



MACCACORP LTD

# MACCACORP 2009 OFFERING



## *Supplementary Product Disclosure Statement*

Australian  
Taxation Office  
PR 2009/11



*This third Supplementary Product Disclosure Statement (SPDS) is to be read in conjunction with the Product Disclosure Statement dated 8 January 2007, the first Supplementary Product Disclosure Statement dated 21 February 2007 and the second Supplementary Product Disclosure Statement dated 9 August 2008 (collectively the PDS) which was issued by Maccacorp Ltd ACN 116 486 527; AFSL 296213 (Maccacorp) in relation to the 2007 Macgrove Project ARSN 119 560 235 (Project).*



## Introduction

This SPDS is dated March 18th 2009.

Terms defined in the PDS have the same meaning when used in this SPDS. You should read the PDS and this SPDS in full.

## Remaining Macgroves

The purpose of this SPDS is to offer the remaining Macgroves in the Project. There are 68 remaining Macgroves, of 0.4 hectares each, all located on the Swan Ridge property at 92 Kenzlers Road, Sharon via Bundaberg, Queensland. The real property description of this land is Lots 3 and 4 on RP 866764, Lot 1 on SP 199369 and Lot 60 on CP CK2025.

Investors who subscribe for and are issued those Macgroves will be referred to as "2009 Growers". Maccacorp has prepared a second supplementary constitution for the Project which has the effect of enabling 2009 Growers to participate in the Project.

## State of Macgroves

Each of the Macgroves being offered under this SPDS have had an irrigation system installed and been fully planted with approximately 125 trees.

These trees are now approximately two years old having been planted at the same time as the other Macgroves on the Swan Ridge property.

This means the investment term for 2009 Growers will be approximately 19 years. Termination will coincide with the end of the Project and the investment term of the existing Growers in the Project, subject to the right of Growers to extend their term under two options for a further five years and four years respectively.

## Fees Payable

Except for the timing of entry into the Project, the investment structure of 2009 Growers is the same as existing Growers in the Project, including the application fees of \$11,000 (inclusive of GST) and the amount of ongoing fees payable in return for the services to be provided by Maccacorp. The amount and timing of all fees payable by 2009 Growers is set out in the table below.

Type of fee	Financial year ending 30 June	Amount \$	Date Payable
<b>Management fee</b>	2009	Application fee \$11,000.00 (inclusive of GST)	On application under this SPDS.
	2010	\$2,200.00 (inclusive of \$200.00 GST)	1 July 2009
	2011-2014	The management fee for the previous financial year indexed by CPI (plus GST).	1 July in each of the financial years.
	2015-2028	(a) The management fee for the previous financial year indexed by CPI (plus GST), plus (b) the amount, if any, that the Grower's proportion of the orchard operating expenses incurred in a financial year exceeds the amount of the management fee in (a).	1 July in each of the financial years.  Within seven days of receipt of an orchard operating expenses statement from the Responsible Entity.
<b>Rent</b>	2009	Nil	—
	2010	\$792.00 per Macgrove (inclusive of \$72.00 GST)	1 July 2009
	2011-2028	The rent for the previous financial year indexed by CPI (plus GST).	1 July in each of the financial years.

The additional explanation of fees and costs appearing in the original PDS is confirmed.

The prescribed example of annual fees and other costs appearing in Table 2 of section 4 of the original PDS is also confirmed, with the exception of references to 30 June 2008 which is deemed to be 30 June 2009.

For Joint Venture Growers, the management fees, orchard operating expenses and rent for which each Joint Venturer is responsible are as follows:

- (a) The first Joint Venturer will be solely responsible for the following fees and other amounts:
  - (i) 100 percent of the management fees and rent payable for the financial year ending 30 June 2009.
  - (ii) 50 percent of the management fee, Grower expenses and rent commencing on and from the 2012 financial year.
  - (iii) 50 percent of the orchard operating expenses commencing on and from the 2013 financial year.
- (b) The second Joint Venturer will be solely responsible for the following fees and other amounts:
  - (i) 100 percent of the management fees and rent payable for the 2010 and 2011 financial years.
  - (ii) 100 percent of the Grower expenses for the 2009, 2010 and 2011 financial years.
  - (iii) 50 percent of the management fee, Grower expenses and rent commencing on and from the 2012 financial year.
  - (iv) 50 percent of the orchard operating expenses commencing on and from the 2013 financial year.
- (c) Each Joint Venturer is liable to pay their 50 percent prescribed proportion of any performance incentive fees payable to Maccacorp, and will be entitled to 50 percent of the harvested net crop and Joint Venture proceeds.

## State of Swan Ridge Property

The development of the Project's macadamia plantation on the Swan Ridge property proceeded very well. The planned ongoing orchard maintenance and cultivation program is on schedule with Maccacorp's expectations. In particular, initial harvesting of macadamia nuts grown in the Project is still expected to occur in 2011.

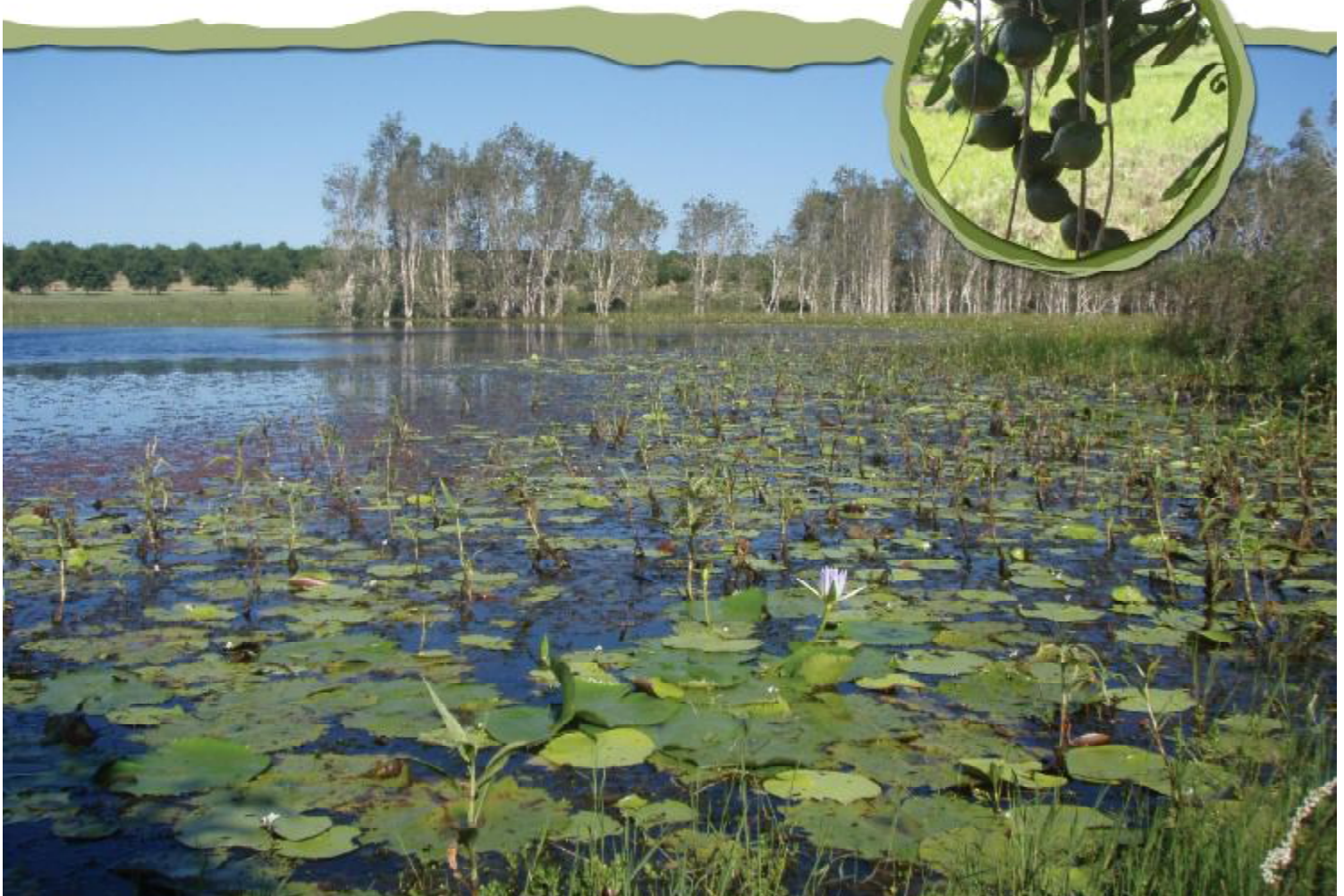
The land has already been leased to Maccacorp and that lease has been registered with the Queensland Land Titles Office.

## Independent Expert

Maccacorp engaged an independent macadamia orchard expert, Simon Andreoli (Ass Dip Agronomy) to provide an independent report about the current state of the Swan Ridge property, which confirmed its continued suitability for the Project, and in particular, the 68 Macgroves offered under this SPDS. The expert also confirmed the expected adequacy of water supply to the Swan Ridge site. A copy of the expert's report is attached to and forms part of this SPDS.

## Product Ruling

Maccacorp has obtained a Product Ruling in respect of participation in the Project by 2009 Growers. The Product Ruling confirms the Project costs payable by 2009 Growers will be 100 percent tax deductible for the financial year to which they relate, if those Growers commence participation in the Project on or before 15 June 2009. The Product Ruling is available from the Australian Taxation Office website ([www.ato.gov.au](http://www.ato.gov.au)) or from Maccacorp.



## Anti-Money Laundering and Counter-Terrorism Financing

In 2006, the Federal Government enacted the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act).

### Why does this legislation affect Maccacorp?

Maccacorp is a 'reporting entity' pursuant to the AML/CTF Act and as such must meet stringent investor identification and verification requirements on a risk-based approach. For scheme operators like Maccacorp, these requirements came into force on 31 January 2008. This means that prior to Macgroves in the Project being issued, Maccacorp must be 'reasonably satisfied' that each 2009 Grower exists and is who they claim to be.

### What do you need to do?

If you are not already an investor in the Project, then 2009 Growers need to provide Maccacorp with certain identification information required pursuant to the AML/CTF Act. If a 2009 Grower invests in the Project through a dealer, IDPS or other financial adviser, then that person or entity will request and collect any verification materials. Otherwise, the 2009 Grower must provide Maccacorp with the relevant identification material which Maccacorp requests, along with the completed application form attached to this SPDS. Maccacorp may request additional information from 2009 Growers where Maccacorp reasonably considers it necessary to satisfy its obligations under the AML/CTF Act.

### What will Maccacorp do with the information you give to us?

Maccacorp will maintain all information collected from 2009 Growers in a secure manner in accordance with the AML/CTF Act and relevant privacy principles. Identification information may need to be disclosed to government or law enforcement agencies to comply with Maccacorp's anti-money laundering obligations.

## Maccacorp's Contact Details

Maccacorp's registered office is now at the Swan Ridge property, 92 Kenzlers Road, Sharon via Bundaberg, Queensland.

Other contact information is as follows:

PO Box 7353, North Bundaberg, QLD 4670

Phone: (07) 4155 9726

Fax: (07) 4155 9728

## Application and Power of Attorney

In order to subscribe for one of the 68 remaining Macgroves in the Project, you must sign the Application and Power of Attorney attached to, and which forms part of, this SPDS.

## Consents

For the purpose of this SPDS Simon Andreoli has acted as independent macadamia orchard expert and in no other capacity. He has consented, and not before the date of this SPDS withdrawn his consent, to the inclusion of his expert's report as part of this SPDS in the form and context in which it is included. Mr Andreoli expressly disclaims and takes no responsibility for any matter referred to in this SPDS other than his report.

The directors of Maccacorp have consented to the issue of this SPDS.

