

Millinium

Millinium Capital Managers Limited as responsible entity of

'Minimum's Alternatives Fund'

Entitlement Offer Booklet

in respect of a

Non-Renounceable Entitlement Offer

An offer of 1 New Unit for every 1 Unit in 'Millinium's Alternatives Fund' (ARSN 121 722 521) held by Eligible Unitholders at an issue price of \$5.88 per New Unit to raise up to \$3,000,000 (before fees and costs).

Entitlement Offer closes at 5.00 pm (Sydney time) on Wednesday, 14 December 2016 (unless extended)

This is an important document and requires your prompt attention - you should read the entirety of this Offer Document. If you are in doubt about what to do, you should consult your professional adviser before the close of the Entitlement Offer.

IMPORTANT NOTICES

The Entitlement Offer is being made pursuant to section 1012DAA of the Corporations Act (as notionally modified by ASIC Class Order [CO 08/35]) which allows rights issues to be offered 'without a 'product disclosure statement'. The issuer under this Offer Document is Millinium Capital Managers Limited (ACN 111 283 357) (**Responsible Entity**) as responsible entity of 'Millinium's Alternatives Fund' (ARSN 121 722 521) (**MAX**).

As a result, this Entitlement Offer is not being made under a product disclosure statement (rather, pursuant to a notice given under s1012DAA(7) of the Corporations Act) and it is important for Eligible Unitholders to read and understand the information on MAX and the Entitlement Offer set out in this Offer Document.

PAST AND FUTURE PERFORMANCE

Neither the Responsible Entity nor any other person warrants or guarantees the future performance of the New Units offered under this Entitlement Offer and Offer Document.

Past performance of MAX should not be relied upon as, and is not, an indication of future performance.

JURISDICTIONS

Please see Section 4.7 of this Offer Document for details as to who the Entitlement Offer is being made to, (being Eligible Unitholders and not Ineligible Unitholders).

As at the close of business on the last business day before the date of this Offer Document, all Unitholders had a registered address in Australia and the Responsible Entity is not aware that any Unitholder is an Ineligible Unitholder. Therefore, unless the Responsible Entity otherwise becomes aware that any Unitholder on the Record Date is an Ineligible Unitholder, the offer under the Entitlement Offer is being made to all Unitholders.

Note that this Offer Document, and Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any persons acting for the account or benefit of any person in the United States. The New Units

issued pursuant to the offer described in this Offer Document have not been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Entitlements may not be taken up by persons in the United States or by persons who are acting for the account or benefit of a person in the United States unless it is done so pursuant to a transaction exempt from, and not subject to, the registration requirements of the US Securities Act the applicable securities laws of any other state or jurisdiction in the United States. The New Units may not be offered or sold in the United States unless such New Units are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

DEFINED TERMS

Capitalised terms that are used in this Offer Document have the meaning given in Section 5.

TIMES AND DATES

Times and dates in this Offer Document are indicative only and subject to change. All times and dates refer to Sydney time. Please refer to the "Key Dates for the Entitlement Offer" section of this Offer Document for more details.

CURRENCY

All dollar values are in Australian dollars and financial data is presented as at 21 November 2016 unless otherwise stated.

TRADING NEW UNITS

MAX and the Responsible Entity will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New

Units they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by MAX, the Responsible Entity, the Registry or the Underwriter or otherwise, or who otherwise trade or purport to trade New Units in error or which they do not hold or are not entitled to.

Table of Contents

1.	Letter from the Responsible Entity	4
2.	Key Dates for the Entitlement Offer	6
3.	How to Apply	8
3.1	The Entitlement Offer	8
3.2	Non-renounceable	8
3.3	Alternatives available to Unitholders	8
3.4	What you need to do	8
3.5	Payment	10
3.6	Where to send your completed Entitlement and Acceptance Form	11
3.7	Holding Statements	11
3.8	Enquires	12
4.	Important Information	13
4.1	General	13
4.2	Date of this Offer Document	13
4.3	Amount to be raised	13
4.4	Capital structure and potential effect on control	13
4.5	Ranking and rights attached to the New Units	14
4.6	Quotation and trading	14
4.7	Ineligible Unitholders	14
4.8	Not a product disclosure statement	15
4.9	Not investment advice	15
4.10	Past performance	15
4.11	Disclaimer of representations	15
4.12	Continuous disclosure and reporting obligations	16
4.13	Cooling Off Entitlements	16
4.14	Taxation	16
4.15	Governing Law	18
4.16	Underwriting	18
4.17	Withdrawal of Entitlement Offer	22
4.18	Provision of Personal Information	22
4.19	Authorisations and Disclaimers	22

4.20	Declarations	23
5.	Glossary	25
<hr/>		
6.	Corporate Directory	28
<hr/>		

1. Letter from the Responsible Entity

Dear Unitholder,

Millinium Capital Managers Limited (ACN 111 283 357) (**Responsible Entity**) as the responsible entity for 'Millinium's Alternatives Fund' (ARSN 121 722 521) (**MAX** or the **Fund**) is pleased to invite you to participate in a capital raising for the Fund, which we announced on 21 November 2016.

Under the Entitlement Offer, Eligible Unitholders are entitled to subscribe for 1 New Unit for each Unit they hold at 7.00 pm (AEDT) on Thursday, 24 November 2016. The issue price for each New Unit is \$5.88. The issue price has been set in accordance with the formula required under the Constitution of the Fund.

The Entitlement Offer is fully underwritten. On that basis, before the payment of fees and costs, it is expected that the Fund will raise up to \$3,000,000 under this Entitlement Offer.

The Entitlement Offer closes at 5.00 pm (AEDT) on Wednesday, 14 December 2016 (unless extended by the Responsible Entity). Please ensure that completed Entitlement and Acceptance Forms and Application Monies are received by that time. Please see Section 3 for further details about how to apply under the Entitlement Offer.

Purpose of capital raising

Today the Fund has announced its intention to raise up to \$3,000,000 through this Entitlement Offer (before the payment of fees and costs). The purpose of the Entitlement Offer is to provide additional working capital for the Fund and to provide further funding in respect of costs that the Fund is currently incurring in pursuing new investment opportunities.

As we have previously advised, since late 2014 the Responsible Entity has sought to restructure the Fund. During this time:

1. the vast majority of Units in the Fund have been redeemed, with three of the largest Unitholders redeeming their investments in full without notice due to their own liquidity issues;
2. the Fund has repaid its secured lender in full, leaving the Fund with no secured debt and only minimal payables; and
3. to fund the above redemptions and debt repayment, all material investments have been liquidated and at 31 December 2015 the Fund's assets consisted predominantly of cash.

The Responsible Entity and Investment Manager of the Fund have carefully considered the opportunities for the Fund in light of the changing markets and have adopted a two-fold investment strategy. The core strategy will be to capitalise on opportunities presented by the digital transformation of key sectors, and this will be supported by a secondary opportunistic investment strategy to enhance short-term returns.

An example of taking advantage of digital transformation is the acquisition of strategic stakes in FINTECH and administration platforms that embrace new technologies and are aiming to transform the financial services sector. The Fund has recently made an investment in Ignition Wealth Pty Ltd, Australia's leading robo-advice operator. Traditionally, the investment advice

industry has focused exclusively on the top 15 per cent of the market, leaving 85 per cent of Australians unadvised, and this gap creates a substantial opportunity to leverage new technology to bring affordable independent financial advice to a mass market.

Ignition Wealth has built a strong reputation for excellence, providing technology solutions to Australian industry funds since 2010 and now is setting the benchmark for digital financial advice in the Australian market. The company has proven IT infrastructure and has recently announced several developments including a partnership with global fund administrator Link Digital Solutions and a significant investment from Class and Countplus Chairman Barry Lambert.

An example of the digital transformation of another key sector is AGTECH, which includes businesses that seek to transform various parts of the agricultural value chain through technology.

The secondary investment strategy would be to take advantage of mispriced securities of listed or unlisted businesses, with a plan to exit in the short term and maximise a gain. The Fund has recently made such an investment in the listed hotel group, Lantern Hotel Group Limited (ASX code: LTN).

We are confident that these investment strategies will lead to attractive absolute returns for the Fund.

The Responsible Entity is currently engaged in discussions with various third parties which, if successful, will open up further investment opportunities. The proceeds from the Entitlement Offer will be used to advance these transactions, as well as to provide additional working capital and fund any further permitted redemptions of Units. We will keep the market updated on the progress of these potential transactions which remain incomplete and not binding (and, therefore, there is no assurance that they will proceed).

Unitholders should note that as the Entitlement Offer is 1:1 it will result in the number of Units on issue doubling. Also, if none of the Unitholders accepted the Entitlement Offer, the Underwriter would acquire 48.8% of the Units on issue in the Fund. As noted in Section 4.16, the Underwriter has been granted a first right of refusal to underwrite certain capital raising activities by the Fund over the 12 month period from the close of the Entitlement Offer. As at the date of this Offer Document, the Underwriter does not have any relevant interest in existing Units on issue. Please see Section 4.4 and 4.16 for further information.

What you should do next

If you are an Eligible Unitholder (which will include all Unitholders that have a registered address with the Registry in Australia that are not otherwise Ineligible Unitholders) you are entitled to apply for 1 New Unit for every 1 existing Unit held at 7.00 pm (AEDT) on Thursday, 24 November 2016. You can do any of the following under the Entitlement Offer:

1. Take up all of your Entitlements and apply for all New Units offered to you under this Entitlement Offer.
2. Take up part of your Entitlements and allow the remainder to lapse.
3. Do nothing and let all of your Entitlements lapse.

Please see Section 3 for further details regarding the options available to you.

A person will be an Ineligible Unitholder if that person has a registered address (with the Registry) which is not in Australia or New Zealand, is in the United States or is a U.S. Person or is ineligible under any applicable securities laws to receive an offer under the Entitlement Offer. Please see Section 4.7 for further details if this may apply to you.

What is this document?

This document contains full details of the terms and conditions of the Entitlement Offer, including full details as to how to apply under the Entitlement Offer (including payment details and when and how to complete the enclosed Entitlement and Acceptance Form).

Enquiries

If you are in doubt as to what you should do, you should consult your stockbroker, accountant, solicitor or other independent professional adviser.

If you have questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement, or you have lost your Entitlement and Acceptance Form and would like a replacement form, please call the Registry on 1300 737 760 (within Australia) or + 61 2 9290 9600 (outside Australia) at any time from 8.15 am to 5.30 pm (AEDT) Monday to Friday.

On behalf of the Board of the Responsible Entity of the Fund, I am pleased to invite you to consider this investment opportunity and thank you for your ongoing support of the Fund.



Tom Wallace
Managing Director
Millinium Capital Managers Limited

2. Key Dates for the Entitlement Offer

Event	Date
Announcement date	Monday, 21 November 2016
Ex-date for Entitlement Offer	Wednesday, 23 November 2016
Entitlement Offer Record Date	7.00 pm (AEDT) on Thursday, 24 November 2016
Entitlement Offer document and Entitlement and Acceptance Form despatched Announce to ASX that this has occurred	Tuesday, 29 November 2016
Entitlement Offer closes	5.00 pm (AEDT) on Wednesday, 14 December 2016
Notification to ASX of any shortfall under the Entitlement	Monday, 19 December 2016

Offer	
Issue date	Wednesday, 21 December 2016
ASX quotation of the New Units begins on a normal T+2 trading basis*	Thursday, 22 December 2016

**Please see Section 4.13 as cooling off rights apply to the issue of the New Units - the New Units will only commence quotation once the cooling off period concludes.*

Important Note: *All times and dates refer to Australian Eastern Daylight Savings Time (AEDT). The timetable above is indicative only and may change without notice. The Responsible Entity reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Responsible Entity reserves the right to extend the closing date for the Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Units under the Entitlement Offer. The Responsible Entity also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to the allotment and issue of the New Units. In that event, the relevant Application Monies (without interest) will be returned in full to Eligible Unitholders.*

3. How to Apply

3.1 The Entitlement Offer

Millinium Capital Managers Limited, as the responsible entity of MAX, is making an Entitlement Offer of New Units to Unitholders who are Eligible Unitholders. All Unitholders will be Eligible Unitholders unless they are an Ineligible Unitholder. Please see Section 4.7 for details as to who will be an Ineligible Unitholder.

Eligible Unitholders who are on MAX's register at 7.00 pm (AEDT) on Thursday, 24 November 2016 will be entitled to apply for 1 New Unit for every 1 Unit held at that time. The issue price per New Unit is \$5.88 and this amount is payable in full on Application.

The number of New Units which you are entitled to is shown on the accompanying personalised Entitlement and Acceptance Form. If you have more than one separate holding of Units, you will be sent a separate personalised Entitlement and Acceptance Form in respect of each holding. If the calculated total amount due for those Entitlements is a fractional cent, then the total amount payable is rounded down to the nearest cent.

3.2 Non-renounceable

Entitlements are non-renounceable and cannot be traded on the ASX or any other exchange, nor can they be privately transferred.

3.3 Alternatives available to Unitholders

If you are an Eligible Unitholder, you may take any of the following actions:

- (a) Take up all of your Entitlements and apply for all New Units offered to you under the Entitlement Offer.
- (b) Take up part of your Entitlements and allow the remainder to lapse.
- (c) Do nothing and let all of your Entitlements lapse.

As a result of this Entitlement Offer, Unitholders who do not take up all of their Entitlements will have their percentage unitholding in MAX diluted.

3.4 What you need to do

- (a) Take up all of your Entitlements and apply for all New Units offered to you under the Entitlement Offer

If you wish to take up all of your Entitlements and apply for all New Units offered to you under the Entitlement Offer you should do one of the following (you do not need to do all of the below):

- (b) complete and return the physical Entitlement and Acceptance Form together with a cheque, bank draft or money order for the Application Monies. These must be received at the place and by the time set out in Section 3.6; **OR**
- (c) pay by BPAY®. To do so, please see the relevant BPAY® details set out in your personalised Entitlement and Acceptance Form and make payment by BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. Completed Applications and the BPAY payment must be received before 5.00 pm on Wednesday, 14 December 2016 (unless the closing date is extended). You should allow sufficient time for the payment to be processed. Please note that you do not need to complete the physical Entitlement and Acceptance Form. Further details regarding BPAY® payments are set out in Section 3.5(b).

(d) **Taking up part of your Entitlements and allowing the remaining Entitlements to lapse**

(i) **In respect of the part of your Entitlements you are taking up, either:**

- (A) complete and return the physical Entitlement and Acceptance Form together with a cheque, bank draft or money order for the relevant Application Monies (being the number of New Units you are subscribing for multiplied by the Issue Price). These must be received at the place and by the time set out in Section 3.6; **OR**
- (B) apply by BPAY®. To do so, see the relevant BPAY® details set out in your personalised Entitlement and Application Form and make payment by BPAY® for the relevant Application Monies (being the number of New Units you are subscribing for multiplied by the Issue Price) in accordance with the instructions on the Entitlement and Acceptance Form. Completed Applications and the BPAY payment must be received before 5.00 pm on Wednesday, 14 December 2016 (unless the closing date is extended). You should allow sufficient time for the payment to be processed. Please note that you do not need to complete the physical Entitlement and Acceptance Form. Further details regarding BPAY® payments are set out in Section 3.5(b).

(ii) **In respect of the Entitlements you will allow to lapse, you do not need to do anything.**

(e) **Do nothing and let all of your Entitlements lapse**

If you do nothing, your Entitlements will lapse and you will receive no benefit. However, you will of course continue to own the same number of Units, although your Unitholding in percentage terms will be diluted due to the issue of the New Units under this Entitlement Offer.

3.5 Payment

(a) General

If you would like to take up your Entitlements, you can either pay by BPAY® (if you are applying online) or by cheque, bank draft or money order (if you are submitting a physical Entitlement and Acceptance Form). Cash payments will not be accepted.

(b) Payment by BPAY®

You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

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

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

- (i) you do not need to submit the personalised Entitlement and Acceptance Form but are taken, by choosing to pay by BPAY®, to have made the declarations on that Entitlement and Acceptance Form;
- (ii) you are deemed to have applied for such whole number of New Units as is covered in full by your Application Monies; and
- (iii) it is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than 5.00 pm on Wednesday, 14 December 2016 (unless the closing date is extended). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment to ensure that it is received by MAX no later than 5.00 pm on Wednesday, 14 December 2016 (unless the closing date is extended).

(c) Payment by cheque, bank draft or money order

For payment by cheque, money order or bank draft, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it the address set out in Section 3.6, accompanied by a cheque, money order or bank draft in Australian currency for the amount of the Application Monies.

Your cheque, money order or bank draft must be:

- (i) crossed 'Not Negotiable';
- (ii) made payable to 'Millinium Capital Managers Limited';

- (iii) for an amount equal to A\$5.88 multiplied by the number of New Units that you are applying for; and
- (iv) in Australian currency drawn on a bank or financial institution in Australia.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies. If the amount of your cheque, bank draft or money order for Application Monies is insufficient to pay in full for the number of New Units you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Units as your cleared Application Monies will pay for (and to have specified that number of New Units on your personalised Entitlement and Acceptance Form). Alternatively, your Application will not be accepted.

3.6 **Where to send your completed Entitlement and Acceptance Form**

To participate, the Entitlement and Acceptance Form and your payment (in cleared funds) must be received no later than the close of the Entitlement Offer, on 5.00 pm (AEDT) Wednesday, 14 December 2016 (unless extended in accordance with the terms of the Entitlement Offer). The address for completed Entitlement and Acceptance Forms and cheques/bank drafts/money orders is:

Mail to:

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Hand deliver to: (Please do not use this address for mailing purposes)

Boardroom Pty Limited
Level 12
225 George Street
Sydney NSW 2000

A reply paid or self-addressed envelope is provided with this Offer Document for Unitholders in Australia.

As noted above, if you are paying by BPAY® there is no requirement to return the physical Entitlement and Acceptance Form.

3.7 **Holding Statements**

The Responsible Entity expects that holding statements for New Units will be despatched to Unitholders on or around Thursday, 22 December 2016.

3.8 Enquires

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

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

please call the Registry on 1300 737 760 (within Australia) or + 61 2 9290 9600 (outside Australia) at any time from 8.15am to 5.15pm (AEDT) Monday to Friday.

4. Important Information

4.1 General

You should read the information in this Offer Document carefully and in its entirety before deciding whether to invest in New Units.

4.2 Date of this Offer Document

This Offer Document is dated 21 November 2016. Statements in this Offer Document are made only as of the date of this Offer Document and, unless otherwise stated, the information in this Offer Document remains subject to change without notice. Subject to limited requirements under the Corporations Act, MAX and the Responsible Entity are not responsible for updating this Offer Document.

4.3 Amount to be raised

Up to 510,204 New Units will be issued under the Entitlement Offer. As a result, it is expected that MAX will raise up to \$3,000,000 (before fees and expenses). Please see the Responsible Entity's letter on page 3 for details as to the purpose of the Entitlement Offer and use of proceeds raised under the Entitlement Offer.

4.4 Capital structure and potential effect on control

The table below details the impact of the Entitlement Offer on the capital structure of MAX.

	Pre-Entitlement Offer	Post-Entitlement Offer
Number of Units on issue	534,932 Units	1,045,136 Units
Potential interest of the Underwriter (assuming no Unitholder subscribes under the Entitlement Offer)	0 Units (0%)	510,204 Units or 48.8%

As noted above, it is possible that the Underwriter may end up owning 48.8% of the issued Units in the Fund following completion of the Entitlement Offer (assuming that no Unitholder subscribes under the Entitlement Offer). However, the final interest of the Underwriter will, of course, depend on the amount of Units that Eligible Unitholders subscribe for under the Entitlement Offer (the greater the number of Units that Eligible Unitholders subscribe for the lower the interest of the Underwriter will be).

As noted in Section 4.16, the Underwriter has been granted a first right of refusal to underwrite certain capital raising activities by the Fund over the 12 month period from the close of the Entitlement Offer.

4.5 **Ranking and rights attached to the New Units**

New Units will be issued on a fully paid basis and will rank equally in all respects with existing Units including for all future distributions. The rights and liabilities attaching to the New Units are set out in MAX's Constitution.

4.6 **Quotation and trading**

The Responsible Entity has applied to the ASX for official quotation of the New Units in accordance with the Listing Rule requirements. If the ASX does not grant quotation of the New Units, Responsible Entity will repay all Application Monies (without interest).

Holding statements in respect of New Units allotted under the Entitlement Offer are expected to be dispatched on or about 22 December 2016. It is the responsibility of each applicant to confirm their holding before trading in New Units. Any applicant who sells New Units before receiving written confirmation of their holding will do so at their own risk. The Responsible Entity and Registry disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Units before receiving their holding statement (whether on the basis of confirmation of the allocation provided by the Responsible Entity, Registry or Underwriter). If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other independent professional adviser.

4.7 **Ineligible Unitholders**

The Responsible Entity is making an offer under the Entitlement Offer to Eligible Unitholders. An Eligible Unitholder is a holder of Units who is registered as a holder of Units as at 7.00 pm (AEDT) on the Record Date and who is not an Ineligible Unitholder.

A person will be an Ineligible Unitholder if that person:

- (a) has a registered address which is not in Australia or New Zealand;
- (b) is in the United States or is a U.S. Person; or
- (c) is ineligible under any applicable securities laws to receive an offer under the Entitlement Offer.

As at the close of business on the last business day before the date of this Offer Document, all Unitholders had a registered address in Australia and the Responsible Entity is not aware that any Unitholder is an Ineligible Unitholder. Therefore, unless the Responsible Entity otherwise becomes aware that any Unitholder on the Record Date is an Ineligible Unitholder, the offer under the Entitlement Offer is being made to all Unitholders on the Record Date.

The distribution of this Offer Document or the Entitlement and Acceptance Form outside Australia may be restricted by law. If you come into possession of this Offer Document or the Entitlement and Acceptance Form you should observe any such restrictions and should seek your own advice on those restrictions. Any failure to comply with such restrictions may contravene applicable securities laws.

In particular, this Offer Document, and Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any persons acting for the account or benefit of any person in the United States. The New Units have not been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Entitlements may not be taken up by persons in the United States or by persons who are acting for the account or benefit of a person in the United States unless it is done so pursuant to a transaction exempt from, and not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any other state or jurisdiction in the United States. The New Units may not be offered or sold in the United States unless they are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

4.8 Not a product disclosure statement

The Entitlement Offer is being made pursuant to the requirements of section 1012DAA of the Corporations Act as modified by ASIC Class Order [CO 08/35]. Accordingly, neither this Offer Document nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no product disclosure statement for the Entitlement Offer will be prepared.

4.9 Not investment advice

This Offer Document is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Neither the Responsible Entity nor MAX purports to offer financial product advice in respect of the New Units.

This Offer Document does not purport to contain all the information that you may require to evaluate a possible Application for New Units and should not be considered to be comprehensive or to comprise all the information which an investor may require in order to determine whether or not to subscribe for New Units. Before deciding whether to apply for New Units, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the information in this Offer Document, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

4.10 Past performance

Investors should note that the past performance of Units provides no guidance as to future price or performance of MAX or an investment in the Units.

4.11 Disclaimer of representations

The information contained in this Offer Document is of a general nature and has been prepared by the Responsible Entity in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the accuracy or completeness of the information. No person is authorised to give any information, or to

make any representation, in connection with the Entitlement Offer that is not contained in this Offer Document. Any information or representation that is not in this Offer Document may not be relied on as having been authorised by MAX or the Responsible Entity or its officers in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of the Responsible Entity, MAX or any other person, warrants or guarantees the future performance of MAX or any return on any investment made pursuant to this Offer Document.

4.12 Continuous disclosure and reporting obligations

MAX is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

MAX is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, MAX has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. That information is available to the public from the ASX and can be accessed at www.asx.com.au.

4.13 Cooling Off Entitlements

Cooling off rights apply to an investment in New Units. These rights may be exercised at any time up until 19 days after the New Units are issued. If you wish to exercise these rights, please contact the Registry.

4.14 Taxation

Set out below is a summary of the Australian tax implications of the Entitlement Offer for Eligible Unitholders who are residents of Australia for tax purposes and who hold their Units as capital assets. The summary below is based on the law in effect as at the date of this Offer Document and applies only to those Eligible Unitholders who exercise their Entitlements and subscribe for New Units.

The summary below also does not take account of any individual circumstances of any particular Eligible Unitholder. Eligible Unitholders should seek specific advice applicable to their own particular circumstances from their own licensed financial or tax advisers. The summary below does not apply to Eligible Unitholders:

- (a) who hold their Units as assets used in carrying on a business or who may carry on the business of share or unit trading, banking or investment; or
- (b) whose Units are held through an employee plan; or
- (c) whose Units are held as revenue assets or trading stock; or
- (d) who are tax residents of any jurisdiction other than Australia.

Issue of Entitlements

Subject to the qualifications noted above, the issue of the Entitlements will not itself result in any amount being included in the assessable income of an Eligible Unitholder.

Exercise of Entitlements

The Unitholders will not make any capital gain or capital loss from exercising the Entitlements or subscribing for the New Units.

Eligible Unitholders who exercise their Entitlements and subscribe for New Units will acquire the New Units with a cost base for capital gains tax (CGT) purposes equal to the Issue Price payable by them for those Units plus any capital costs they incur in acquiring them.

New Units

Taxation of income for Eligible Unitholders

In a standard unit trust arrangement (also known as a fixed trust), the taxable income of the trust is not generally taxed at the unit trust level, but is taxed in the hands of the beneficiary unit holders, who are entitled to receive the trust income at the end of the income tax year. A unit trust is generally only taxed where the responsible entity accumulates income within the trust, or a unit holder who receives income is under a legal disability.

Where a unit trust meets certain criteria set out in the tax legislation, it is not treated as a standard unit trust, but may be treated as a 'public trading trust' and taxed as if it were a company for most Australian income tax purposes under Division 6C of the *Income Tax Assessment Act 1936*. Distributions of profit made by the responsible entity of a public trading trust to unit holders are treated as dividends for Australian income tax purposes, and accordingly, may or may not have franking credits attached to them. To be a public trading trust, the Fund must be a public unit trust, a trading trust and a resident unit trust during an income year.

The tax status of the Fund may change depending on the activities undertaken by the Fund during the year. If the Fund's activities do not meet the criteria for a public trading trust in Division 6C, then it is likely to be treated as a standard unit trust for Australian income tax purposes. Any future distribution made in respect of New Units will be subject to the same taxation treatment as distributions made on existing Units held in the same circumstances.

Should the activities of the Fund cause the Fund to be a public trading trust, the Responsible Entity of the Fund will be required to lodge annual income tax returns and will be liable to pay income tax on its net income at the corporate tax rate, currently 30%. Australian income tax paid by the Fund will give rise to franking credits, equal to the amount of tax paid, which can be used to frank distributions to Eligible Unitholders. The Fund may only frank distributions to Eligible Unitholders to the extent of the available franking credits in the Fund's franking account.

If the Fund incurs a net loss for tax purposes during an income year it cannot be passed through to Eligible Unitholders but rather will remain in the Fund. In the case of revenue losses, these can be carried forward by the Fund and deducted against future assessable income subject to satisfying the loss recoupment tests. Net capital losses can also be carried forward but can only be used to offset capital gains arising in future income years subject to satisfying the loss

recoupment rules. In the event the applicable loss recoupment rules are not satisfied by the Fund the loss cannot be claimed thereby increasing the tax assessed to the Fund.

Taxation of disposals for Eligible Unitholders

On any future disposal of New Units, Eligible Unitholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Units. The cost base of those Units is described above, but, for these purposes, the cost base should also include a reasonable apportionment of the incidental capital costs of disposal.

New Units will be treated for the purposes of the CGT rules as having been acquired when the Eligible Unitholder exercised the Entitlement to subscribe for them. Unless the New Units have been held for at least 12 months after the Eligible Unitholder exercised the Entitlement to subscribe for them, the CGT discount will not be available to reduce any income tax payable on any capital gain made by the Unitholder on disposal of the New Units.

If the New Units have been held for at least 12 months after the Eligible Unitholder exercised the Entitlement to subscribe for them, then the investor should seek further advice to confirm that the CGT discount is available to reduce any income tax payable on any capital gain made on disposal of the New Units.

Taxation of a return of capital by MAX

Where a return of capital is made by MAX, the cost base of the Eligible Unitholder's New Units for CGT purposes will be reduced by the amount of capital returned on that Unit. If the amount of capital returned on a New Unit exceeds its cost base, a taxable capital gain may arise.

Other Australian taxes

No Australian Goods and Services Tax (GST) or stamp duty is payable in respect of the grant or exercise of the Entitlements. Eligible Unitholders may be charged GST on third party costs (such as brokerage and advisor fees) in respect of the issue or exercise of the Entitlements or the acquisition of those New Units, depending on their individual circumstances. Eligible Unitholders may be entitled to input tax credits for such costs, but should seek individual advice in relation to their individual circumstances.

No Australian stamp duty is payable in respect of the offer of the Entitlements, the exercise of the Entitlements or the issue of the New Units upon exercise of the Entitlements.

4.15 Governing Law

This Offer Document, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each person who applies for New Units submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

4.16 Underwriting

Millinium, as the Responsible Entity of MAX, entered into an Underwriting Agreement with Logic Fund Management Limited on 18 November 2016.

The Underwriter is a company limited by shares incorporated in New Zealand under the *Companies Act 1993* on 7 October 2003. The Underwriter's principal business activity is to act as a wealth and fund manager to wholesale clients and investors.

Under the Underwriting Agreement:

- (a) subject to the below, the Underwriter has agreed to fully underwrite the Entitlement Offer. Therefore, assuming that no Unitholder accepts into the Entitlement Offer, that would result in the Underwriter acquiring an interest in 48.8% of the Units on issue in the Fund following the close of the Entitlement Offer. Subject to the Underwriter not being entitled to terminate the Underwriting Agreement, within one business day of Millinium notifying the Underwriter in writing of the shortfall under the Entitlement Offer (ie the amount of Entitlements which have not been taken up by Eligible Unitholders) the Underwriter must subscribe for the shortfall;
- (b) the Underwriter has been granted a first right of refusal to underwrite any of the following activities by the Responsible Entity in relation to the Fund or any other fund offered by the Issuer or a related party:
 - (i) offering for sale of any Units or other securities issued by the Fund;
 - (ii) allotting or issuing of any Units or other securities of the Fund;
 - (iii) issuing or granting of any right or option that entitles the holder to call for the issue of Units by the Fund or that is otherwise convertible into, exchangeable for or redeemable by the issue of Units or other securities by the Fund;
 - (iv) creating any debt instrument or other obligation which may be convertible into, exchangeable for or redeemable by, the issue of Units or other securities by the Fund; or
 - (v) otherwise entering into any agreement whereby any person may be entitled to the allotment and issue of Units or other securities by the Fund.

Any future underwriting by the Underwriter following an exercise of its first right of refusal will be materially on the same terms as the current Underwriting Agreement and must be exercised by the Underwriter within five business days of written notice being issued by the Responsible Entity, otherwise the right ceases in respect of that particular instance. However, the Underwriter's first right of refusal does not prevent the Responsible Entity from redeeming any Units in accordance with the Constitution and terms of issue of the Units or from undertaking any of the actions above in accordance with obligations on the Responsible Entity or Fund existing at or prior to the date of the Underwriting Agreement;

- (c) the obligations of the Underwriter are subject to certain conditions precedent including (but not limited to) the following:

- (i) there being no material adverse event occurring (which, in summary, includes but is not limited to a material adverse effect on MAX, its Unit price on the ASX or the likely prospects of the Entitlement Offer);
 - (ii) no insolvency event occurring in respect of the Responsible Entity or the Fund;
 - (iii) the capital structure of MAX and its Constitution not changing;
 - (iv) trading in all securities listed on ASX not being suspended for more than one day;
 - (v) no event occurring that renders untrue, inaccurate or misleading in any material respect the information in this Offer Document;
 - (vi) the S&P ASX 200 index not falling by more than 15%, which decline is maintained for two trading days;
 - (vii) no material breach by the Responsible Entity of certain provisions of the Underwriting Agreement;
 - (viii) no order of a government body preventing the despatch of this Offer Document, or any other regulatory action which is likely to constitute a material adverse effect;
 - (ix) no general change in New Zealand, Australian or international financial, economic or political conditions which is likely to constitute a material adverse event;
 - (x) no general moratorium on commercial banking activities in Australia or New Zealand;
 - (xi) no outbreak of hostilities that is likely to cause a material adverse effect on MAX or the Entitlement Offer; and
 - (xii) no new legislation or policy by any Government Body likely to cause a material adverse effect on MAX or the Entitlement Offer;
- (d) the Underwriter is entitled to an underwriting fee of 6% of proceeds raised under the Entitlement Offer. The Underwriter is responsible for paying all sub-underwriting fees, handling fees, brokerage and other fees, costs and charges incurred by it in procuring Applications and performing its obligations under the Underwriting Agreement;
- (e) the Underwriter is entitled to engage sub-underwriters (and, if it does so, the Underwriter must pay all fees and commissions due to any sub-underwriter). No sub-underwriters have been engaged at the date of this Offer Document;
- (f) the Responsible Entity has provided various warranties in favour of the Underwriter. These include that MAX is complying with its continuous disclosure requirements under the Listing Rules, that the Offer Documents comply with the Corporations Act, ASX Listing Rules, Constitution or any other relevant law in all

material respects, that the Responsible Entity will not be in breach of any provision of the Corporations Act, ASX Listing Rules, Constitution or any other relevant law, to an extent that it is material to the Entitlement Offer and, to the best of the Responsible Entity's knowledge, MAX is not in breach of the Corporations Act, ASX Listing Rules or any other relevant law in any material respect;

- (g) the Responsible Entity has provided various undertakings in favour of the Underwriter. These include that:
 - (i) the Responsible Entity will not do or omit to do anything which is, or is likely to be, materially prejudicial to the prospects of the Entitlement Offer being fully subscribed by persons other than the Underwriter (except as required by the Corporations Act, the ASX Listing Rules or any other relevant law);
 - (ii) the Entitlement Offer will be conducted in accordance with the timetable required by the ASX; and
 - (iii) the Responsible Entity will use reasonable endeavours to procure Applications for all New Units under the Entitlement Offer from persons other than the Underwriter;
- (h) the Responsible Entity indemnifies the Underwriter against all liabilities, expenses and costs that the Underwriter may sustain or incur as a result of:
 - (i) any warranty given by the Responsible Entity under the Underwriting Agreement being untrue or inaccurate in any material respect or any material breach of the Underwriting Agreement by the Responsible Entity; or
 - (ii) conduct by the Responsible Entity which results in any valid investigations, enquiries or legal proceedings being undertaken by ASIC, ASX or other government agency in connection with the Underwriter or Entitlement Offer; or
 - (iii) any breach by the issuer of its obligations under this agreement; and
- (i) the Underwriter may terminate the Underwriting Agreement (and, therefore, its obligations under it) if:
 - (i) the Responsible Entity commits any material breach or default of any provision of the Underwriting Agreement (including a material breach or material default of any of the warranties or undertakings detailed above) and fails to remedy the material breach or material default to the reasonable satisfaction of the Underwriter within five business days of the Underwriter serving written notice on the Responsible Entity requiring the breach or default to be remedied;
 - (ii) the Responsible Entity's certificate following the close of the Entitlement Offer (which is required to disclose whether there have been any material breaches of the warranties or undertakings, or termination

rights triggered under the Underwriting Agreement) discloses that one of those events has occurred, or if the Underwriter reasonably believes that the Certificate is incorrect as to these breaches;

- (iii) an insolvency event occurs with respect to the Responsible Entity; or
- (iv) ASIC makes any order that prohibits MAX from completing the Entitlement Offer.

4.17 **Withdrawal of Entitlement Offer**

The Responsible Entity reserves the right to withdraw the Entitlement Offer at any time before the issue of New Units, in which case the Responsible Entity will refund any Application Monies (as soon as practicable and without interest).

4.18 **Provision of Personal Information**

As a Unitholder, MAX and the Registry have already collected certain personal information from you. If you apply for New Units, MAX and the Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Units, service your needs as a Unitholder, provide facilities and services that you request and carry out appropriate administration.

To do that, MAX and the Registry may disclose your personal information for purposes related to your Unitholding to their agents, contractors or third party service providers to whom they outsource services, in order to assess your Application for New Units, to the Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation of the distribution of securityholder information and for handing of mail, or as otherwise permitted under the *Privacy Act 1988* (Cth).

If you do not provide us with your personal information we may not be able to process your Application. In most cases you can gain access to your personal information held by (or on behalf of) MAX or the Registry. MAX aims to ensure that the personal information retained about you is accurate, complete and up to date. To assist with this please contact the Registry if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information MAX has about you, the Registry will take steps to correct it. You can request access to your personal information by telephoning or writing to the Registry as follows:

Mail: Boardroom Pty Limited
MAX Share Registry Level 12,
225 George Street
Sydney NSW 2000

Telephone: 1300 737 760 (within Australia) or + 61 2 9290 9600 (outside Australia)

4.19 **Authorisations and Disclaimers**

This Offer Document is issued by, and is the sole responsibility of, the Responsible Entity. None of the parties referred to in the Corporate Directory of this Offer Document (other than the Responsible Entity), has authorised or caused the issue of this Offer

Document or made or authorised the making of any statement that is included in this Offer Document or any statement on which a statement in this Offer Document is based. To the maximum extent permitted by law, each of the parties referred to in the Corporate Directory of this Offer Document (other than the Responsible Entity) expressly disclaims and takes no responsibility for any statements in or omissions from this Offer Document.

4.20 **Declarations**

If you make an Application for New Units under the Entitlement Offer, you will be taken to make the declarations that you:

- (a) agree to be bound by the terms of the Entitlement Offer, this Offer Document and the provisions of MAX's Constitution;
- (b) authorise the Responsible Entity and Registry to register you as the holder of the New Units allotted to you;
- (c) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (d) declare that, if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all your Entitlements and obligations under the Entitlement and Acceptance Form;
- (e) acknowledge that once MAX receives the Entitlement and Acceptance Form or any payment of Application Monies (including via BPAY®), you may not withdraw it unless permitted to do so under the Corporations Act;
- (f) agree to apply for, and be issued up to, the number of New Units specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies including via BPAY®, at the issue price of \$5.88 per New Unit;
- (g) authorise the Responsible Entity and the Registry and their respective officers or agents, to do anything on your behalf necessary for New Units to be issued to you, including to act on instructions of the Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (h) declare that you are an Eligible Unitholder and are otherwise not an Ineligible Unitholder;
- (i) acknowledge that the information contained in this Offer Document and the Entitlement and Acceptance Form is not investment advice nor a recommendation that New Units are suitable for you given your investment objectives, financial situation or particular needs;
- (j) acknowledge that neither MAX, nor the Responsible Entity nor any of the directors, officers, employees, agents, consultants or advisors of MAX guarantees the performance of MAX nor do they guarantee the repayment of capital from MAX; and

- (k) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and/or of your holding of Units on the Record Date.

5. Glossary

Defined Term	Meaning
A\$/	Australian dollars
AEDT	Australian daylight savings time
Application	An application to subscribe for New Units under this Entitlement Offer
Application Monies	The total amount payable by a Unitholder subscribing for New Units under this Entitlement Offer, being \$5.88 per Unit
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited or the market conducted by it as the context requires
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Eligible Unitholders	All Unitholders other than Ineligible Unitholders
Entitlement	The entitlement to subscribe for 1 New Unit for every 1 Unit held on the Record Date by Eligible Unitholders
Entitlement Offer	The offer of New Units being made under this Offer Document and the accompanying Entitlement and Acceptance Form
Entitlement and Acceptance Form	The Entitlement and Acceptance Form accompanying this Offer Document
Fund or MAX	'Millinium's Alternatives Fund' (ARSN 121 722 521)
Ineligible Unitholder	Has the meaning given in Section 4.7 of this Offer Document

Defined Term	Meaning
Issue Price	\$5.88 per New Unit
Listing Rules	The Listing Rules of ASX as modified or waived from time to time
MAX or the Fund	'Millinium's Alternatives Fund' (ARSN 121 722 521)
New Units	The new Units offered under and in connection with this Entitlement Offer
Offer Document	This Offer Document setting out the details of the Entitlement Offer
Record Date	7pm (AEDT) on Thursday, 24 November 2016
Registry	Boardroom Pty Limited of Level 12, Grosvenor Place, 225 George Street, Sydney NSW 2000
Responsible Entity	Millinium Capital Managers Limited (ACN 111 283 357) of Level 33, MLC Centre, 19 Martin Place, Sydney NSW 2000
Section	A section of this Offer Document
Underwriter	Logic Fund Management Limited, New Zealand company number 1405916
Underwriting Agreement	The agreement between the Underwriter and the Responsible Entity dated 18 November 2016 under which the Underwriter has agreed to underwrite the Entitlement Offer in full
Units	A fully paid unit in the Fund
Unitholder	The holder of one or more Units from time to time
US Person	Has the meaning given in Regulation S under the US

Defined Term	Meaning
	Securities Act
US Securities Act	The <i>Securities Act 1933</i> of the United States

6. Corporate Directory

Millinium's Alternatives Fund

ARSN 121722 521

Responsible Entity

Millinium Capital Managers Limited
ACN 111 283 357 AFSL 284336
Level 33, MLC Centre

19 Martin Place
Sydney NSW 2000

Website

www.millinium.com.au

Share Registry

Boardroom Pty Limited

Level 12, Grosvenor Place
225 George Street
Sydney NSW 2000

Legal Adviser to MAX

HWL Ebsworth

Level 14, Australia Square
264-278 George Street
Sydney NSW 2000

Underwriter

Logic Fund Management Limited

38 Belgrave Crescent
Dunedin 9010
New Zealand