



11 December 2015

Announcements Platform  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

**MILLINIUM'S ALTERNATIVES FUND**  
**ASX Code: MAX ("Fund")**

We refer to the Entitlement Offer that was announced on 10 December 2015. Please see attached for release to the ASX a letter that will today be despatched to all unitholders.

**Tom Wallace**  
**Managing Director**  
**Millinium Capital Managers Limited**

11 December 2015

Dear Sir/Madam,

### **Millinium's Alternatives Fund – Entitlement Offer**

On 10 December 2015, Millinium Capital Managers Limited (**Responsible Entity**) as responsible entity of Millinium's Alternative Fund (**MAX**) announced a fully underwritten 1 for 1 non-renounceable pro-rata rights issue of 275,003 new units in MAX (**New Units**) at an issue price of A\$6.09 per New Unit (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Logic Fund Management Limited who will be paid a commission of 6% of the proceeds raised under the Entitlement Offer. Therefore, it is expected that MAX will raise approximately \$1.675 million from the Entitlement Offer (before the payment of fees and costs, including the underwriter's fees).

The Entitlement Offer is open to 'Eligible Unitholders' and will close at 5.00pm (AEDT) on Monday 4 January 2016 (unless extended in accordance with the terms of the Entitlement Offer). Please see further details below regarding Eligible Unitholders.

### ***Purpose the Entitlement Offer***

The purpose of the Entitlement Offer is to provide additional working capital for MAX and to provide further funding in respect of costs that MAX is currently incurring in pursuing new investment opportunities.

As we have previously advised, since late 2014 the Responsible Entity has sought to undertake a restructure of MAX. During that time:

1. the vast majority of units in MAX were redeemed, including three of the (formerly) largest unitholders redeeming their investments in full (approximately 65.9% of all Units then on issue) without notice due to their own underlying liquidity issues;
2. MAX repaid its secured lender in full, such that MAX now has no secured debt and only has minimal payables; and
3. to fund the above, MAX was required to liquidate all material investments such that as at 30 June 2015 (the last financial reporting date for MAX), its assets predominantly consist of cash at bank.

The Responsible Entity is currently engaged in discussions with various third parties which, if implemented, will mark an important part of the restructure of MAX as the Responsible Entity looks to undertake new investment opportunities. The proceeds from the Entitlement Offer will be used to advance the preparation of these transactions, as well as for general working capital purposes (as well as fund any further required redemptions of Units). We will keep the market updated as to the progress of these potential transactions which are still incomplete and not binding (and, therefore, there is no assurance at this stage that these transactions will proceed).

### **Key Dates**

The key dates of the Entitlement Offer are as follows:

| <b>Event</b>  | <b>Date</b>   |
|---|---|
| <b>Announcement date</b>  | Thursday 10 December 2015                             |
| <b>Ex-date for Entitlement Offer</b>  | Monday 14 December 2015                               |
| <b>Entitlement Offer Record Date</b>  | 7pm (AEDT) on Wednesday 16 December 2015              |
| <b>Entitlement Offer Document and Entitlement and Acceptance Form despatched</b><br><b>Announce to ASX that this has occurred</b> | On or before Monday 21 December 2015                  |
| <b>Entitlement Offer closes</b>   | 5pm (AEDT) on Monday 4 January 2016 (unless extended) |
| <b>Notification to ASX of any shortfall under the Entitlement Offer</b>   | Thursday 7 January 2016                               |
| <b>Issue date</b>   | Monday 11 January 2016                                |
| <b>ASX quotation of the New Units begins on a normal T+3 trading basis*</b>   | Tuesday 2 February 2016                               |

\* Cooling off rights apply to the issue of the New Units and therefore quotation of the New Units will only commence once the cooling off period concludes

**Important Note:** All times and dates refer to Australian Eastern Daylight Savings Time. 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 2001 (Cth), the ASX Listing Rules and other applicable laws. In particular, the Responsible Entity reserves the right to extend the closing date for the Entitlement Offer and any extension of the closing date will have a consequential effect on the allotment date of New Units under the Entitlement Offer.

## Capital structure pre and post Entitlement Offer

The capital structure of MAX on successful completion of the Entitlement Offer will be as follows:

|  |                |
|--|----------------|
| Existing units                               | 275,003        |
| New Units issued under the Entitlement Offer | 275,003        |
| <b>Total Units</b>                           | <b>550,006</b> |

## Accepting the Offer

If you wish to accept the offer to subscribe for your pro-rata entitlement of New Units under the Entitlement Offer, please complete and return the personalised application form which will accompany the Entitlement Offer booklet in respect of the Entitlement Offer – these documents are expected to be sent to you on or before 21 December 2015.

The completed application along with the application monies must be received by no later than 5pm on Monday 4 January 2016 (unless the closing date for the Entitlement Offer is extended).

Specific details on the acceptance procedure will be contained in the Entitlement Offer booklet. The document has already been lodged with the ASX and is available on the ASX's website ([www.asx.com.au](http://www.asx.com.au)). As noted above, it will shortly be sent to you, along with your personalised application form.

As at the date of this letter, all unitholders had a registered address in Australia and the Responsible Entity is not aware that any unitholder will be ineligible to participate in the Entitlement Offer. A unitholder will be ineligible to participate in the Entitlement Offer if that person has a registered address 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. Further details regarding these matters will be contained in the Entitlement Offer booklet.

If you have any questions in relation to any of the above matters, please seek professional advice or contact MAX's unit registry on 1300 737 760 (within Australia) or + 61 2 9290 9600 (outside Australia) during the Entitlement Offer period.

Yours sincerely



**Tom Wallace**

**Managing Director  
Millinium Capital Managers Limited**

The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor. This letter does not constitute an offer to sell, or the solicitation or an offer to buy, any securities in the United States or to, or for the account or benefit of, any US person (as defined in Regulation S under the United States Securities Act 1933, as amended). No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Units in any jurisdiction outside Australia. In particular, the New Units have not been, or will be, registered under the United States Securities Act 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Units may not be offered or sold to persons in the United States or persons who are US persons or are acting for the account or benefit of U.S. persons, except in a transaction exempt from, or not subject to, the registration requirements of the United States Securities Act 1933.