



Simplified Disclosure Prospectus

for a One for One Renounceable Rights Issue of up to
673,663,985 Ordinary Shares at NZ 1.25 cents each by

Wellington Drive Technologies Limited

Note: This Offer Document is a Simplified Disclosure Prospectus (as permitted under Regulation 9 of the Securities Regulations 2009) for an offer of shares of the same class as the shares of the issuer already listed at the time of the Offer. Wellington Drive Technologies Limited is subject to a continuous disclosure obligation that requires it to notify certain material information to NZX for the purpose of that information being made available to participants in the NZSX market operated by NZX.

Wellington Drive Technologies Limited

(A company registered under the Companies Act 1993 as No: 311055)

SIMPLIFIED DISCLOSURE PROSPECTUS **as at and dated 6 January 2011** **(“Offer Document”)**

For a renounceable offer to existing shareholders of one ordinary share for every one ordinary share held, up to a maximum of 673,663,985 shares, at a price of NZ 1.25 cents each to raise \$8.42 million.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Offer Document is a Simplified Disclosure Prospectus prepared in accordance with Schedule 10 of the Securities Regulations 2009 relation to the offer (the “Offer”) by Wellington Drive Technologies Limited (“Wellington” or the “Company”) to Eligible Shareholders of one new ordinary share (“New Shares”) for every one ordinary share held. The New Shares will rank equally, in all respects, with Wellington’s existing ordinary shares listed on the NZSX.

A copy of this Offer Document, signed by or on behalf of the Directors of Wellington, and having endorsed or attached thereto the market announcements referred to on page 25 of this Offer Document, the latest financial statements of the Wellington Group being those for the year ended 31 December 2009, the latest interim financial statements of the Wellington Group being those for the six-months ended 30 June 2010 and the relevant authorities where an agent has signed this Offer Document on behalf of a Director (being the documents required by section 41 of the Securities Act 1978) has been delivered to the New Zealand Registrar of Companies for registration as required by section 42 of the Securities Act 1978.

This Offer Document is an important document and should be read carefully and in its entirety. Investors should consider the risks that are associated with an investment in the New Shares, particularly with regard to their personal circumstances (including financial and tax issues). A summary of the principal risks associated with the Wellington Group and the New Shares is set out in section 4 of this Offer Document.

Wellington is a company listed on the NZSX and is therefore subject to the continuous disclosure obligations of the NZSX Listing Rules. The NZSX Listing Rules generally require Wellington to notify certain material information to NZX, for the purpose of that information being made available to participants in NZX’s market.

If you do not understand or are in any doubt as to how to deal with this document, you should contact your sharebroker, solicitor, accountant or other professional adviser immediately.

Special provisions apply to Shareholders with registered addresses outside New Zealand and Australia. Such persons should read Section 5 of this Offer Document. Shareholders in Australia should also read Section 5 of this Offer Document.

This Offer Document has been prepared in accordance with the Securities Act 1978 and the Securities Regulations 2009. All New Zealand legislation can be viewed online at www.legislation.govt.nz.

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1. CHAIRMAN'S LETTER

Dear Shareholder

On behalf of the Board of Directors of Wellington Drive Technologies Limited ("Wellington" or the "Company"), I welcome and strongly encourage your participation in a NZ\$8.4 million capital raising at a critical point in our transition to faster growth.

I realise that this capital raising will not have been expected and I assure shareholders that we are not undertaking it lightly. Additional capital is required because the significant reduction in inventory level targeted in the Company's interim report has been delayed and gross margin performance for the year has been well below expectations due to a number of unforeseen factors.

The inventory impact is due to two main factors: delays in the implementation of new supply chain management disciplines; and a major customer's projected 4th quarter deliveries for Wellington's ECR commercial refrigeration motors being unexpectedly reduced (although orders from this customer for the first quarter of 2011 remain strong). In addition, a major customer for Wellington's ventilation products delayed the timing of shipments while awaiting China import clearance.

The combined outcome of these issues is that the Company will finish 2010 with levels of inventory significantly in excess of those projected.

While Wellington has continued to win new business for its ECR commercial refrigeration products, meeting customers' short notice order requirements has necessitated a greater level of airfreight costs than normally expected. Also, a decline in the value of the Euro has impacted pricing, leading to reduced returns within the ventilation business and overall margins below expectations.

This outcome must be seen in the context of increasing demand for Wellington refrigeration products, supported by a strongly developing global trend towards high efficiency EC motors.

Wellington is now achieving significant sales growth and ends 2010 with order indications for 2011 that are strong (see the graph below setting out the Group's sales performance by quarter). Increased production is needed to satisfy this increase in demand, coming principally from customers that we have worked hard to secure. As a consequence, Wellington finds itself in the position of needing to place orders now for materials and related production equipment and to maintain sufficient inventory to meet this demand. The Board and management believe this is the better alternative to being forced to reduce production and inventory at the point in time when our products are seeing the levels of success that we have all been working to achieve.

While every effort will be made to reduce inventory holdings, we are also mindful of not inducing production disruptions similar to those caused by the externally driven supply issues that affected performance in 2010. This would risk the market position and future demand for our products that Wellington has established.

The recent performance of the Company is not acceptable to the Board or management. Many changes have been made, and are being made, to improve operating and financial performance. The Company has made several appointments to strengthen operations management, forecasting processes and manufacturing management. Inventory and other working capital management processes are also being reviewed and further improved.

The Board and management have considered the best course of action for the Company and are preparing now for increased sales in 2011. We are targeting working capital improvements in the first half of 2011 as a result of better manufacturing and logistics controls, coupled with the increased level of knowledge we now have as to our customers' demand characteristics and profile.

I am disappointed that the business needs to be raising capital again. Despite that, the Board and management continue to believe that Wellington is well-positioned to take advantage of the global switch to EC motors and to become a profitable and growing business.

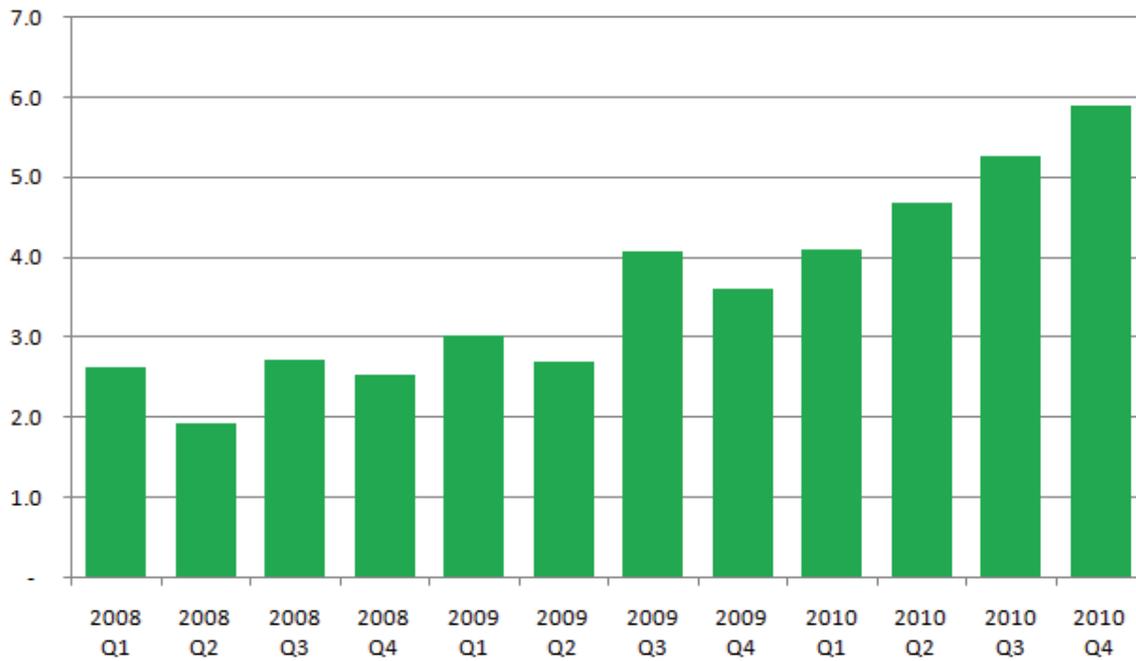
Continuing growth requires more capital. While it is regrettable that we need to come to shareholders at this point in time, we have decided to undertake a rights offering as being in the best interests of the Company's expansion and long term success.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'T Nowell', with a stylized flourish at the end.

*Tony Nowell
Chairman*

Product Revenue (US\$m)



Set out above is the Group's quarterly sales performance figures, based on monthly sales data from Wellington's management accounts. The December quarter 2010 figure includes the provisionally calculated sales for December 2010 which are subject to final verification. Any movement from the provisional December 2010 figures used is not expected to result in a material variation in the amount shown above for the December 2010 quarter.

2. OFFER SUMMARY AND IMPORTANT DATES

The Terms of the Offer - Summary

Rights issue entitlement basis	One New Share for every one existing Share
Application Price per New Share	\$0.0125 payable on 2 February 2011
Fully paid shares on issue prior to the Offer	673,663,985
Maximum number of New Shares offered	673,663,985
Rights issue size	Approximately \$8.42 million
Over Subscriptions	If you held Shares on the Record Date and accept your entitlement in full, you may apply for additional New Shares at \$0.0125 each
Class of New Shares	The New Shares rank pari passu with Wellington's existing ordinary shares in all respects

Important Dates

Registration of Offer Document	6 January 2011
Rights trading commences on the NZSX. Existing ordinary shares quoted "Ex-Rights" on the NZSX	11 January 2011
Record date for calculation of entitlements under the Offer	13 January 2011
Offer Document and Entitlement & Acceptance Form mailed to shareholders	17 January 2011
Quotation and trading of Rights ceases on the NZSX	27 January 2011
Closing date for receipt of applications or renunciations, together with payment of the Application Monies	2 February 2011
Allocation and allotment of New Shares	4 February 2011
Expected trading in New Shares	4 February 2011
Mailing of securities transaction statements	9 February 2011

The Offer timetable and any references to those events throughout this Offer Document are subject to change and are indicative only. The Company may withdraw the Offer at any time before the New Shares are allotted, at its sole discretion.

The Company reserves the right to amend the dates and times without prior notice (subject to the Securities Act 1978, NZSX Listing Rules and filing a memorandum of amendments to this Offer Document with the Registrar of Companies). Any changes are subject to NZX approval and will be announced on the NZSX, with such announcements deemed to be notice to Applicants under the Offer.

3. ABOUT WELLINGTON

Summary

Wellington's business is focused today on two segments of the global electric motor market – Commercial Refrigeration and Ventilation. The Company's technology and capability could be applied in other segments of the motor industry, and it remains the Company's intention to expand into other segments once strong positions in Commercial Refrigeration and Ventilation are secured.

2010 was disappointing and difficult for Directors, management and staff. Electronic component shortages – due to resurgent demand as the effects of the global financial crisis began to ease - meant the Company was unable to fully capitalise on the increase in orders in the first half year.

Demand for Wellington's products continues to grow, particularly for its Commercial Refrigeration products. However, the manufacturing function has struggled to deal with new product introductions during a period of component shortages, together with short notice customer demands for product supplies.

Adverse movements in the Euro exchange rate reduced returns from our Ventilation business. In aggregate, these difficulties have impacted on the Company's financial performance and increased its requirements for cash.

Despite these short term issues, Wellington is finishing the year with solid order indications for 2011 and a much improved supply position. Wellington is establishing stronger relationships with the leading customers in our target segments. Market response to the products released during 2010 has been encouraging, and forward orders are strong.

Recent appointments and other changes are improving the capability of Wellington's supply chain, manufacturing and engineering. Directors and management are confident that improved operating and financial performance will result in 2011.

Commercial Refrigeration

The key trends within the Commercial Refrigeration business that were noted in the Company's interim report have continued. Indications of strong demand in 2011 are being converted into actual orders for the first quarter of next year. Wellington needs to and is gearing up for increases in production and sales. The market's switch to EC motors continues, with new customers demanding EC motors and customers that first bought smaller volumes during 2010 indicating or ordering substantial increases in purchases for 2011.

Volume sales of new products – polymer (plastic) bodied ECR82 and ECR92, ECR One and the ECR85/95, began in the second half of 2010 – though sales were, and are, constrained by production levels. Market reception has been positive and Wellington is positioning for ongoing growth of these products in 2011. The component shortages that hampered production, sales and margins throughout 2010 were reducing by year end. Wellington is now better positioned to supply customers for the first quarter of 2011, and our supply capability is continuing to improve.

A summary of the market conditions and outlook for Commercial Refrigeration by geographical region follows:

Latin America

Latin America – principally Mexico – remains the largest Commercial Refrigeration market for Wellington. Our largest customer is Imbera, the refrigeration equipment manufacturing division of Coca-Cola FEMSA. Demand throughout the region for high efficiency motors is being driven by sustainability initiatives by major purchasers of bottle coolers and vending machines – spearheaded by Coca-Cola. Regional electricity prices are also high, and are very high compared to average income levels, providing a strong incentive to adopt electricity-saving measures.

Wellington has consolidated a market leading position in Mexico, and is expanding into other Latin American markets, particularly Brazil where the first permanent employee has been appointed. The Brazilian economy is growing rapidly so Brazil is a high potential market for EC motors. Wellington's established position in Mexico gives it a head start in the Brazilian market, where many of our Mexican-based customers, including Coca-Cola FEMSA and Imbera, are active. The recent appointment in Brazil follows two years of initial marketing activity by our Mexico-based team, and some initial sales.

Europe

Growth in sales in Europe is expected to continue. A number of OEM customers with whom Wellington has long-established relationships, but small sales to date, are adopting EC motors on a larger scale so indicated demand levels for 2011 are strong. EC motors are still a small proportion of their overall demand so growth should continue for the medium term. Wellington has invested in maintaining the support of these customers and prospects through the difficult supply conditions in 2010.

Wellington is also now expanding in Europe via a distributor model, to sell to smaller customers. Distributors have been appointed in the United Kingdom and some other markets and discussions are under way for other key regions in Europe. To support this increased activity, Wellington is growing its sales and applications engineering team in Europe.

A further example of Wellington's positive progress is the negotiation regarding multi-year supply of ECR motors between Wellington and a multinational manufacturer of point of sale beverage cooling equipment. This company has been a customer of Wellington on a moderate and increasing scale since 2005. The supply agreement has been under negotiation for several months with a view to completing these discussions in early 2011. If this negotiation is successfully concluded (which is not guaranteed at this time), these arrangements have the potential to provide Wellington with significant levels of new customer sales.

USA

The key development in the US market has been a rapid build in demand for "retrofit" installation of EC motors to reduce electricity bills. Retrofit projects involve the upgrade of motors in refrigeration equipment in supermarkets, convenience stores, restaurants and other outlets.

Much of this activity is driven by rebates and subsidies offered by some US states and by many regional electricity companies. Two of Wellington's new ECR products – the ECR One and ECR85/95 – are designed for retrofit use and customer demand has been strong, resulting in pre-orders by customers concerned to secure supplies.

The full launch of Wellington's products through its distribution arrangement with A O Smith Corporation occurred in November 2010.

Asia

Asian adoption of EC motors has lagged other geographies due to the price premium for EC motor products, and the comparatively low (sometimes subsidized) electricity costs in some major Asian countries. As a result, Wellington's current sales to this region are small. This is changing, due to an increasing focus on energy saving and efficiency in some major regional economies, particularly China. Strong percentage growth is expected from a low base in 2011, with sales to several notable companies in the region, including Sanyo and Haier, having begun. Wellington is planning to open a small representative office in China that will facilitate sales to the Chinese domestic market and assist with the management of Wellington's Chinese supply chain.

Ventilation

Wellington's Ventilation business is dominated by two customers – Ziehl Abegg AG and JE StorkAir, part of the Zehnder Group (Switzerland).

This business has had a very difficult year, for external and internal reasons.

The external environment was especially challenging for Ventilation, largely due to the shortage of electronic components combined with the new product introductions. In this difficult environment, Wellington's manufacturing struggled to cope with the simultaneous introduction and ramping to volume of three new product lines, resulting in delays to product availability and lost sales in conditions of high customer demand. This was most disappointing. The result was a substantial build up in raw material and WIP inventory that was disclosed in the Company's interim result, and revenues and margins well below expectations. Wellington also incurred significant unbudgeted costs as product had to be air-freighted to customers to meet essential delivery deadlines.

The financial performance of Ventilation was affected by the substantial decline in the Euro that occurred mid-year. Until recently, most of Wellington's Ventilation sales were invoiced in Euros but product costs are largely denominated in USD. The currency movement resulted in an immediate deterioration in gross margins.

In response to these issues, substantial changes have been made in this business. Following renegotiations that required much of 2010 to complete, most of the Company's Ventilation business will now be invoiced in US dollars, although this will only take effect in early 2011. This will improve margins and reduce currency risk. Cost reduction programs are under way and will result in further margin improvements later in 2011 and into 2012.

Wellington's manufacturing was insufficiently prepared for the demands placed upon it during 2010. Actions have been taken to strengthen the supply chain and manufacturing operations overall, including establishment of the new post of Chief Operating Officer Singapore. Mr KS Lim started in this role on 2 September 2010, joining Wellington after a 20-year career in high volume advanced manufacturing (including most recently as General Manager of Celestica's operations in the region). Mr Lim is responsible for the Company's entire supply chain and its development. This appointment, and others already made or in progress, together with other changes, should improve supply chain performance during 2011.

The focus for Wellington's Ventilation business during 2010 was on launching the new products developed for Ziehl-Abegg. This proved much more difficult than expected. The launch phase is now largely complete. Management focus has now shifted to how Ventilation can become a high performing business, with several strategic approaches being considered.

4. RISKS

Investment risks

The principal risks to you as an investor in the Company's shares are that you may not be able to recover all or part of your investment and that you may not receive the level of returns you expect. That could happen for a number of reasons, including the Company not being as successful as investors expect or as rapidly as investors expect, the Company becoming insolvent or liquidated or being otherwise unable to pay liabilities and/or make distributions, the share market reducing its assessment of the Company's value and/or the Company's shares being illiquid and/or not trading sufficiently to enable you to sell your shares. In respect of the Rights, if the allotment of the New Shares does not proceed for any reason, then the Rights will not have any value.

Commercial risks

All businesses face generic risks, which also apply to the Company. However, the Company's business is the commercialisation of a new electric motor technology. Commercialisation of a new technology is inherently a high-risk activity. The current stage of the Company's development means that it is a higher risk investment than a more mature business and Wellington faces a wider range of potential variances to its future financial performance. In addition to the risks typically associated with any business, such as the global economic environment (which continues to be very uncertain), special trade factors or risks faced by the Company include the following:

- Material changes in key commodity prices (copper, steel, aluminium) or costs in the jurisdiction of the Company's suppliers may result in material increases in the prices for components charged to the Company by its suppliers.
- Wellington's longer term order levels are normally only projected and do not represent binding commitments.
- Any substantial shortfall in, or high variability in, the Company's sales volume would likely have negative consequences for Wellington's ability to access the volume-dependent prices that it has negotiated with manufacturing suppliers, resulting in a negative impact to earnings.
- The Company is engaged in a significant programme of work to reduce the per unit manufacturing cost of its products. This work may not achieve the targeted reduction in costs or the cost reduction may take longer than expected to work through the Company's supply chain, either of which will delay or reduce gross margin improvement during 2011.
- Prices could be materially lower than forecast as a result of competitor actions or as a result of a reduction in overall market demand.
- A repeat of the shortage of electronic components that affected companies in many industries, including the Company, during 2010 might occur, resulting in an inability to meet customers' orders for the Company's products within the timeframes set for those orders.
- Wellington's bad debt provisions are intended to cover small trading accounts only. Because the Company's customer base is concentrated amongst a few large customers, no bad debt provisions are made against these large customers. If a significant customer were to become financially distressed or for any other reason were to become unable or unwilling to meet its commitments to Wellington, the Company's bad debt provisioning would likely turn out to be

inadequate. Delays by customers in meeting their financial commitments to Wellington can also place considerable pressure on its working capital needs.

- The Company has assumed that there is no change to the Company's existing financing arrangements regarding trade credit. The Company's ability to finance its activities could be materially affected by a restriction in trade credit finance.
- Potential and/or existing customers may not have sufficient justification to convert to or retain usage of the Company's products. This could happen for a number of reasons including: the benefits provided by the Company's products not being valued sufficiently by potential customers, customers' and potential customers' own businesses being under pressure due to competitive, economic or other reasons, the Company not providing access to its products in a manner in which potential customers wish to proceed, the Company's raw material or component costs making its pricing either uncompetitive or unprofitable, or the Company failing to deliver to customer expectations or to a development programme's specifications.
- Potential customers moving slowly to adopt the Company's products, which would have the effect of increasing the losses incurred by the Company.
- Failure of the Company's electric motors or electric motor assemblies whilst in use could cause damage to persons or property which is not covered by the Company's insurance policies and/or which could have a negative impact on customers' and potential customers' perception of the Company and its products.
- Although the Company's designs are covered by various patent claims, confidentiality agreements and/or proprietary methods which are not publicly available, competitors could circumvent the Company's intellectual property protection (via legal or illegal means) and potentially provide equivalent or superior products.
- Although the Company's products are known in the market place through actual sales (and through marketing and sales activity) and are not believed to infringe the intellectual property rights of third parties, the Company's designs could be found to breach patents held by other parties, and/or the Company's products could be alleged (with or without grounds) to have breached the rights of third parties, requiring the Company to undertake legal defences which might absorb a significant portion of the Company's cash and manpower resources.
- Other parties may breach the Company's patents or other rights, requiring the Company to undertake legal actions which might absorb a significant portion of the Company's cash and manpower resources.
- Competitors could develop and release products superior to the Company's products.
- A substantial reduction in primary energy (e.g. oil, gas etc.) prices might reduce the legislative imperative towards energy efficiency in major markets and render the Company's products less attractive to its customers.
- The loss of key management, sales and/or product development staff could have a negative impact on the Company's operations.
- The current Offer may not achieve the full level of subscription, or if it is fully subscribed, the funds available to the Company may be insufficient to meet its objectives, which might require the Company to raise additional capital by the issue of further shares in the future. If the Offer is not well supported, then the Company may be required to materially reduce or restrict the

scope of its operations, investment and future plans as a consequence of the lower amount of funding received. Any such reduction or restriction could, in turn, have a substantial negative impact on the future financial performance, sustainability and growth of the Company.

- Regulatory or legislative changes could negatively affect the Company, including potential changes in tariffs, taxes, market access or the current legislative requirements and encouragements in respect of energy efficiency.
- The Company sells its products and services in other currencies, principally the Euro, British Pound and US dollar. Although the currency risk created by this is partially hedged because the Company buys some components and raw materials in US dollars, a strengthening of the New Zealand dollar against the Euro, British Pound and/or US dollar could have a negative impact on the profitability of the Company.
- Although insurance cover is held, significant damage or destruction of the Company's premises could have a negative impact on the Company's ability to carry on its business.
- Any financial difficulty, natural disaster or other issue which leads to Wellington's key contract manufacturers stopping or reducing production for an extended period of time may cause delivery of product to Wellington being delayed and affect Wellington's ability to meet customer orders.

5. DETAILS OF THE OFFER

The Offer

The Offer is made by Wellington Drive Technologies Limited, which has its registered office at 16-22 Omega Street, North Harbour, Auckland 0632, New Zealand.

The Company offers to existing Shareholders with registered addresses in New Zealand or Australia further ordinary shares ("New Shares") in the Company in the ratio of one New Share for every one ordinary Share in respect of which the existing holder is registered as holder in the Company's share register at 5.00pm on 13 January 2011 (the "Record Date").

Your entitlement ("Entitlement") is shown in the Entitlement and Acceptance Form distributed with this Offer Document.

The New Shares being offered are ordinary shares ranking for dividend and in all other respects *pari passu* with the existing ordinary Shares in the Company.

The maximum number of new Shares being offered is 673,663,985 and the maximum amount to be raised is NZ\$8,420,799.81.

The timetable for the Offer is set out in Section 2 of this Offer Document.

Application Price

The price payable by Eligible Shareholders for the New Shares is NZ 1.25 cents per New Share (the **Application Price**) payable in full on application. Please refer to Section 6 of this Offer Document for details as to how to make payment.

The Application Price has been set at a discount to the market price of existing Shares as at announcement of the proposal to make the Offer. The market price of existing Shares may change (i.e., increase or decrease) between the date of this Offer Document and the date that the New Shares are allotted. Any changes in market price will not affect the Application Price that an Eligible Shareholder is required to pay for New Shares but the market price of the New Shares following allotment may be higher or lower than the Application Price.

Acceptance or Renunciation of Rights

The Offer is renounceable, which means that Eligible Shareholders who do not wish to subscribe for some or all of their Entitlement may sell or otherwise transfer their Rights to all or any part of their entitlement. To do so, you should complete the steps set out on the reverse of the Entitlement and Acceptance Form distributed with this Offer Document.

Rights trading is expected to commence on the NZSX on 11 January 2011 and cease on the NZSX on 27 January 2011.

If both a renunciation and an acceptance are received in relation to the same Rights, the renunciation will take priority.

NZSX Listing

Application has been made to NZX to quote the Rights on the NZSX. All requirements of the NZX relating to the listing of Rights that can be complied with on or before the date of this Offer Document have been duly complied with. If you wish to sell any of your Rights or purchase further Rights on this market you should contact your sharebroker or any other NZX Firm.

The New Shares have been accepted for listing by the NZX and Wellington will take steps to ensure that the New Shares, immediately after allotment, are quoted upon completion of the allotment procedures. However, NZX accepts no responsibility for any statement whatsoever in this Offer Document. The fact that NZX has approved the New Shares for quotation is not to be taken in any way as an indication of the merits of the Offer or the Company.

NZX is a registered exchange under the Securities Markets Act 1988.

Oversubscription Facility

Eligible Shareholders may apply for more New Shares than their entitlement through the Oversubscription Facility at the same Application Price of \$0.0125 each. Eligible Shareholders may apply for any number of Additional New Shares but there is no guarantee that they will be allocated any or all of the Additional New Shares applied for.

The number of New Shares available under the Oversubscription Facility will be equal to the number of New Shares for which valid applications have not been received by the closing date.

The number of New Shares available in the Oversubscription Facility will be allocated, subject to there being sufficient number of New Shares available in the Oversubscription Facility, as follows.

Applicants will be allocated the lesser of:

- the number of Additional New Shares applied for by the applicant under the Oversubscription Facility; and
- the applicant's pro-rata proportion of the total number of New Shares available in the Oversubscription Facility determined by shareholdings of all applicants at the Record Date.

Any remaining unallocated Additional New Shares following the allocations set out above will be allocated amongst the remaining unsatisfied applicants on the same basis as above, until all New Shares have been allocated.

These allocations are subject, in each case, to Wellington's right to limit the allotment of Additional New Shares to any person when that allotment may result, or be likely to result, in that person materially increasing their ability to exercise, or direct the exercise of, effective control of Wellington (causing NZSX Listing Rule 7.5 to be triggered) or when NZSX Listing Rule 9.2.1 would be triggered by such allotment.

If it is necessary to scale back applications for Additional New Shares, the overpayment will be refunded to applicants when security transaction statements are issued and will not bear interest.

No applicant for Additional New Shares will be allocated any greater number of Additional New Shares than the number for which they have applied and paid for. Any fractional entitlements will be ignored.

Allotment

New Shares are expected to be allotted on 4 February 2011. Statements for New Shares will be issued and mailed in accordance with the NZSX Listing Rules.

Relationship between New Shares and existing Shares

New Shares issued on completion of the Offer are of the same class as existing Shares previously issued by the Company and that are listed on the NZSX under the code WDT. As

such, each New Share will be fully paid and rank pari passu (equally) in all respects with other fully paid existing Shares. Each New Share will confer on the holder the rights described in the Company's constitution and as provided for in the Companies Act 1993 including the right to:

- (a) one vote on a poll at a meeting of Shareholders;
- (b) an equal participation with all other Shares in any dividend declared after the issue of the New Shares;
- (c) an equal participation with all other Shares in the residual assets on a liquidation of the Company;
- (d) be sent reports, notices of meetings and other information sent to Shareholders; and
- (e) any other rights as a Shareholder conferred by the Company.

Applicants for New Shares will be bound by the Company's constitution and terms of the Offer set out in this Offer Document.

Application

Instructions on how to apply for New Shares under the Offer are set out in section 6 of this Offer Document entitled 'Action required by Eligible Shareholders'.

If you are an Eligible Shareholder you may take one of the following actions in respect of your entitlement:

- accept your entitlement in full; or
- accept your entitlement in full and apply for Additional New Shares; or
- accept part of your entitlement and sell the balance of your entitlement; or
- sell your entitlement in full; or
- do nothing.

Important: If you do nothing you will be deemed to have elected not to subscribe for your entitlement to New Shares. If you apply to take up some but not all of your entitlement to New Shares you will be deemed to have not taken up your entitlement to the balance of New Shares. The New Shares represented by the entitlements not taken up (i.e., those not subscribed for) may be purchased by other investors by way of the Oversubscription Facility or otherwise and your shareholding will be diluted.

A properly completed Entitlement and Acceptance Form, together with payment of the Application

Price of NZ 1.25 cents per New Share must be received by Computershare Investor Services Limited no later than 5:00 p.m. on 2 February 2011.

Wellington reserves the right to accept late applications but has no obligation to do so. Wellington reserves the right to accept or reject (at its discretion) any Entitlement and Acceptance Form which is not completed correctly, and to correct any errors or omissions on any Entitlement and Acceptance Form.

Application Monies and Refunds

Application Monies received will be held in a trust account established by Wellington until the New Shares are allotted or the application monies are refunded. Interest earned (if any) on the application monies will be retained by Wellington for its benefit, whether or not the issue and allotment of New Shares occurs. Any refunds of Application Monies will be made within 10 Business Days of allotment.

Overseas Shareholders

The Offer for New Shares is open to Shareholders with a registered address in New Zealand or Australia on the Record Date (5:00 pm on 13 January 2011). Those Shareholders outside New Zealand and Australia who wish to take up New Shares should contact the Company.

No person resident outside New Zealand and Australia who receives a copy of this Offer Document or a Entitlement and Acceptance Form may treat either of them as an offer or invitation to subscribe for New Shares.

In accordance with NZSX Listing Rule 7.3.4(h) the Company has determined that it would be unduly onerous to satisfy itself that the Offer complied with the legal requirements of jurisdictions outside New Zealand and Australia. In accordance with the proviso to NZSX Listing Rule 7.3.4(h), the Company will offer for sale on the NZSX Market, via an NZX Firm, the Rights that would, except for this restriction, have been allocated to those Shareholders whose postal address as at the Record Date is outside of New Zealand and Australia and will account to those Shareholders for the proceeds of sale (if any) on a pro rata basis.

Persons who are not resident in New Zealand and Australia and who hold interests in Shares through a New Zealand or Australian resident nominee should not allow their nominee to accept the Offer if to do so would cause the Offer to be contrary to the laws of their country of residence. Such persons can request the Company to sell their Entitlement by contacting the Company via the Company Secretary:

Mr Ron Jackson
Wellington Drive Technologies Limited
16-22 Omega Street,
PO Box 302-533, North Harbour 0751
Auckland
Phone 09 414 9254
Fax 09 414 6591
Email: ron.jackson@wdtl.com

Any person outside New Zealand and Australia who applies for Shares through a New Zealand or Australian resident nominee will be deemed to represent and warrant to the Company that the Offer can be lawfully made to their nominee pursuant to this Offer Document. The Company accepts no responsibility for determining whether a Shareholder is able to participate in the Offer under laws applicable outside New Zealand and Australia.

Australia

In respect of Australian Shareholders, the Offer of New Shares to which this Offer Document relates is being made in Australia under Australian Securities and Investments Commission Class Order 00/183 as a Foreign Rights Issue. Accordingly, this Offer Document does not have

to and does not purport to contain any of the information required in a prospectus under Chapter 6D of the Corporations Act 2001 (Commonwealth).

A copy of this Offer Document will be lodged with the Australian Securities and Investment Commission on or before 7 days from the making of the Offer together with a statement disclosing the number and percentage of persons to whom offers are being made with an Australian address.

Use of proceeds

The proceeds of this cash issue will be used by Wellington to invest in the working capital that will be needed as sales expand, to fund the operating losses that are expected between now and the Company achieving profitability, and to fund the Company's capital expenditure requirements.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Accompanying this Offer Document is an Entitlement and Acceptance Form with which you may take the following action:

- accept your entitlement in full; or
- accept your entitlement in full and apply for Additional New Shares; or
- accept part of your entitlement and sell the balance of your entitlement; or
- sell your entitlement in full; or
- do nothing.

If you do nothing, your Rights will lapse.

To accept your entitlement in full

- Complete the enclosed Entitlement and Acceptance Form in accordance with the instructions on that form.
- Attach your cheque (or bank draft) made payable to Wellington Drive Technologies Limited and crossed “Not Transferable” for the amount required to be paid at NZ 1.25 cents per New Share.
- Forward your completed Entitlement and Acceptance Form and your cheque (or bank draft) to:

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road,
Private Bag 92-119
AUCKLAND 1030

in sufficient time to be received not later than 5:00pm on the Closing Date, or to any NZX Firm in sufficient time for the documents to be forwarded to and received by Computershare Investor Services Limited prior to 5:00pm on the Closing Date. A reply paid envelope is enclosed for your convenience.

To accept your entitlement in full and/or apply for Additional New Shares

- Complete the enclosed Entitlement and Acceptance Form in accordance with the instructions on that form.
- Attach your cheque (or bank draft) made payable to Wellington Drive Technologies Limited and crossed “Not Transferable” for the amount required to be paid at NZ 1.25 cents per New Share, including in respect of the Additional New Shares being applied for.
- Forward your completed Entitlement and Acceptance Form and your cheque (or bank draft) to Computershare Investor Services Limited at the above address in sufficient time to be received not later than 5:00pm on the Closing Date or to any NZX Firm in sufficient time for the documents to be forwarded to and received by Computershare Investor Services Limited prior to 5:00pm on the Closing Date. A reply paid envelope is enclosed for your convenience.

To accept part of your entitlement and sell the balance

- Either instruct an NZX Firm to sell the number of Rights that you wish to renounce or arrange for the sale of those Rights yourself.
- Complete the Security Renunciation and Transfer Form on the reverse of the enclosed Entitlement and Acceptance Form in respect of the number of Rights you wish to sell, in accordance with the instructions on that form.
- Complete the enclosed Entitlement and Acceptance Form in respect of the number of Rights you wish to accept, in accordance with the instructions on that form.
- Attach your cheque (or bank draft) made payable to Wellington Drive Technologies Limited and crossed "Not Transferable" for the amount required to be paid at NZ 1.25 cents per New Share in respect of the number of Rights you wish to accept, in accordance with the payment instructions set out above and:
 - If you are instructing an NZX Firm to sell part of your entitlement, forward the completed Entitlement and Acceptance Form (including the completed Security Renunciation and Transfer Form) together with your cheque (or bank draft) promptly to that Firm. Instructions must be given before Rights trading ceases at the close of trading on 27 January 2011, or;
 - If you are selling part of your entitlement yourself, forward the completed Entitlement and Acceptance Form (including the completed Security Renunciation and Transfer Form) together with your and the buyer's cheques (or bank drafts) to Computershare Investor Services Limited.

This must be done in sufficient time for the documents to be forwarded to and received by Computershare Investor Services Limited not later than 5.00 pm on 2 February 2011.

To sell your entitlement in full

- Either instruct an NZX Firm to sell your Rights or arrange for the sale of your Rights yourself.
- Complete the Security Renunciation and Transfer Form on the reverse of the enclosed Entitlement and Acceptance Form and forward the form promptly to the NZX Firm which you have instructed or to the buyer to whom you are selling your Rights. Do **not** complete the Entitlement and Acceptance Form.
- If you are selling your Rights through an NZX Firm you must do so before Rights trading ceases on 27 January 2011.

General

For applications to be valid, an Entitlement and Acceptance Form, properly completed, together with the associated Application Monies, must be received by Computershare Investor Services Limited no later than 5:00 p.m. New Zealand time on 2 February 2011.

The Company reserves the right to accept late applications but has no obligation to do so.

Applications for the issue of New Shares (including, if relevant, Additional New Shares) cannot be revoked or withdrawn.

Notwithstanding anything to the contrary in this Offer Document, an Entitlement and Acceptance Form submitted by you will constitute an irrevocable offer by you to subscribe for and acquire the number of New Shares (including, if relevant, Additional New Shares) specified on the Entitlement and Acceptance Form (or such lesser number as the Company may determine) on the terms and conditions set out in this Offer Document and on the Entitlement and Acceptance Form.

By submitting an Entitlement and Acceptance Form, you agree to be bound by these terms and conditions and the Company's constitution.

Entitlement and Acceptance Forms must be completed in full and may be rejected if any details are not entered. If the Application Monies accompanying your Entitlement and Acceptance Form is incorrect, your Entitlement and Acceptance Form may still be treated as valid. You will not however be treated as having offered to purchase a greater number of New Shares than the number for which payment is made.

If Application Monies are paid by a cheque which does not clear or a direct credit or international payment that is not processed by the Closing Date, that application may be rejected or an allotment made to you may be cancelled.

The Company's decision on the number of New Shares (including, if relevant, Additional New Shares) to be allotted to you and as to whether to reject an Entitlement and Acceptance Form, or to treat it as valid (and then how to construe, amend or complete the Entitlement and Acceptance Form) will be final.

The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

If you need any assistance you should contact your investment or legal adviser.

7. IMPORTANT INFORMATION

This section includes, but is not limited to, information required by Schedule 10 to the Securities Regulations 2009 and by the NZSX Listing Rules.

Lodgement and listing

This Offer Document is issued by Wellington Drive Technologies Limited and is dated 6 January 2011.

A copy of this Offer Document, signed on behalf of the Directors, has been delivered to the New Zealand Registrar of Companies for registration under section 42 of the Securities Act 1978. Copies of the audited financial statements for Wellington for the year ended 31 December 2009 and (by virtue of accompanying this Offer Document when delivered for registration) full interim (unaudited) financial statements for the six month period ended 30 June 2010 are filed on a public register at the Companies Office of the Ministry of Economic Development and are available for public inspection (including at www.companies.govt.nz).

The New Shares have been accepted for listing by NZX and will be quoted upon completion of allotment procedures. However, NZX accepts no responsibility for any statement in this Offer Document. NZX is a registered exchange under the Securities Markets Act 1988.

New Shares are expected to be allotted on 4 February 2011. This Offer Document, the Offer and the contracts formed on acceptance of the Offer are governed by the laws of New Zealand. Each Eligible Shareholder submits to the exclusive jurisdiction of the courts of New Zealand.

Decision to participate in Offer

Before deciding to invest in New Shares you should consider the risk factors that could affect the financial performance of Wellington (including those described in pages 11 to 13 of this Offer Document). You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

In preparing this Offer Document, Wellington did not take into account the investment objectives, financial situation or particular needs of any particular person and, before making an investment decision on the basis of this Offer Document, you need to consider whether the Offer made pursuant to this Offer Document, including the terms of issue and the merits and risks involved, are appropriate in light of your particular investment needs, objectives and financial circumstances.

Offering restrictions

No action has been taken to register or qualify this Offer Document or otherwise to permit a public offering of the New Shares in any jurisdiction outside New Zealand and Australia. The distribution of this Offer Document in a jurisdiction outside New Zealand and Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

Overseas Persons should read the information in Section 5.

New Shares will only be issued pursuant to this Offer Document to Eligible Shareholders.

Statutory Index

For the purposes of Regulation 16 of the Securities Regulations, the matters required to be stated or contained in a registered prospectus are set out in the Offer Document as follows:

Matter	Schedule 10	Page(s)
Information at front of simplified disclosure prospectus	Clause 1	Front page
Names, addresses, and other information	Clause 2	Directory (page 30)
Experts and underwriters	Clause 3	24
Terms of offer and securities	Clause 4	14 – 21
Relationship with listed securities	Clause 5	14 – 16
Information available under issuer's disclosure obligation	Clause 6	25 – 26
Financial statements	Clause 7	26
Additional interim financial statements	Clause 8	26
Access to information and statements	Clause 9	26 – 27
Directors' statement	Clause 10	28

Terms of Offer

All terms of the Offer and all terms of the New Shares being offered, other than:

- (a) any terms implied by law; or
- (b) any terms set out in a document that is:
 - (i) registered with a public official; and
 - (ii) available for public inspection; and
 - (iii) referred to in this Offer Document,

are set out in sections 2 and 5 of this Offer Document.

No guarantee or representations

No person (including any director, officer, employee, agent or adviser of Wellington) guarantees the return of capital invested in New Shares or the performance of the New Shares.

No person is authorised to provide any information or to make any representation on behalf of Wellington in connection with the Offer described in this Offer Document which is not contained in this Offer Document. Any information or representation not so contained may not be relied upon as having been authorised by Wellington in connection with the Offer.

Forward-looking statements

This Offer Document contains both historical and forward-looking statements in connection with Wellington. The forward-looking statements in this Offer Document are not based on historical facts, but rather reflect the current expectations of Wellington concerning future results and events and generally

may be identified by the use of forward-looking words or phrases such as 'believe', 'aim', 'expect', 'anticipated', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimated', 'potential', or other similar words and phrases. Similarly, statements that describe Wellington's objectives, plans, goals or expectations are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause either Wellington's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. Deviations as to future results, performance and achievements are both normal and to be expected. Applicants should review carefully all of the information included or referred to in this Offer Document. The forward-looking statements included in this Offer Document are made only as of the date of this Offer Document. Neither Wellington, nor any of the Directors, officers, employees, agents and advisers of Wellington, makes or gives any representation, assurance or guarantee to Applicants that any forward-looking statements will actually occur or be achieved and Applicants are cautioned not to place undue reliance on such forward-looking statements. Neither Wellington nor any other person warrants the future performance of Wellington or any return on any investment made under this Offer Document, except as required by law and then, only to the extent so required.

Subject to any continuing obligations under law or the NZSX Listing Rules, Wellington disclaims any obligation or undertaking to disseminate, after the date of this Offer Document, any updates or revisions to any forward-looking statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based other than to comply with legal obligations or the NZSX Listing Rules.

Electronic Prospectus

This Offer Document may be viewed online at www.wdtl.com. Persons who receive the electronic version of this Offer Document should ensure that they download and read the entire Offer Document.

If you have received this Offer Document electronically, the information set out in the electronic version is in the original form of the Offer Document. Paper copies of the Offer Document may be obtained free of charge from the registered office of Wellington (see contact details in the attached Directory).

Entitlements

The renounceable Rights described in this Offer Document will be issued to Eligible Shareholders on the register at close of business on the Record Date for this offer, being 13 January 2011.

Defined terms

Terms and abbreviations used in this Offer Document are defined in Section 8 of this Offer Document.

Promoter, expert and underwriter

There is no promoter of the New Shares.

No experts are named in this Offer Document.

The Offer is not underwritten.

Information available under Wellington's continuous disclosure obligations

Wellington, as a listed issuer whose shares are quoted on the NZSX, is subject to the continuous disclosure obligations of the NZSX Listing Rules (which are "continuous disclosure provisions" for the purpose of section 19D of the Securities Markets Act 1988). As such, Wellington is required to immediately notify NZX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price of the Company's shares, subject to certain exceptions.

In addition to this Offer Document, the following information has been disclosed (on the following dates) by Wellington to NZX since 20 August 2010 (together the Disclosed Information), being the date on which the latest financial statements of Wellington were notified to NZX:

- WDT Share Purchase Plan – August 2010 : Appendix 7 – 20 August 2010;
- Further details on Wellington Share Purchase Plan – 25 August 2010;
- WDT Share Purchase Plan – 1 September 2010;
- WDT SPP Pricing – 16 September 2010;
- WDT capital raising results – 21 September 2010;
- WDT issue of shares 22 September 2010 – 22 September 2010;
- WDT issue of shares 23 September 2010 – 23 September 2010;
- WDT Presentation for Macquarie Technology Conference – 4 October 2010;
- WDT market update – 30 November 2010;
- WDT Rights Issue – 30 November 2010;
- WDT appoints Tony Nowell as Chairman - 14 December 2010; and
- WDT Interim Report June 2010 – 22 December 2010.

Wellington is not aware of any material information that is not generally available to the market, that Wellington is not required to notify to NZX in accordance with the NZSX Listing Rules, which would likely assist a prudent but non-expert person to make a decision to subscribe for New Shares in accordance with the Offer other than it notes as follows:

- as discussed earlier, a negotiation regarding multi-year supply of ECR motors is underway with a multinational manufacturer of point of sale beverage cooling equipment. The supply agreement has been under negotiation for several months with a view to completing these discussions in early 2011. If these negotiations are successfully concluded (which is not guaranteed at this time), these arrangements have the potential to provide Wellington with significant levels of new customer sales; and
- Wellington receives, from time to time, approaches from institutional investors in relation to possible investments in Wellington shares. Such approaches are typically in the nature of early stage expressions of interest which are subject to a range of terms being agreed before any firm proposal is

made. As at the date of this Offer Document, there are no binding investment commitments from potential institutional investors and there is no certainty that any early stage approaches received to date (which have not already been withdrawn) will result in binding investment commitments. The Company will continue to liaise with such parties to assess their interest, including in relation to the placement of any shortfall under the Offer.

Enquiries

Enquiries about the Offer should be directed to your NZX Advisor (in the case of New Zealand investors), ASX Stockbroker (in the case of Australian investors), solicitor, accountant or other professional adviser.

Financial statements

The most recent financial statements of the Wellington Group for the financial year ended 31 December 2009 that comply with, and have been registered under, the Financial Reporting Act 1993 (together with the accompanying audit report from PricewaterhouseCoopers) are contained in Wellington's 2009 annual report. Those financial statements, which were registered at the Companies Office on 17 August 2010 and notified to NZX on 1 March 2010, together with Wellington's Annual Report are available from the Company's NZSX information portal on the NZSX website, www.nzx.com, or the Company's website at www.wdttl.com, or free of charge from the Company on request (any such request may be made by writing to the address, or telephoning the number, set out in the Directory).

Wellington's Annual Report for the year ended 31 December 2009, interim financial statements for the six months ended 30 June 2010 (as supplemented on 22 December 2010) and the Disclosed Information are filed on a public register at the Companies Office of the Ministry of Economic Development (including at www.companies.govt.nz) under the Company's file reference. Where the relevant documents are not available on the website, a request for documents can be made by telephoning the Ministry of Economic Development Business Service Centre on 0508 266 726. The Companies Office may charge a fee for inspection of certain documents.

Interim financial statements

The interim financial statements for the Wellington Group for the six-month period ending 30 June 2010, which were notified to NZX on 20 August 2010 (as supplemented on 22 December 2010), are also available from the Company's NZSX information portal on the NZSX website, www.nzx.com, or the Company's website, www.wdttl.com, or free of charge from the Company on request (any such request may be made by writing to the address, or telephoning the number, set out in the Directory).

There are no material changes in the matters contained in the interim financial statements for the Wellington Group for the six-month period ending 30 June 2010 (as supplemented on 22 December 2010) from the matters contained in the financial statements for the Wellington Group for the financial year ended 31 December 2009.

During the period between 31 December 2009 and 30 June 2010, there were no transactions that were material related party transactions under generally accepted accounting practice that were entered into or were being performed.

Access to information

Copies of the Disclosed Information, Wellington's 2009 Annual Report, and June 2010 Interim Report (as supplemented on 22 December 2010) may be obtained, free of charge, from Wellington's website at www.wdttl.com or Wellington's page on NZX's website at www.nzx.com/markets/NZSX/WDT or free of

charge from the Company on request (any such request may be made by writing to the address, or telephoning the number, set out in the Directory).

Copies of the Disclosed Information, Wellington's 2009 Annual Report and June 2010 Interim Report (as supplemented on 22 December 2010) are also filed on a public register at the Companies Office of the Ministry of Economic Development and are available for public inspection (including at www.companies.govt.nz). Where relevant statutory filing documents are not available on the Companies Office website, copies may also be obtained (on payment of a fee) by telephoning the Ministry of Economic Development Business Service Centre on 0508 266 726.

Alternatively, the Disclosed Information, Wellington's 2009 Annual Report and June 2010 Interim Report (as supplemented on 22 December 2010) may be inspected, without charge, during normal business hours at Wellington's registered office at 16-22 Omega Street, North Harbour, Auckland.

In addition to the Disclosed Information, further information about Wellington is contained or referred to in Wellington's financial statements and the documents lodged with NZX prior to 20 August 2010, pursuant to Wellington's obligations under the "continuous disclosure provisions" in section 19D of the Securities Markets Act. These documents are available free of charge, from Wellington's website at www.wdtl.com or Wellington's page on NZX's website at www.nzx.com.

Notification of the availability of Wellington's Interim Reports (including unaudited financial statements for the first six months of each financial year) and its Annual Reports (including annual audited financial statements), where they can be accessed electronically, will be sent by Wellington to Shareholders who are registered on the relevant date within three months after the end of each financial half-year and year. Shareholders have the right to request printed copies of these documents.

Alternatively, the Interim Reports and Annual Reports are available on Wellington's website at www.wdtl.com or Wellington's page on NZX's website at www.nzx.com/markets/NZSX/WDT.

Wellington is from time to time also required to make certain announcements to NZX as required by the NZSX Listing Rules. These announcements can also be viewed on Wellington's website at www.wdtl.com and Wellington's page on NZX's website at www.nzx.com/markets/NZSX/WDT.

Preliminary and issue expenses

Issue expenses (including printing and mailing costs, share registry expenses and legal costs) are estimated at NZ\$100,000 and are payable by the Company. No commission or underwriting charges are payable in respect of the issue.

Waiver from NZSX Listing Rules

The Company has been granted a waiver by NZX Market Supervision from NZSX Listing Rule 7.10.5 to enable the Company to give shareholders the right to apply for more New Shares than their entitlement, to the extent of any shortfall in the issue. The waiver has been granted subject to the conditions that any issue of Additional New Shares must be dealt with in accordance with the allocation and scaling methodology set out on page 15 under the heading "Oversubscription Facility".

Subscriptions reserved

All the New Shares offered under this Offer Document have been reserved for subscription by shareholders in accordance with their entitlements and by members of the public in whose favour any entitlement is renounced in accordance with this Offer Document.

Dividend policy

The Directors' intentions and expectations as to the Company's future dividend policy will depend on the Company's results of operations, available imputation credits, financial condition and cash requirements, and other factors considered relevant by the Board. The Company will not pay any dividends in respect of the year ended 31 December 2010.

Placement of Surplus Shares

The Company may, pursuant to NZSX Listing Rule 7.3.4(d), within the three month period after the closing date of the Offer issue any new Shares in respect of which the Offer in this Offer Document, including the right to apply for Additional New Shares, is not accepted, to such persons and in such manner as the Directors consider equitable and in the interests of the Company, provided that the price and the terms and conditions of the issue of those new Shares are not materially more favourable to the persons to whom they are issued than the terms of the Offer.

Directors' statement

In the opinion of the Directors of Wellington, after due enquiry by them, the Company is in compliance with the requirements of the "continuous disclosure provisions" that apply to it.

This Offer Document has been signed by each of the Directors or his duly authorised agent authorised in writing on 6 January 2011.



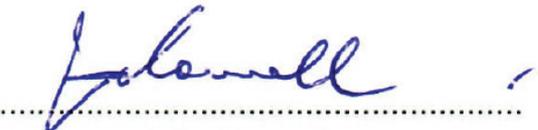
Shawn Richard Beck



Richard Boven



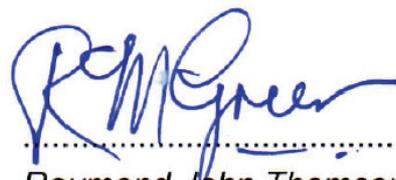
Simon John Mander



Anthony John Nowell



Ross Martin Green



Raymond John Thomson

8. GLOSSARY

The following definitions apply throughout this Offer Document unless the context requires otherwise:

“NZ\$”, “NZD” or “dollars” means New Zealand dollars, unless expressly stated otherwise.

Additional New Shares means New Shares which the Applicant applies for over and above their entitlement pursuant to the Oversubscription Facility.

Application Monies means money received by the Company from Eligible Shareholders who have applied for New Shares under the Offer.

Applicant means a Shareholder whose application for New Shares has been received by the Computershare Investor Services Limited prior to the Closing Date (5:00 pm on 2 February 2010) (or later if accepted by the Company).

Application Price means NZ 1.25 cents per New Share.

Board or Directors means the board of directors of Wellington.

Business Day means any day (other than a Saturday or a Sunday) on which banks are generally open for business in Auckland.

Closing Date means the date by which Entitlement and Acceptance Forms together with Application Monies for New Shares under the Offer must be received by the Computershare Investor Services Limited, being 2 February 2011.

Company means Wellington Drive Technologies Limited.

Disclosed Information means the information that has been disclosed by Wellington to NZX since 20 August 2010 pursuant to its continuous disclosure obligations and is further described at page 25 of this Offer Document.

Eligible Shareholders means the shareholders who are registered as Shareholders at the Record Date (5.00 p.m. on 13 January 2011) and who have a registered address in New Zealand or Australia.

Entitlement means the pro rata entitlement of each relevant Shareholder to subscribe for one New Share for every one Share held on the Record Date.

Entitlement and Acceptance Form means the entitlement and acceptance form to be completed by Eligible Shareholders when applying for New Shares which accompanies this Offer Document.

New Shares means the fully paid new ordinary shares in Wellington to be issued pursuant to the Offer as described in this Offer Document.

NZSX means the main board equity security market operated by NZX.

NZSX Listing Rules means the listing rules of the NZSX.

NZX means NZX Limited.

Offer document means this simplified disclosure prospectus, dated 6 January 2011.

Oversubscription Facility means the facility that entitles an Eligible Shareholder who accepts their entitlement of New Shares in full to also apply for an additional number of New Shares (details of which are set out in Section 5 of this Offer Document).

Record Date 5pm on 13 January 2011.

Right means the right to subscribe for one New Share for every one Existing Share at the Application Price.

Rights Trading Period means the period from the date that the Rights trading opens on 11 January 2011 until the date the Rights trading ceases on 27 January 2011.

Shareholder means a holder of shares in Wellington.

Shares means the fully paid ordinary shares in Wellington of the class quoted on NZSX on issue immediately prior to the Offer or the shares which result if such ordinary shares in Wellington are subdivided, consolidated or reclassified at any time after the date of this Offer Document.

Wellington means Wellington Drive Technologies Limited.

Wellington Group means Wellington and its subsidiaries.

9. DIRECTORY

Issuer: **Wellington Drive Technologies Limited**

Directors:.....**Tony Nowell ~ Chairman**
Dr Ross Green ~ Chief Executive Officer
Shawn Beck
Dr Ray Thomson
Dr Rick Boven
Simon Mander

Senior Staff:New Zealand
Claire Williams ~ General Manager
Steven Hodgson ~ Chief Financial Officer
Bruce Farquharson ~ Vice-President Delivery
David Howell ~ Chief Technical Officer
Ron Jackson ~ Company Secretary

International Sales and Operations
Ray Cox ~ Business Development Manager (leaves 31 March 2011)
K.S. Lim ~ Chief Operations Officer Singapore
Sue Sieben ~ Director ECR Sales, Americas
Ali Karahasanoğlu ~ Sales Director, Europe/Eurasia

Phone/Fax:.....Ph: 64-9-414 6590
Fax: 64-9-414 6591

Internet:.....Website: www.wdtl.com, www.airmovent.com
Email: info@wdtl.com

Addresses:.....16 – 22 Omega Street
North Harbour, Auckland 0632, New Zealand
PO Box 302-533, North Shore 0751, New Zealand

Registered Office:.....16 – 22 Omega Street
North Harbour, Auckland 0632, New Zealand

Auditors:PricewaterhouseCoopers
188 Quay Street, Auckland, New Zealand

Bankers:Bank of New Zealand

Share Registry:Computershare Investor Services Ltd,
Private Bag 92119, Auckland 1142,
New Zealand



Simplified Disclosure Prospectus

January 2011

WT7412