all Directors having a clear understanding of the consequences of failing to achieve any of the required outcomes.

The fact that all key executive roles are filled by working Directors with shareholdings in the Company ensures that the first four of these areas are subject to constant attention as well as cross scrutiny by the Directors not directly involved in each activity.

The fifth risk, that of losing existing Directors (managed currently by shareholdings and option incentives for Directors with lesser shareholdings than the major shareholders), will always be present.

External Threats

The key external threat to the business would be the entry into the Essential Services Industry of an entity with substantial funds that sets up a directly competing venture, mirroring Imagine's IDT.

However, Imagine has a prime mover advantage with over 3 years start, an established licensed entity network, contracted providers, and 4,500 active members.

9.4 Additional Financing Requirements

The Directors expect that the proceeds of the public capital raising will provide sufficient capital resources to enable the Company to achieve its initial business objectives. However, the Directors can give no assurances that such objectives will in fact be met without future borrowings or further capital raisings and if such borrowings or capital raisings are required, that they can be obtained on terms favourable to the Company.

9.5 Regulatory Risk

The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of the Company and its shares. In addition there is a commercial risk that legal action may be taken against the Company in relation to commercial matters.

On 14 July 2006 the Australia Competition and Consumer Commission wrote to the Imagine Group outlining complaints received from undisclosed Imagine licensees regarding the advertising, promotion and sale of Imagine Licence Agreements. The Imagine Group has responded to the claim with numerous documents and the ACCC have indicated that no view has been concluded in relation to the issue. The Imagine Group's lawyers have advised that it may have an exposure for breach of the Trade Practices Act, but an estimate of any liability is unable to be provided at this time. Imagine has made changes to its business processes to reduce the likelihood of any breach of the Trade Practices Act in the future.

9.6 Unforeseen Expenditure Risk

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

9.7 Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

9.8 Additional Requirements for Capital

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

9.9 Reliance on Key Management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees ceases their employment.

9.10 Competition

There is a risk that the Company will not be able to continue to compete profitably in the Essential Services Advisory industry in the long term. The potential exists for the nature and extent of competition in the industry to change rapidly, which may cause loss to the Company.

9.11 Management of Growth

There is a risk that management of the Company will not be able to implement the Company's growth strategy after completion of the merger. The capacity of the new management to properly implement and manage the strategic direction of the Company may affect the Company's financial performance.

9.12 Share Market

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

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

9.13 Investment Speculative

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

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

10. MATERIAL CONTRACTS

Horizon has no material contracts which have terms of greater than 1 month before they can be terminated without penalty.

Imagine Essential Services has issued over 200 licenses under its distribution sales model. Each license details the basis of commissions payable to each licensee. The Directors believe that disclosure of the terms of any license to the public would be commercially inappropriate.

Imagine Essential Services has a number of contracts for supply of essential services. The Directors believe that disclosure of each supplier and the terms of each contract of supply would be commercially inappropriate.

Acquisition of Imagine Group by Horizon

As announced to ASX on 18 August 2006, the Company has entered into 2 share sale agreements in respect of the Acquisitions (**Share Sale Agreements**).

The summary of the material terms of the Share Sale Agreements are as follows:

- (a) Horizon will acquire a minimum of 92.84% of the ordinary share capital of Imagine Essential Services and 100% of the ordinary share capital of Imagine Global.
- (b) The consideration payable by Horizon for the acquisition of 100% of the shares of Imagine Essential Services is to be satisfied through the allotment and issue of 437,500,000 Shares, which, subject to regulatory approval, will rank pari passu in all respects with existing Shares on issue.
- (c) The consideration payable by Horizon for the acquisition of 100% of the shares of Imagine Global is to be satisfied through the allotment and issue of 87,500,000 Shares, which, subject to regulatory approval, will rank pari passu in all respects with existing Shares on issue.
- (d) The consideration payable by Horizon for the acquisition of the shares of Imagine Essential Services and Imagine Global also includes the issue to Mikael Pty Ltd or its nominees:
 - (i) 30,000,000 options to Shares at a strike price of 10c on or before 30 June 2009; and
 - (ii) 30,000,000 options to acquire Shares at a strike price of 15c on or before 30 June 2010; and
 - (iii) 40,000,000 options to acquire Shares at a strike price of 20c on or before 30 June 2011.

Mikael Pty Ltd is associated with Mr Richard Evans.

- (e) Completion of the transaction contemplated by the agreement is subject to a number of conditions precedent, including the following:
 - (i) Horizon completing its due diligence investigations on Imagine Essential Services and Imagine Global and the results of those investigations being satisfactory to the Board of Horizon, in its sole and absolute discretion;

- (ii) Horizon obtaining all necessary regulatory and Shareholder approvals required to complete the transactions, including those pursuant to the requirements of the Corporations Act 2001 and the ASX Listing Rules; and
 - (iii) Completion of both Acquisitions – if one Acquisition does not complete for any reason, neither Acquisition will complete.
- (f) The Share Sale Agreements contain warranties and indemnities in respect of the status of Imagine Essential and Imagine Global that is usual for an agreement of this type. The maximum amount which the Company may claim against the shareholders of Imagine Essential and Imagine Global for a breach of a warranty is 100% of the purchase price for the relevant acquisition.
- (g) The Imagine Essential shareholders and the Imagine Global shareholders covenant that during the period commencing on execution of the Share Sale Agreements and ending on the settlement of the Acquisitions, Imagine Essential and Imagine Global (as the case may be) will not, without the prior written consent of the Company, enter into any material transactions or incur any material liabilities or assets and essentially will maintain the status quote of the relevant company.
- (h) The Share Sale Agreements contain standard confidentiality clauses and other relevant clauses appropriate for an agreement of this type.

11. ADDITIONAL INFORMATION

11.1 Rights Attaching to Shares

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

(a) General Meetings

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

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

(b) Voting Rights

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

- (i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend Rights

Subject to the rights of persons (if any) entitled to shares with special rights to dividend the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

(d) Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in

kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other shares.

(e) **Transfer of Shares**

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

(f) **Variation of Rights**

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

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

11.2 Disclosure of Interests

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

- (a) As at the date of this Prospectus, the Directors and Proposed Directors have relevant interests in Securities as set out in the table below:

Director	Shares	Options
Mark Scott	8,421,474	4,000,000
Paul Burge	222,400	3,220,000
Shubber Ali	402,157	8,323,399
Richard Evans	0	0
Thomas Leahy	200,000	0
Mark Gomes	0	0
Mark Atkinson	0	0
Malcolm Beville	0	0

- (b) At the completion of the Acquisitions, the Directors and Proposed Directors will have relevant interests in Securities as set out in the table below:

Director	Shares	Options
Mark Scott	8,421,474	4,000,000
Paul Burge	222,400	3,220,000
Shubber Ali	402,157	8,323,399
Richard Evans	220,177,838	100,000,000
Thomas Leahy	11,137,500	0
Mark Gomes	63,437,500	0
Mark Atkinson	0	0
Malcolm Beville	0	0

11.3 Remuneration

The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting.

At the Annual General Meeting a resolution will be put to Shareholders to approve an aggregate limit amount of \$250,000 per annum.

The remuneration of executive Directors will be fixed by the Directors and may be paid by way of fixed salary or consultancy fees.

11.4 Fees and Benefits

Other than as set out elsewhere in this Prospectus, no:

- (a) Director or Proposed Director of the Company;
- (b) person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (c) promoter of the Company; or
- (d) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in the Prospectus as a financial services licensee involved in the issue,

has, or had within 2 years before lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Director or Proposed Director of the Company or for services rendered in connection with the formation or promotion of the Company or the offer of Shares under this Prospectus.

11.5 Consents

William Buck has given its written consent to being named as the auditor to the Company in this Prospectus and the inclusion of the audited accounts in Section 8. William Buck has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC. William Buck does not make, or purport to make, any statement in this Prospectus other than those referred to in this section and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

11.6 Restricted Securities

ASX has indicated that certain existing security holders of Imagine Essential Services and Imagine Global may be required to enter into agreements which restrict dealings in Securities held by them. These agreements will be entered into in accordance with the Listing Rules.

11.7 Expenses of the Offer

The total expenses of the Offer are estimated to range between \$100,010 and \$130,010 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Minimum Subscription \$	Full Subscription \$	Over Subscription \$
ASIC fees	2,010	2,010	2,010
Advisors fees	30,000	30,000	30,000
Commissions (1)	60,000	75,000	90,000
Printing	5,000	5,000	5,000
Miscellaneous	3,000	3,000	3,000
Total	100,010	115,010	130,010

(1) As detailed in 5.11 the Company reserves the right to pay a commission of up to 3% of amounts subscribed and accepted via licensed securities dealers or AFS licensees. At this time it is not possible to reasonably estimate the amount of such commissions. The amount detailed above is the maximum amount that would be payable as commissions.

11.8 Litigation

As at the date of this Prospectus, Horizon is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against Horizon.

On 14 July 2006 the Australia Completion and Consumer Commission wrote to the Imagine Group outlining complaints received from undisclosed Imagine licensees regarding the advertising, promotion and sale of Imagine Licence Agreements. The Imagine Group has responded to the claim with numerous

documents and the ACCC have indicated that no view has been concluded in relation to the issue. The Imagine Group's lawyers have advised that it may have an exposure for breach of the Trade Practices Act, but an estimate of any liability is unable to be provided at this time. Imagine has made changes to its business processes to reduce the likelihood of any breach of the Trade Practices Act in the future.

11.9 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Application Forms. If you have not, you may obtain a copy of the Prospectus from the Company's website at <http://members.iinet.net.au/~hzmnl>

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

11.10 Taxation

The acquisition and disposal of Shares in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

11.11 Forecasts

The Directors have considered the matters set out in ASIC Policy Statement 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

12. DIRECTORS' AUTHORISATION

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

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

Mark R Scott
Chairman

For and on behalf of
Horizon Global Limited

13. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

A\$ or **\$** means an Australian dollar.

Acquisitions mean the proposed acquisitions by the Company of all the issued capital of Imagine Essential Services and Imagine Global.

Annual General Meeting means the 2006 Annual General Meeting of Shareholders that will be held on or about 10 November 2006 to consider and approve amongst other things, the issue of Shares pursuant to this Prospectus and the Acquisitions.

Application Form means the application form accompanying this Prospectus relating to the Offer.

ASIC means Australian Securities & Investments Commission.

ASX means Australian Stock Exchange Limited (ABN 98 008 624 691).

Board means the board of Directors of the Company as constituted from time to time.

Business Day means a week day when trading banks are ordinarily open for business in Perth, Western Australia.

Company or **Horizon** means Horizon Global Limited (ABN 97 009 201 763).

Closing Date means the closing date of the Offer as set out in Section 4.3.

Consolidation means the proposed consolidation of the capital of the Company on a 5:1 basis to be approved at the Annual General Meeting.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company at the date of this Prospectus.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

Imagine means the business conducted by the Imagine Group as summarised in Section 6.

Imagine Essential Services means Imagine Essential Services Pty Ltd (ACN 104 433 098).

Imagine Global means Imagine Global Pty Ltd (ACN 114 620 692).

Imagine Group means Imagine Essential Services and Imagine Global.

Listing Rules means the official listing rules of ASX.

Offer means the offer of Shares pursuant to this Prospectus as outlined in Section 5.

Official List means the Official List of ASX.

Official Quotation means official quotation by ASX in accordance with the Listing Rules.

Option means an issued option to acquire shares in the capital of the company.

Proposed Directors means the proposed directors of the Company detailed in Section 7.2.

Prospectus means this prospectus.

Securities means Shares and Options.

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

Shareholder means a holder of Shares.

WST means Western Standard Time, Perth, Western Australia.

HORIZON GLOBAL LIMITED
ACN 009 201 763

OFFER APPLICATION FORM

Broker Code -----

Advisor Code -----

This Offer Application is important. If you are in doubt as to how to deal with it, please contact your stockbroker or professional adviser without delay. You should read the entire prospectus carefully before completing this form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the prospectus dated 29 September 2006.

Applicant's Details

Name of Applicant / Company Address of Applicant

I / we apply for ----- Shares, being the number of Shares in Horizon Global Limited at 4.0c per share or such lesser number of Shares which may be allocated to me/us (applications must be for a minimum of 62,500 Shares and thereafter in multiples of 12,500 Shares).

I / we lodge full Application Money of AUD \$ -----.

Enter your contact details

Contact Name Telephone Number – Business Hours

If CHES Participant:

Holder Identification Number (HIN) (if applicable)

I/We whose full name(s) and address appear above hereby apply for the number of New Shares shown above or such lesser number of Shares which may be allocated to me/us by the Directors under the Prospectus on the terms set out in the Prospectus. I/We acknowledge that the Company will send me/us a paper copy of the Prospectus and any Supplementary Prospectus (if applicable) free of charge if I/we request so during the currency of the Prospectus. I/We have received personally a copy of the Prospectus accompanied by or attached to this Application Form or a copy of the Application Form or a direct derivative of the Application Form before applying for Shares.

CHEQUE DETAILS

Please make your cheque or bank draft payable to "Horizon Global Limited Subscription Account"

Drawer Cheque Number Account Number BSB Number Amount

Cheques should be made payable to "Horizon Global Limited Subscription Account", crossed "NOT NEGOTIABLE" and forwarded to Horizon Global Limited, Suite 9, Level 1, 2 Short Street, Double Bay, New South Wales, 2028 to arrive no later than the Closing Date of 31 October 2006.

Declaration

This Application Form does not need to be signed. By lodging this Application Form and a cheque for the application money this Applicant hereby:

- (1) applies for the number of New Shares specified in the Application Form or such lesser number as may be allocated by the Directors;
- (2) agrees to be bound by the constitution of the Company; and
- (3) authorises the Directors to complete or amend this Application Form where necessary to correct any errors or omissions.

HOW TO COMPLETE THIS OFFER APPLICATION FORM

Registration Name(s)

The Shares will be registered in the name(s) and address(es) provided under "Applicant's Details" and cannot be changed. If you wish to change your address for this holding please contact the Company Secretary at the address below or call (02) 9362.5014 for an appropriate form. If you are a CHES participant contact your sponsoring broker.

Securities Applied For

Enter the number of Shares you wish to apply for. The application must be for a minimum of 62,500 Shares (AUD \$2,500). Applications greater than 62,500 Shares must be in multiples of 12,500 shares. (AUD \$500).

Application Moneys

Enter the full amount of Application Money, calculated by multiplying the number of Shares applied for by the price of 4c per Share.

Contact Details

Enter your contact details. These are not compulsory but will assist us if we need to contact you.

CHES

Horizon Global Limited (the Company) will apply to the ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Stock Exchange Limited. In CHES, the company will operate an electronic CHES sub register or security holdings and an electronic Issuer Sponsored sub register of security holdings. Together the two sub registers will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of Shares allotted. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold Shares allotted to you under this Application on the CHES sub register, enter your CHES HIN. Otherwise, leave this section blank and on allotment, you will be sponsored by the Company and allocated a Security Holder Reference Number (SRN).

Payment

Make your cheque or bank draft payable to "Horizon Global Limited Subscription Account" in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian Bank.

Complete the cheque details. The total amount must agree with amount calculated as the full amount of Application Money.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Attach your cheque(s) to the Offer Application Form. Cash will not be accepted. Receipt for payment will not be forwarded.

Before completing the Offer Application Form the applicant(s) should read the Prospectus to which this application relates. By lodging the Application Form, the applicant agrees that this application for Shares in Horizon Global Limited is upon and subject to the terms of the Prospectus and the Constitution of Horizon Global Limited, agrees to take any number of Shares that may be allotted to the Applicant(s) pursuant to the Prospectus, and declares that all details and statements made are complete and accurate. It is not necessary to sign the Offer Application Form.

Lodgement of Offer Application Form

Offer Application Forms must be received at the Registered Office of the Company by no later than 5:00 pm (AEST) on 31 October 2006. Return the Offer Application Form to Suite 9, Level 1, 2 Short St, Double Bay, NSW, 2028, Australia.

Privacy Statement

Personal information is collected on this form by Advanced Share Registry Limited ("Advanced") as registrar for Horizon Global Limited, for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Advanced, or you would like to correct information that is inaccurate, incorrect or out of date, please contact Advanced. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by Horizon Global Limited in addition to general corporate communications. You may elect not to receive marketing material by contacting the Company Secretary using the details provided on the front of this form.

If you have any enquiries concerning your application, please contact the Company Secretary, Mr Paul Burge, on (02) 9362.5014.