Reel House
PRODUCTIONS

Crowd-sourced funding offer document

14 November 2019

Offer of fully-paid ordinary shares in Reel House Productions Australia Pty Ltd at $1.20 per share to raise a maximum of $3,000,000.

This crowd-sourced funding (CSF) offer document relates to the Offer of fully-paid ordinary shares in Reel House Productions Australia Pty Ltd. This Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (Corporations Act).

Issuer: Reel House Productions Australia Pty Ltd
ACN 633 413 135

Intermediary: Birchal Financial Services Pty Ltd
AFSL: 50 26 18

Contents

Risk Warning

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Risk Warning.

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.
You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.
Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.
There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.

Information about the company

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2.1 Company Details

This offer of shares is made by Reel House Productions Australia Pty Ltd ACN 633 413 135 (the Company). The Company was incorporated on 13 May 2019.

Registered office and contact details

Level 2, 132-136
Albert Road
South Melbourne VIC 3205

Principal place of business

Level 2, 132-136
Albert Road
South Melbourne VIC 3205

2.2 Description of the business

2.2.1 Who we are.

Reel House Productions Australia is a company of experienced Australian and US filmmakers and buisness people looking to take advantage of the major disruption brought about by technology in the film business.

Our filmmakers bring a combined 150+years of experience in production of film and television. Our business members bring over 60 years experience in finance and investment and will play a critical role in the governance, financial management and financing of the business.

The company has been established to produce six to eight films per year, shot both in Australia and the USA. We aim to produce and deliver to market high-quality pictures with dynamic plots and concepts that are globally intriguing across diverse genres.

Films will have budgets up to US$2m and be targeted genre pieces for the myriad online distribution channels and their increasing appetite for content.

The company also has an engagement with an Australian University aimed at work integrated learning for film students designed to accelerate the development of the film industry in Melbourne through direct industry engagement. The collaboration is also designed to provide an 'activator' space that will act as a talent academy for young filmmakers.

The company has developed a business model to take advantage a low budget approach combined with distribution deals involving the 'bundling' of content for international distributors.

2.2.2 Key points of difference

Our business model is our chief innovation and represents a break from the traditional film production model.

As the financial weight in the film industry has shifted from cinema and broadcast television to online streaming, an 'arms race' has broken out between the powerhouses of the industry Netflix, Amazon, YouTube and Facebook are taking a growing market share from film industry heavyweights Disney, Sony, Universal, Paramount, Warner Brothers etc.

This new world order means companies with the experience, expertise and financial resources to meet the growing demand for professionally produced, genre driven and niche-audience-targeted content will stand to reap vast rewards.

Our business has been formed in order to exploit the opportunities made available through the industry's disruption and to deliver strong financial returns.

Our planning is based on the following view of the future:

- Streaming industry growth will be driven by more participants in the digital streaming markets, including social-media companies.

- This growth will see concurrent trends emerge. One is that the studios will fight to retain their profits and revenue share and pay more for quality content particularly for their television divisions. Two is that studios will continue to develop their own streaming services and digital platforms to compete with Netflix, Amazon, Apple, Facebook and others.

- This demand for content presents an enormous opportunity for our company to position itself as a content provider. We will add to and enhance the original content creation of the various platforms.

- Access to filmed entertainment has changed content creation. In the 1970's the largest most popular TV show 'Mash' averaged over 24 million viewers each episode. In the 1990's the TV show 'Friends' averaged 33 million viewers. However, the largest TV success in recent times 'Breaking Bad' averaged only 2 million viewers per episode. The trend in entertainment is towards catering to dozens of market types.

  This trend will mean production of a greater number of TV shows and films but it will be content that is targeted to smaller niche markets. This wider and shallower content trend means there will be 'riches in niches'. This provides our company with a strategic advantage in the marketplace given our flexibility, capacity to respond to trends in market demand and low-cost content creation.

- Our content provision will expand in time beyond slate to include projects in scripted episodic TV, web series, live streaming of events such as rock concerts and adver-serials for corporate clientele.

- Our risk mitigation measures will be greatly enhanced via our relationship with platforms using data analytics as a core component of content forecasting. Our ability to provide content that is 'pre-ordained' via the use of Big Data provides our company as well as our platform partners with confidence in the financial outcome for each project.

Our Value Proposition to our Target Audience

Our target audience is at the heart of all we do. Our team of creatives and production staff are experts in their fields and also finely attuned to the demands of an ever-changing and diverse audience base. We know that our ability to deliver quality, interesting and resonating stories to our audience is central to our growth and success.

The Value Proposition we offer our audience includes:

- Convenience via easily accessible content via multiple distribution channels.
- Content that is based on strong storytelling and high standard scripting.
- Content that is visually appealing and of a high professional aesthetic delivered in 4K.
- Content that is enjoyable and respectful of its genre and place in the market.
- Content that is driven by high calibre talent in performance and production.
- Content that is innovative in its delivery format and early to adapt and leverage advances in technology that can enhance audience experience (i.e. Virtual Reality).

Our Value Proposition to our Target Distributors

The distributor and platform relationships we are targeting will be key to our business. We acknowledge that our ability to deliver content that fulfils their needs and allows them to achieve financial success is essential to our long term working relationship with them.

We offer the following Value Proposition to our distributor/platform partners:

- Bundling of eight plus projects for concurrent distribution.
- Diversification of projects across multiple key genres.
- Ability to adapt and respond to articulated market demand during production calendar periods.
- Ability to pre-plan slates for distributor needs.
- Ability to deliver low cost, high quality content with audience appeal.
- Technical capacity to deliver content in file format and visual quality needed (i.e. 4K).
- Ability to access talent in order to enhance marketability of projects and audience appeal.
- Ability to cooperate directly with distributors and platforms without need for third party intermediation.

Our Value Proposition to Collaborators and Production

The value that is created by our business will be enhanced by our collaborators and production partners from outside of our company. These may include production and performance talent, content creators such as writers and designers and financial partners in projects. We see effective collaboration as important to our business growth and success.

We offer the following Value Proposition to our collaborating partners in the production arena:

- Distribution opportunities for content that has achieved distribution support.
- Development of content that is part-made and in financial distress or is yet to be developed and produced and is in need of support via creative input, production expertise or capital injection.
- Brand enhancement from being associated with an innovative and growing new brand in the business.
- Access to talent via our extensive network of professionals across the performance, production and creative sectors of the industry.
- Infrastructure support for projects via our technical capacity and access to our production equipment, hardware and software infrastructure.

Key properties for development.

The company has optioned four screenplays for development and production with a further four under negotiation at the time of writing.

These eight productions make up a group from which the intial production slate of one to three films will be chosen for our first year of production, likely 2020/2021.

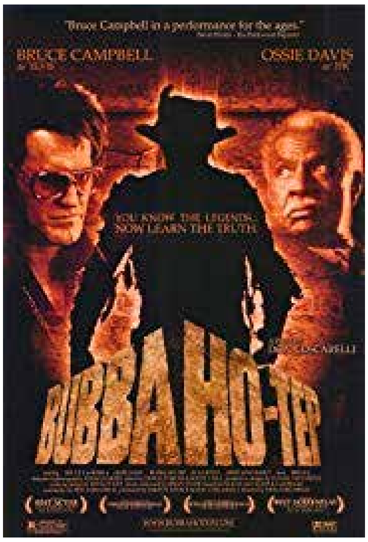
Below is an overview of the eight properties by genre and setting:

- Property 1. Crime Thriller set in anytown USA
- Property 2. Horror set in a single dreaded location
- Property 4. Action set in city
- Property 5. Horror/Thriller set in the wilderness
- Property 6. Thriller set in the desert and casino
- Property 7. Crime Thriller set in the city
- Property 8. Horror set in the desert

Joe R. Lansdale, Master of Horror

We have secured rights to work from Award Winning author and screen writer Joe R. Lansdale.

Joe R. Lansdale is the author of over thirty novels and numerous short stories. His work has appeared in national anthologies, magazines, and collections, as well as numerous foreign publications. He has written for comics, television, film and newspapers. Joe is an American master of genre with works across the crime, thriller, horror and mystery genres.

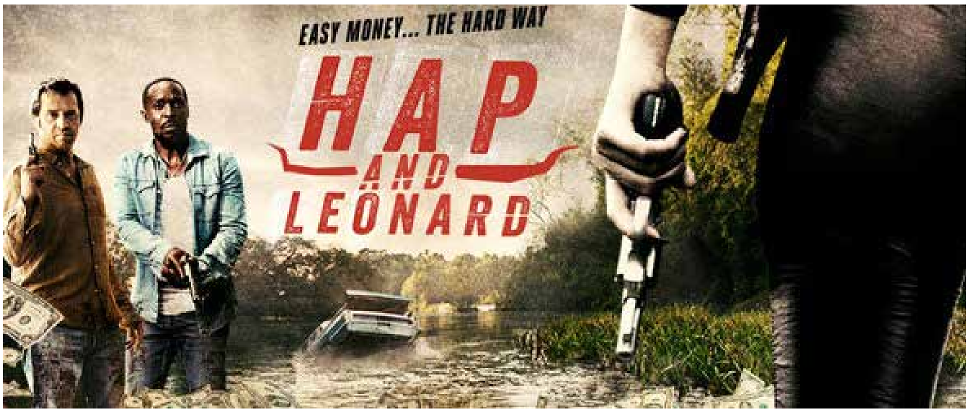


A major motion picture based on Lansdale's crime thriller **Cold in July** was released in May 2014, starring Michael C. Hall (Dexter), Sam Shepard (Black Hawk Down), and Don Johnson (Miami Vice).

His novella **Bubba Ho-tep** was adapted to film by Don Coscarelli, starring Bruce Campbell and Ossie Davis.

His story "Incident On and Off a Mountain Road" was adapted to film for Showtime's **"Masters of Horror."**

Joe recently co-produced the successful a TV series, **"Hap and Leonard"** for the Sundance Channel in the USA, starring James Purefoy (Rome), Michael Kenneth Williams (Boardwalk Empire) and Christina Hendricks (Mad Men).



Joe R. Lansdale

2.2.3 Film market size and trends

> ***"Execution matters a lot, but timing might matter even more."***
>
> **Bill Gross,**
> **'The single biggest reason why start-ups succeed'** [1]
> **TED Talk: available at https://youtu.be/bNpx7gpSqbY**

The filmed entertainment industry finds itself in a time of unparalleled change.

Just as technology dramatically transformed the music, print media and publishing industries over the last fifteen years, it is now delivering the transformation on the film.

The story of film in 2019 is one of the migration of theatre goers (along with their spending) to online platforms. This is a result of the conflation of greater internet bandwidth, more ubiquitous internet connectivity, improvements in devices such as phones and tablets, changes to the way and time in which consumers wish to access filed content and the aggressive business model of change-leaders such as Netflix and Amazon.

The 2018 world-wide theatre box office generates revenues of $42bn (Ibis World Report) whilst streaming service revenue was estimated at $139bn (Future Market Insights Report).

Industry research reports that, by 2028 the global streaming market will generate revenues of over $591bn (Futre Market Insights Report).

As this evolution of our industry unfolds, we believe that our business model and approach is suited to exploit the opportunities that will arise.

The filmed entertainment industry is a profitable, growing and substantial industry world-wide.

1 the author has not provided their consent for the statement to be included in this offer document.

According to The Numbers' database of films released over the period 2011-2015 the industry return on investment (measured as total production costs vs global gross revenue) averaged a healthy 20%. Table 1 below demonstrates the performance of the film industry globally when compared to other investment asset classes over the period.

Table 1. Film industry return on investment vs selected asset classes 2011-2015.
(Table provided courtesy of L. Scott of the Film 51 Fund)

Year	Large Capital Growth	Large Capital Value	Small Capital	Fixed Income	International	Film Industry
2011	2.6%	0.4%	-4.2%	7.8%	-12.1%	16%
2012	15.3%	17.5%	16.4%	4.2%	17.3%	37%
2013	33.5%	32.5%	38.3%	-2.0%	22.8%	17%
2014	13.1%	13.5%	4.9%	6.0%	-4.9%	17%
2015	5.7%	-3.8%	-4.4%	0.6%	-0.8%	12%
Average	**14%**	**12%**	**10.2%**	**3.32%**	**4.5%**	**20%**

*Source: Blackrock.com (*measured as annual revenues vs. production investment)*
Disclaimer: Past performance is a guide only and not a guarantee of future results. You should not invest based on historical results only.

The nature of the film industry has changed remarkably since the time series shown in Table 1 above. The nature of revenue and return profiles are different in the current market given the rise of streaming services. Our view is that these changes offer both a challenege and an opportunity. The challenge may result in lower overall retruns than shown in Table 1 above. The opportunity is to acheive returns overall that are equal to or higher than those shown.

Whilst the return on Investment for the film industry has been strong at an average of 20% over the period, this is not a linear return over all film projects. Productions require budget management and a strong income-cost ratio to achieve this ROI consistently. Our business model places this production discipline for our entire slate, in order to achieve consistent and sustained ROI for our yearly slate of films.

Digital Natives

A recent YouGov poll in the USA shows that streaming service users are aged 18-34 years. It also shows that Hulu and Netflix have majority female subscribers whilst Amazon is majority male. The polling tells us that a large share of streaming subscribers will hold a cable TV subscription in addition to their digital subscription.

We believe the two trends driving this market over time will be the growth in the 'digital native' generation take up of streaming as their sole source for filmed entertainment and the convergence of traditional cable TV packages with online streaming.

2.2.4 Our Business Model

Our production model represents a break from the traditional film production business model. We have devised an innovative system for independent film production and sales that will deliver value to shareholders as well as mitigate the risks typically associated in the film production industry.

The five fundamental elements of our production model:

1. Investment is diversified over a slate of productions on a rolling 12 month cycle.
2. Production commencement is only approved once a threshold level of pre-sale commitments is met.
3. US Domestic sales are 'bundled' providing leverage in distribution and a single distribution agreement for all slate productions.
4. Production takes advantage of regional incentives such as cost rebates which are available around the world.
5. Budgets for productions are kept within a tightly controlled average of US$2m.

Funding and Financing of films:

Finance for film development and production often comes from a number of sources. Capital for property acquisition, development and pre-production will be met from the equity sold during this raise round.

Production finance will be sought from private equity film funds, managed funds and pension funds, bank and non-bank debt facilities, pre-sales of film rights in global territories, possible deals with distributors and platforms and possible further equity raise rounds of the business. These sources of capital can be augmented by local incentives and rebates on offer in states and countries where production and post-production work is carried out.

The Benefits of Our Model:

1. Removal of concentration risk that comes with investing in only one production.
2. The system allows Reel House to take advantage of the 'surprise hit' thesis by way of having multiple projects at low cost in the market and thereby increasing the chance of revenue from sales of one or more of the productions reaching 'super profit' levels.
3. Prudent management of capital with low-budget productions meaning the capital portfolio of the business is insulated from single production failure risk – this is the reverse of the current Studio Model.
4. Access to rebates can reduce production costs by up to 20%-30% if managed appropriately.

The Benefits of Our People:

Our core members consist of filmmakers that have experience and broad knowledge of all aspects of the filmmaking process. Our team has individuals who have played multiple roles in the film production process from writing to camera work, cinematography, direction, line producing, treasury and editing and post production mixing.

Our Production Slate:

Our slate production model has been developed over time and is built from three key inputs:

1. Feedback from our years of negotiations with distributors
2. Market intelligence
3. Broader industry trend forecasts

In the current digital content market highly competitive online platforms are in an ongoing battle for market share.

Platforms have three key methods by which they can grow their market share:

1. Quality of programming
2. Volume of content programming and
3. Promotion of the content

Within the current environment independent production companies that can produce volumes of content to these market places will hold greater leverage with platforms and distributors. Whilst single productions can and do achieve success, the lower budget independent single film is at a strategic disadvantage. This is because the lowering of the barriers to entry which technology offers the independent film maker is offset by the saturation of content from a much greater supply in the market and competition from platforms' in-house content (e.g. Netflix producing the its own series and features).

By delivering a six project minimum slate each year to distributors it places our business in a stronger bargaining position and it offers distributors access to content that they have sought and obtained in a single bundle, thereby delivering efficiency and time saving to their acquisition business. The benefits to distributors and platforms of our project bundling allows for a stronger relationship and the mutual benefit that comes from closer alignment of objectives.

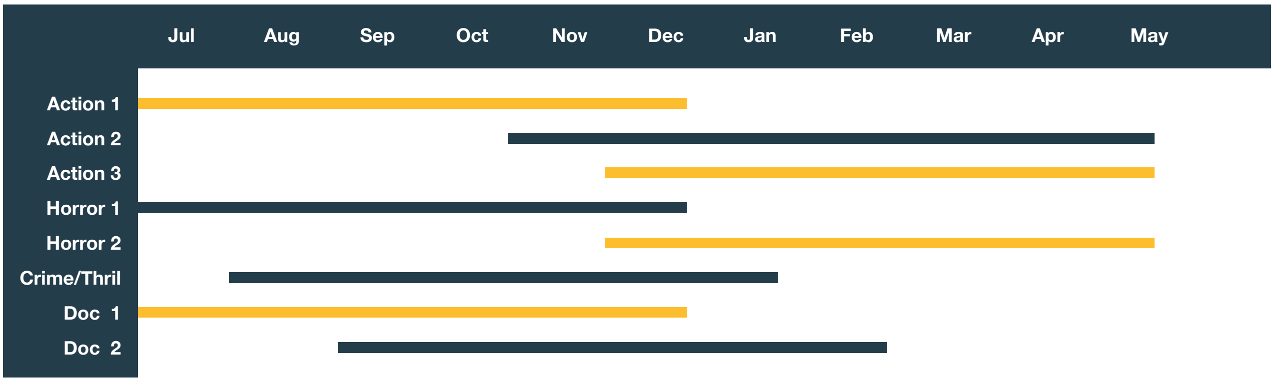
Our Production Calendar:

Further key benefits of our slate production model are: :

1. It enhances our ability to attract and retain the best talent across the production process. We are able to offer consistent, year-round work to talent, crew, pre and post production staff as well as a suite of support and administration staff. This is an substantial benefit to our business and will assist us to consistently deliver high quality content that is both on time and on budget.
2. It enhances our ability to attract and develop quality projects. With confidence in our business to deliver a slate of six to eight productions each year, owners, adapters and creators of projects are expected to present unsolicited opportunities for our business. This pull created through our reputation means our opportunity to discover and develop quality projects is significant and our cost of project acquisition is greatly reduced.
3. Our business will be able to manage production efficiently and effectively. Where a shoot for a US$2m action film may take 30 days to complete – the micro-budget horror project can be 'tacked-on' to the back of this filming schedule, providing a further 14 day shoot that is cheaper and easier due to the continuous flow of production. The goal is to create and manage a leap-frog assembly system in contrast to current practice of starting a new project with new employees for every picture.
4. It provides a stable and predictable flow of quality content that distributors can rely on to meet their acquisition objectives.

In order to deliver on our slate production model, our business is set to work to a strict calendar each year. The calendar is shown at Table 2 on the following page and is based on an Australian finanical year calendar which operates from 1 July to 30 June.

Table 2. Slate Production Model in a typical calendar year – July to June



Whilst the production calendar at Table 2 above represents an ideal year of production for the company, the first 12 to 24 months of operation will involve a ramp-up of our production activities. This will mean that it is very likely that one to three films are made over the 2020/2021 calendar years. This is in recognition of the time the business will require to develop properties, attach talent and reach sales, distribution and financing deals for the first slate.

Our Content Selection Process:

The selection of content for production is critical to the success of our company. Our management team has a rich history of originating content, developing third party content from various stages of completion and in producing ready-made content.

Scripts, treatments and coverages thereof will be received by our company from a range of internal and outside sources as is the norm in our industry. We will have internal staff read and review scripts based on a set criteria for each genre piece of our slate and other key parameters. Scripts will be scored by our Script Committee and passed for deliberation by the broader management.

Script readers wil have been trained and inducted into our company's business model, production slate needs and production system.

Content selection discussions will review a scripts' review, score, its alignment with our company criteria, its place in the upcoming slate, its financing, talent to align with it and importantly its appeal to our distributor and platform partners.

We view this process as essential to our success and a source of our competitive advantage in our market. Unlike other smaller studios who will often outsource their script coverage and appoint outsourced production professionals we are able to apply a team of internal professionals including writers, directors, editors, actors, financiers and sales professionals to filter our content and ensure each production chosen for each slate meets our company's commercial objectives.

By having the people that will produce each project involved in selection is key to our business model's efficiency. Having our sales and marketing professionals involved from the beginning of the selection process also ensures that content is created with the end purchaser in mind and is able to meet the needs of our distributor and platform partners, thus safeguarding further our slate's commerciality each year.

Our Diversification Benefits:

When allocating investment, spreading your exposure across a number of different assets is a fundamental rule that allows you to protect your capital. Typically investment in film has been on a one-film-at-a-time basis. This exposes investors to ‘concentration risk’ – that is all of an investments’ risk (likelihood of loss) is concentrated on one single project.

Our production model mitigates our concentration risk by allowing investors exposure not to a single film project, but to a company that is distributing its capital and risk across a six to eight project slate that comprises diversified content, cost and distribution methods.

Sales and Marketing:

We have relationships with current foreign and domestic sales companies who will assist in the initial sales of our slate to distributors and platforms worldwide.

Our Sales Calendar:

Whilst our Production Calendar is spread over a 12 month period, our sales model relies on our achieving first foreign presales within a matter of four to six weeks of each projects pre-production commencement and secondly on our negotiating prior to the end of production of all slate projects a commercial sales arrangement for North America (Domestic) distribution for the entire slate.

Pre Sales:

Our model seeks to further reduce risk by working with distributors ahead of a film’s production commencing.

Dialogue with the key purchasers of film content allows Reel House to set content production schedules to meet an enunciated demand of our purchasers and to form content that is in line with what purchasers can then on-sell within their markets (as assigned by geography).

This method assists with our capital preservation and risk management as films are made only when commitment is received by purchasers to take up a film’s distribution given certain agreed parameters (such as story, talent, timing of deliver and marketing).

Our model requires that each picture is pre-financed by foreign minimum guarantees from a combination of largely smaller and some bigger foreign territories prior to production. Furthermore, we will receive another 20-30% of the production budget of each project as pre-finance from various national or local government tax credits, incentives and rebates.

Pre sales and incentives are essential to manage the financial risk of each picture.

Case Study: Sinners & Saints - A Will Kaufman Picture

Sinners and Saints was produced for $840,000. The pre-sale negotiation for the film saw the producers offered a Domestic (North American) territory minimum guarantee sale range of $400,000 at the low side to $800,000 at the high side. This pre-sale minimum guarantee would have allowed the Domestic territory sale to recoup the budget of the film, and for profits to flow from global market revenues.

The film went on to gross just under $2.1m with $1.5m contributed from the Domestic territories and $600,000 from foreign market revenues. The film grossed 247% of its

Bundling:

Our method of selling a full slate of six to eight films in effect 'bundles' our projects for distributors. This means that where the most attractive film in the slate is for sale and desired by distributors that smaller projects can be also be sold. This provides protection for the micro-budget project, saving it from having to weather its own sales process. It further provides opportunities for the smaller budget films to reach an audience and deliver healthy profits to the business given their very low cost base and niche genre.

Contrary to belief that bundling implies lesser quality or a discount to purchasers, our multi-picture model allows us to cost-effectively produce and sell our inventory to distributors ensuring a solid return on investment per slate.

Our Competition:

We face significant competition for content, sales revenues and personnel. Our competition includes companies with greater financial resources than we have. We also compete against smaller production companies who specialise in lower budget films and have a more substantial track record in content development and sales than we do.

We believe that our ability to compete effectively for content will depend on many factors including:

- The slate production model provides confidence to content creators that production of their project will occur.
- Our offering a much faster production schedule and project turn around than the lengthy time frame for green-lighting projects that the studio system is renowned for.
- Our ability to establish and maintain relationships with content creators and to mutually commit to a long term working cooperation that will assist our developing, in time, a substantial 'pipeline' of quality projects.
- Our ability to develop and strengthen our brand and reputation in the marketplace.

2.2.5 Business strategy

Low-cost, high-revenue filmmaking.

Case Study: Blumhouse Productions

Blumhouse Productions is the successful proponent of a business model that shares key similarities with the Reel House concept. The founder — Jason Blum —is 'infamous' for developing and producing high quality horror properties for 70-80% less than the 'typical Hollywood' studio with identical project parameters.

His model seamlessly functions on these building blocks:

1. Writers are guaranteed no script revisions
2. Directors have final cut
3. Films are produced using minimal locations and characters
4. Staff works at union scale and participates in the "backend waterfall "
5. Blumhouse Products takes 12% of the film's gross revenue

Blumhouse' s model allows him to green-light projects below $5M. Within this budget range he is able to release more films with the calculated risk that none of the pictures' financial failures will hurt the business in the aggregate.

Blumhouse Productions made the following: *Paranormal Activity, The Purge, The Conjuring,* and most recently the last three M. Night Shamalyan pictures- collectively these pictures have grossed hundreds of millions - *Martyrs, Curve, Creep, Mockingbird, Plush, Sleight, The Veil, How to Dance in Ohio, Exeter and The Asylum.*

Blue Sky Films *(With Year of Release)*	**Budget** *(Estimates Rounded)*	**World Wide Gross** *(Sourced from the-numbers. com Apr 2017)*	**Return on Investment** *(%)*
Paranormal Activity (2009)	$15,000	$194,183,034	1,294,454%
The Gallows (2015)	$100,000	$41,753,881	41,654%
Unfriended (2015)	$1,000,000	$62,561,449	6,156%
Paranormal Activity 2 (2010)	$3,000,000	$177,512,032	5,817%
Insidious Chapter 2 (2013)	$5,000,000	$161,921,515	3,138%
Split (2017)	$9,000,000	$274,661,454	2,952%
Money Losers			
Jem and the Holograms (2015)	$5,000,000	$2,368,937	-53%
The Lords of Salem (2013)	$2,500,000	$1,541,131	-38%
Hamlet (2000)	$2,000,000	$2,419,669	21%

Our model shares the lower budget, yet higher quality production values of Blumhouse. However, we see our key point of innovation being our ability to make the system repeatable across genres; not only horror productions, but also action, thriller, and documentaries.

Such genre films are well-positioned to connect with a global audience. Our analysis reveals that genre pictures translates better in foreign markets (unlike comedies and dramas — unless they are A-list talent driven projects.)

Genre films allows us to present compelling stories naturally limited to minimal locations, characters and lower production costs. A key competitive advantage we enjoy is experience and understanding of how to find and develop quality genre projects.

Budget Management

Our ability to deliver our content on time and on budget is critical to our company's success.

Our key advantage is that that our team comprises true film production professionals who are commercially minded and have a track record of consistently delivering projects to budget and deadline.

All of our employees and contractors understand that future film making opportunities will only come from the commercial viability of each project and a system to deliver a positive financial outcome.

Investment in Infrastructure

We intend to increase the capacity and enhance the capability and reliability of our infrastructure. Our infrastructure is critical to the successful production of our production slate, the development of our content and to providing our distributor and platform partner's access to our content in a format that is required. Our infrastructure must be enabled to operate particularly during natural disasters, loss of power and other unforeseen circumstances.

As our production activity increases, we expect that investments and expenses associated with our infrastructure will continue to grow. These investments and expenses include the expansion of additional servers and networking equipment to increase the capacity of our Infrastructure, increased bandwidth costs, equipment upgrades, software and hardware acquisitions.

Investment in Talent

We intend to invest in hiring and retaining talented employees to grow our business and increase our revenue. We must retain our high-performing personnel in order to continue to develop, sell and market our products and services and manage our business.

Revenue from Sales

We will receive revenue from a number of sources. Sales revenues will be from third party distributors and platform operators across multiple markets globally.

Pre-sales

Minimum Guarantee (MG) for distribution rights are the pre-sale amount that distributors pay in advance for content. The MG provides our business with a safety net revenue amount that we can expect prior to incurring all production costs on a project. MG's are drawn from two sources, foreign territory pre sales and the Domestic (North American) territory.

Distributors pay a MG in order to lock in access to content ahead of having to bid for the content in the open film markets (such as Cannes, Berlin or the American Film Market). Producers of content likewise enter into MG arrangements with distributors in order to ensure income from their project is in place to offset costs of production much earlier, thus mitigating production cost risk. Where projects do not enter into MG arrangements, producers of content estimate that are likely to achieve a greater sale price for their finished project at a film market and are freer to do so without having made an earlier pre-sale arrangement with any distributor/platform.

Revenue Sharing

Each major market (i.e. DVD, TV, and VOD/Digital) will have its own revenue share depending on the territory. The range in percentage varies significantly depending on territory.

- DVD rights range from 35/65 to 50/50 producer/distributor
- TV rights range from 40/60 to 50/50 producer/distributor
- VOD/Digital rights range from 25/75 to 50/50 producer/distributor

These revenue sharing arrangements are net of any MG already in place and typically pay out quarterly over the term of the license to distribute agreement for each film. (Typical in North America, UK, Benelux, Scandinavia, Middle East, China, Japan & Latin America).

Hard Media Sale Revenue Sharing

Often we see quarterly revenue sharing payments that are derived from hard media selling in bargain bins in outlets such as Target & Walmart etc. or sometimes multiple titles will get repacked onto multi-title disc packages.

Additional Foreign Territories

Often smaller territories will purchase license to distribute agreements for content sporadically and at times several years after a title is released. Further additional markets within a foreign territory can be opened up over time following a title's release. Territories such as UK and Germany will often license All Rights excluding television, only to add a television distribution deal at a future point in time, thus generating additional revenue.

Re-Licenses.

Every distribution agreement has a contractual term. A term can range from 1 year to 12-15 years. Once a term has expired the title can be re-licensed at a discounted rate. In territories like Germany where major investments are made in creating foreign language dubs, re-licenses after a term expiration are very lucrative because the re-licensor does not have to pay for the creation of the dub. We expect average license agreements to terminate after five years.

Our financial modelling has been developed using assumptions pertaining to only Pre-Sale, Revenue Sharing and Re-licensing revenues to the company.

As important to our business as the quantum of revenue generated by each project is the timing and source of our revenue. Our cash flows are dependent on our achieving foreign territory pre-sale agreements and minimum guarantees in order to meet our slate production commitments over any one year.

An essential risk mitigation tool that we deploy is to demand that each project in our slate each year is able to achieve foreign territory pre sales of at least 50% of their allocated production budget (net of sales fees) in order for a project to continue to production in earnest. This timing provides us coverage of downside risk on each project to less than 50% of production costs (this can be as low as 30% where rebates and incentives are included). It also provides time during production to confidently open negotiations with the Domestic market distributors and platforms to ensure our revenue targets are met for the slate.

Cost Base & Operating Expenses

Production budgets.

Our production budgets have been set following market research as well as drawing on our team's long experience of film development and delivery. The production budgets we have set for our slate of eight productions in year one vary according to picture genre. The key determinants of each budget is the amount paid to performing and directorial talent, the location and length of the shoot and the post production requirement for computer generated imagery (CGI). Our team has carefully cultivated each budget of each genre-driven production to ensure maximum efficiency of capital and time resources as well as ideal locations for the purpose of incentive, rebates and cost management.

Whilst the budgets set are efficient and lean, they do not remain rigid and our key competitive advantage in our market is knowledge and experience of managing limitations in capital resources to ensure productions are delivered on time and budget.

Overhead.

Our overhead costs consist of a range of costs associated with our production business that sit outside of project budgets.

Our costs include items such as lease and hosting costs, related support and maintenance costs and energy and bandwidth costs, as well as depreciation of our equipment, allocated facilities and other supporting overhead costs, and amortisation of acquired intangible assets.

Overhead also consists of general and administrative expenses of personnel-related costs, including salaries, benefits and other compensation, for our executive, finance, legal, information technology, human resources and other administrative employees. In addition, general and administrative expenses include fees and costs for professional services, including consulting, third-party legal and accounting services and facilities and other supporting overhead costs that are not allocated to other departments.

Many of the elements of our overhead costs are relatively fixed, and cannot be reduced in the near term to offset any decline in our revenue.

Development.

Development expenses consist primarily of personnel-related costs, including salaries and benefits for our staff to engage in developing future content/projects as well as costs of acquiring third party content for further development and production by our business. Development costs can also include costs of third-party consultants such as script-doctors, designers and creatives, legal professionals, sales agents and other intermediaries.

The development budget assigned by the business is a key investment for our company as it allows us to continually hold a number of self-generated content that can be included in future production slates or sold independently as a one-off production. Such content developed can include scripted and unscripted episodic television series, online serials and even corporate-sponsored serials for a specified market. The return on investment of such content is historically considerable, although the time within which financial gain is realised can be much longer than a single year's production slate.

Publicity and Advertising.

Our publicity and advertising costs consists of expenses incurred in promoting the slate of films or a single film that has theatrical or mainstream television or cable release.

These expenses include purchased advertising in hard and soft media as well as publicity related promotional material, any merchandising and allocated facilities and other supporting overhead costs.

The company has a publicity and advertising budget for each slate that is equal to fifteen per cent of the production base budget for the eight film production slate.

Sales and Marketing.

Sales and marketing expenses consist of personnel-related costs, including salaries and benefits for our employees engaged in sales, sales support, commissions to sales agents and intermediaries, business development and media, marketing, corporate communications and customer service functions. In addition, marketing and sales-related expenses also include market research, tradeshows, company branding and marketing costs, as well as allocated facilities and other supporting overhead costs.

We plan to continue to invest in sales and marketing in order to grow our distributor and platform base and increase our brand awareness.

Provision for Income Taxes.

Provision for income taxes consists of federal and state income taxes in the United States and income taxes in certain foreign jurisdictions, and deferred income taxes and changes in related valuation allowance reflecting the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

2.2.6 Swot analysis

SWOT Analysis

Our Strengths:

- Strong track record of performance in content production across multiple genres and channels.
- Proven ability to deliver projects on time and budget over years of work in the industry.
- Existing relationships with motion picture distribution entities.
- Access to high calibre talent in fields of content creation, direction, performance and production.
- Deep knowledge of fiduciary risks associated with the current model of capital allocation.
- Strong executive team with balance of experiences, expertise, relationship and knowledge base.
- An executive team who have specialisation in the various skill sets required for film production including content development, all manner of production including direction, cinematographer, design, performance, editing, marketing and financial management.
- Nimbleness: The Company can respond to shifts in the marketplace with a speed of adaptation to change that larger, more siloed entities can't manage.
- High-level expertise and sensibilities in developing properties.
- Deep knowledge and experience of securing international pre-sales and scouting/galvanizing potential co-production opportunities.

Our Weaknesses:

- We have not proven our capacity to develop and produce a slate of eight plus productions in a single year.
- Our sales strategy of bundling and concurrently selling our slate of projects to distributors is untried and unproven by our group.
- We are a company that is a merger of two separate operations in two locations globally and as such will face the difficulties of time zone difference, contact limits and travel that face multinational operations.
- Insufficient capital for large scale publicity and advertising activities.
- Company directors will have both creative and managerial responsibilities that will create high demands on time and focus.
- Need for infrastructure upgrades in our post-production technology to meet the demands of producing eight plus projects per year.
- A lack of prestigious properties that will allow the company to 'award-driven"/critically-acclaimed' space that is often a litmus test to establish a studio's reputation.

SWOT Analysis (Continued)

Our Opportunities:

- We can place ourselves in the market as a low cost provider of content to the growing distribution platform marketplace.
- Our relationships with our platform partners can grow and deepen over time so as to allow us to leverage their demand forecasting for content.
- To grow into a physical studio that houses our production facilities in either or both the United States and Australia.
- To have projects from time to time that achieve a ‘super profit’ return similar to the blue sky ROIs achieved by a number of the Blumhouse Production’s genre films.
- To realise our company value via merger or acquisition with a large content creation business or integrated platform business.
- Exploit a rarely considered option of co-funding schemes with U.S.-based municipal and state governments.
- Exploit the diversity of our founding members as a strategic branding approach that articulates that the company is creating opportunities and entry points for women, persons of colour and other traditionally underrepresented groups in the film//television industry.

Our Threats:

- Access to talent in performance and production is reduced by competitors pricing talent away from our budget range.
- Sales environment deteriorates as a result of prevailing economic conditions worsening in the global and North American markets.
- Currency fluctuations.
- Low barriers to entry resulting in a potential glut of content.
- Industry consolidation or market reduction at the distribution/platform level.
- Legal and regulatory impediments to operating an enterprise across international boundaries.
- The international market is very flexible and presents strong competition.
- There is an emerging thinking in ‘Hollywood’ circles that low-to-mid budget star driven action pictures are becoming increasingly less reliable. And, if this perception grows distributors may offer reduced license fees.
- Our projects may not be re-licensed after five years and cause our balance sheet to contract more rapidly than projected.
- Cyber-attack and theft of product from our internal production or third party facilities.

2.2.7 Business revenue & cost model

Our revenue model has been built using input from market research as well as from specific case studies of like-for-like low budget genre films recently released. The revenue case studies list actual projects that members of our company have produced, directed, created or have close knowledge of. The revenue case studies are shown below at Table 3.

Table 3. Revenue case studies used to form project return assumptions.

Title	Genre	Budget ($US)	Gross/MG ($US)	Gross as % of Budget
Sinners & Saints	Action	$840,000	$2,077,886	247%
Raid	Action	$1,100,000	$4,000,000	364%
Prodigy	Action	$114,000	$325,000	285%
Close Range	Action	$1,100,000	$2,300,000	209%
Marine 4	Action	$2,500,000	$3,200,000	128%
Jarhead 3	Action	$2,500,000	$3,700,000	148%
Genre Avg.				**230%**
Dead Snow	Horror	$800,000	$2,100,000	263%
Monsters	Horror	$500,000	$4,242,978	849%
The Last Possession	Horror	$220,000	$450,000	205%
Genre Avg.				**439%**
Brick	Crime Thriller	$450,000	$3,919,254	871%
Genre Avg.				**871%**
Black Panther	Documentary	$300,000	$545,000	182%
The Last Possession	Documentary	$312,000	$809,000	259%
Genre Avg.				**220%**

From these case studies as well as further research into gross revenues from low budget genre projects globally we arrived at our assumed return on investment in gross terms for the projects that populate our yearly production slate.

Our assumed revenues for each project are expressed as a percentage of production cost and are shown in Table 4 on the following page.

Table 4. Assumed revenue returns per project expressed as percentage of production cost.

Project	Genre	Revenue as % of Production Cost
1	Action	230%
2	Action	230%
3	Action	230%
4	Horror	250%
5	Horror	250%
6	Crime Thriller	230%
7	Documentary	200%

Further assumptions made relate to the source of our revenues over each slate. Our revenue model is based on our sales model that is articulated further in the Sales and Marketing section of this document. It outlines that we expect our revenues to come from three primary sources being:

1. Foreign territory sales.

2. Domestic (USA and Canada) sales.

3. Regional incentive payments from local and state government for locating production and post production within specified jurisdictions.

The quantum of these sources is shown in Table 5 on the following page.

Table 5. Assumed revenue sources expressed as percentage of project cost.

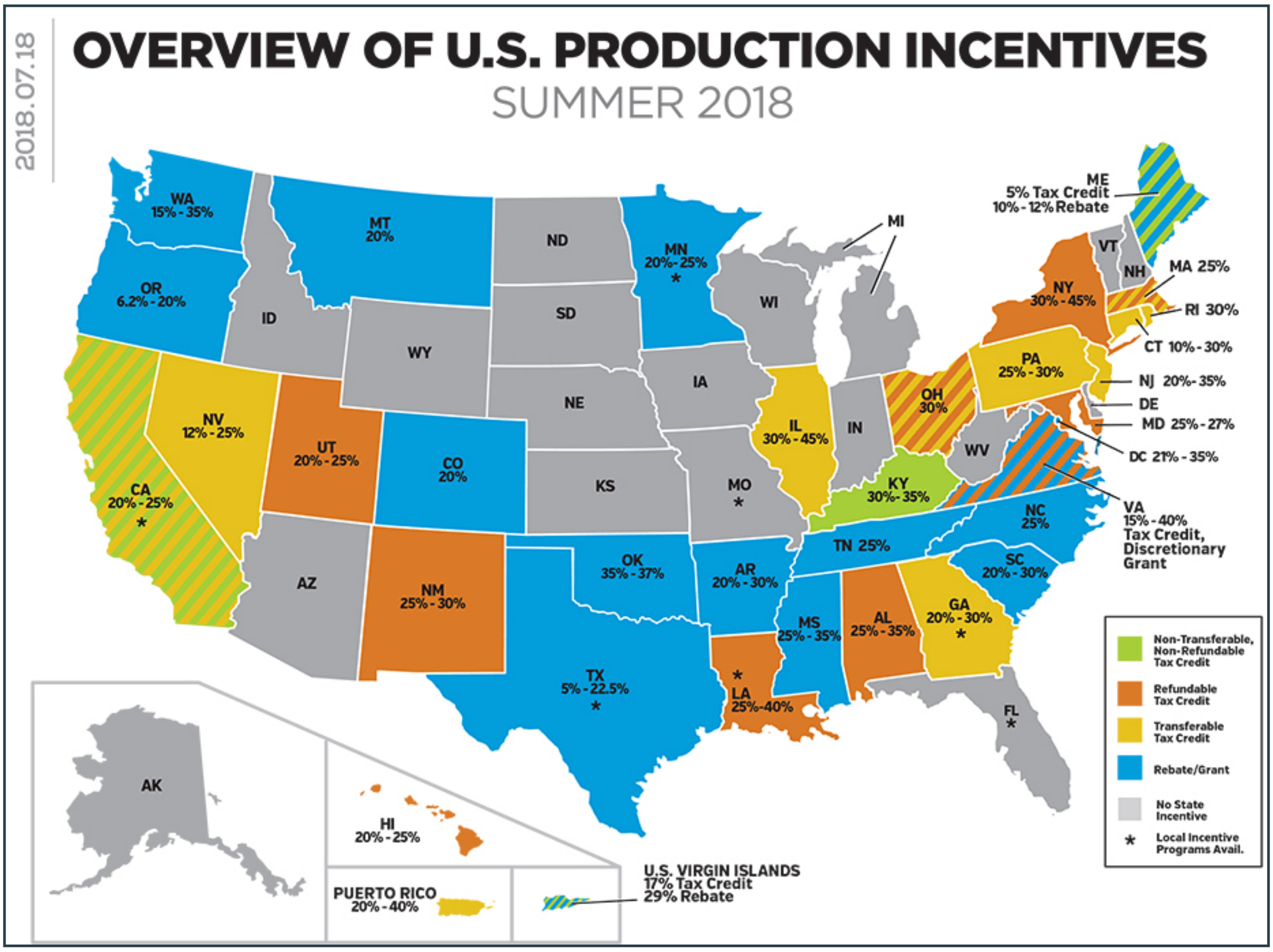
Source	% of Overall Revenues	Revenues as % of Production Cost
Rebates & Incentives	8%	20%
Foreign Territory Sales	16%	50%
Domestic Sales	77%	195%

A note on Regional Rebates and Incentives

Many states and cities within the USA and globally offer tax rebate programs to entice film production in their area. This is because film production is seen as a stimulant to local economies providing work for locals, boost in business for service providers and much needed reputational enhancement. Other than direct employment of talent and crew for production, film projects access local accommodation, trades people, motor vehicle providers, catering companies and hospitality businesses.

Government provides rebates of up to 30% of the cost of production incurred in their state including talent and crew labour costs. Where a local post production company is used the costs of this can be subject to rebates also. Figure 1 below shows the various incentives, rebates and grants and their rates payable by each state of the USA.

Figure 1. Assumed revenue returns per project expressed as percentage of production cost.



Aggregate Revenues and Returns:

Our aggregate revenues from our six to eight project production slate is based on our return on investment assumptions as well as our achieving expected sales income from foreign territories, domestic sales and from rebates from jurisdictions where we locate production.

The return on investment for the business is based on an understanding that all productions will achieve their assumed revenues (as shown in Table 4 above as percentage of budget) and that some will fail to generate revenues to meet their production budgets. However, applying a diversified slate of many pictures to each year's financial performance for the company, we have modelled a sensitivity factor for each films' revenue that impact the company's overall profitability. This modelling shows us that should a minimum of 60% of our productions achieve their assumed revenue profile that the company will remain in profit.

Recurring Revenues from Re-licensing of Content:

As the ultimate owner of the copyright of each of our productions we are able to execute time-based sales agreements with our distributor/platform partners. Typically, when a film is first released to market such licenses to distribute and exhibit have terms of up to five years. After the expiry of the first license term content can be relicensed at an agreed price and for a second agreed term.

A key component in our revenue and balance sheet modelling is the assumption that our slate will achieve re-licensing at year six at a price that is 50% of the first-year sales and will re-license and for a further five-year term. It is further assumed that content will re-license a second time at year 12 for a price of 10% of its first-year sales.

The value assigned to copyrighted and owned content of production houses and studios is based on each production's ability to secure further re-licensing opportunities into the future. This is commonly referred to as a company's 'vault' and it is the key collateral (outside of physical real estate) that studios hold and use to secure finance for their productions and operating activities.

Our Cost Model

Our cost of revenue comprises four primary operating expenses being:

1. Production budgets of projects in the slate.
2. Publicity and Advertising.
3. Overhead comprising the USA facilities, an office in Australia
4. Development budget for creative content development and acquisition.

Our target production budgets for a slate are shown in Table 6 below.

Table 6. Target production budgets.

Project	Genre	Budget
1	Action	$1,500,000
2	Action	$700,000
3	Action Thiller	$1,100,000
4	Horror	$500,000
5	Horror	$500,000
6	Crime Thriller	$800,000
7	Documentary	$300,000
8	Documentary	$150,000

2.2.8 Organisational Structure

Board of Directors

Jay Grant
Geoff Moore
Tony Nikolakopoulos

South Road Pictures USA

King Hollis
Colby Mitchell
Lindell Singleton
Will Kauffman
Edwin Harris Jr
Costas Mandylor

Production Steering Committee

Tony Nikolakopoulos
Costas Killias
King Hollis
Colby Mitchell
Lindell Singleton

Senior Managers - Business

Jay Grant
Geoff Moore
Tony Nikolakopoulos

2.3 Directors and senior managers

Company Directors

JAY GRANT

Jay Grant is Senior Partner at Newhaven Wealth a venture capital and wealth management firm that has interests in range of companies spanning multiple industries including; Financial Services, Lending, Managed Investments, Real Estate Sales, Property Development, Agribusiness, Infrastructure investment and Apparel Retailing.

Mr. Grant is Head of Business Strategy for Newhaven Wealth and Director of Newhaven Managed Investments, Newhaven Wealth and Weatherall Developments.

Mr. Grant has extensive experience developed through a multitude of roles including; Government policy development and speech writing for the NSW State Premier, consulting work with TCF Consulting and the TCFL Design & Research Centre and work with NGO's.

GEOFF MOORE DipFP, CFP, FAICD

Geoff Moore has been involved in Financial Services for 30 years, having started as an assistant in a Securities Dealer, evolving to client advising and then management of financial planning networks.

He is a Director of Newhaven Group Pty Ltd, Director of Newhaven Wealth Pty Ltd and serves as Responsible Manager of Newhaven Wealth's Australian Financial Services License. He is a Director and Officer in Effective Control of Newhaven R.E Pty Ltd, Licensed Real Estate Agent.

Over the past 15 years Mr. Moore has consulted to Financial Services and Accounting firms on strategic planning and business structuring. He has been a member and chair of compliance and investment committee's for several Australian Funds Management companies and Financial Services licensees.

Mr. Moore was the founder and Managing Director of the AFS group, a national network of planners in 1995. He also established a successful Masterfund investment business that grew to $550 million of Funds within 3 years. He completed the Company Directors Diploma in 2002 and is also a Fellow of the Australian Institute of Company Directors.

Jay Grant and Geoff Moore served as company Directors of the Brands Squared group of companies (comprising Pty Ltd's; Brands Squared Retail, Brands Squared HR, Brands Squared, Allied Apparel & Footwear, City Apparel & Footwear, Northern Apparel & Footwear and Peninsula Apparel & Footwear) which were placed into adminstration in 2018. The group was established to operate the franchise for Australia and New Zealand of the USA children's clothing and footwear retailer Gymboree Inc. Gymboree Inc was the provider of franchise rights and the sole stock supplier of Brands Squared, which operated five retail stores. In 2017 Gymboree Inc. filed for Chapter 11 bankruptcy in the USA and was placed into full administration in 2018. This caused material damage (primarily due to inability to access stock) to the business of Brands Squared and the business was wound up. The external administrators of Brands Squared were appointed by Grant and Moore on behalf of their company Newhaven Group which was a substantial creditor of Brands Squared. The administration completed with all employees receiving full entitlements and settlements negotiated with creditors.

Geoff Moore was the sole Director and shareholder of his private consulting company M Capital Pty Ltd. The company was wound up and Moore initiated a shareholder-appointed liduqidation in 2017, with settlement reached with creditors. The circumstances around the winding up pertain to the financial settlement of Moore's divorce.

Grant and Moore have continued the successful operation of their many other companies during and since.

TONY NIKOLAKOPOULOS

Tony Nikolakopoulos is an actor and director. He has been a stalwart of Australian drama since 1995 with roles in Head On (1998), The Wog Boy (2000), Blue Heelers (1997-2002), All Saints (2008), City Homicide (2009), Killing Time (2011), Offspring (2013) and Wentworth (2014-2016). Tony has delivered performances in international productions such as Kangaroo Jack (2003), Predestination (2014) and Alex and Eve (2015).

In addition to performance and direction Tony has a long history in teaching the dramatic arts and film making. He is currently working with the Victorian College of the Arts as lecturer, manages the Victorian Youth Theatre Company. Tony previously operated both his own private commercial drama school and boutique talent management business.

Production Steering Committee Members

COSTAS MANDYLOR

Costas Mandylor is a Melbourne-born actor who began his film career in the USA in 1988. His career has seen a myriad of performances across film and television over the decades that have provided an enviable body of work for a film actor.

Costas has performed in award winning films (Triumph of the Spirit opposite Willem Dafoe, 1989) and with major Hollywood directors and film artists including Oliver Stone (The Doors, 1991), Robert Downey Jr, (Soapdish, 1991), Jack Nicholson and Sean Penn (The Pledge, 2001), Anthony Hopkins and Ray Winston (Beowulf, 2007) and Christopher Plummer (Cliffs of Freedom, 2017) amongst many others.

Costas was a lead in the hit television series Picket Fences along with Tom Skirret and Lauren Holly. The series ran in the USA and worldwide from 1992-1996 and enjoyed prolonged success. Costas enjoys a worldwide cult following amongst fans of the horror genre, following his role as a police forensic office in the Saw film franchise.

Costas continues both film and television work, recently guest starring in Once Upon a Time (2016), Hawaii Five-0 (2018) and NCIS Los Angeles (2018). At home again in 2017, Costas co-starred in the Australian production In like Flynn, the Errol Flynn bio-drama due for release in 2019.

COSTAS KILIAS - Script Advisor

Costas KIlias is a renowned criminal defence Barrister in Melbourne as well as actor and comedian.

Costas acting credits include his much-loved role of Farouk in the Australian favourite The Castle (1997). However he has performed in a range of television and films projects including most notably, Sea Change (1998), Blue Heelers (1998), The Adventures of Lano & Woodley (1999), The Wog Boy (2000), Two Fists, One Heart (2008), The Kings of Mykonos (2010), Fat Tony & Co (2014).

KING HOLLIS

King Hollis, a native of Dallas, Texas, has been a pillar of the Texas film community since 1992. From 1999-2003, Hollis worked as a commercial director for Deep Ellum Pictures helming more than 125 spots for a who's who list of Fortune 500 clients. King founded Media 13 Studios in the mid-1990s.

Under the Media 13 Studios banner, King produced feature length motion pictures, long-form episodic content, and a host of documentaries, including the award-winning, Torey's Distraction.

During this period, King was the driving creative force behind the acclaimed WFAA/ABC documentary series— Children's Med Dallas — which completed two successful seasons on broadcast television and is currently in syndication. Under King's leadership, Media 13 Studios established a partnership with the Belo Corporation to produce sports documentaries under the joint venture Texas 28 Films banner.

King remains a sought-after director. His most notable work is the powerful family drama, Pearl: The Story of Pearl Carter Scott. The film earned awards at numerous film festivals including AFI-Dallas.
As a television director, King helmed 13 episodes of the series, The Undercard (broadcast on Tribune Network's CW 33 and Telemundo) and the definitive music documentary on music icon Rick Springfield— which was distributed throughout the United States on PBS through WBGH/Boston.

EDWIN HARRIS

Edwin Harris, a native of Chicago, Illinois, is a veteran Senior Editor and Post-Production Supervisor.
As editor and show-runner, Edwin recently completed a two-season stint on the hit reality television series, The Undercard. Prior to this, he served as post-production Supervisor for the Fox Sports/NBA basketball series, Courtside Jones and the Veria Cable Network reality series, Sports Dads (starring NFL icon Deion Sanders.)

Edwin is a much sought-after commercial editor with include an array of credits from top U.S. agencies including: (Tribal DDB, Kolar, and Hothaus Creative) and Fortune 200 companies (American Airlines, GE, Pepsi Cola) where he worked in support of their brand.

Edwin is a graduate of The University of North Texas where he received a Bachelor of Arts with a concentration in Radio, Television, and Film.

COLBY MITCHELL

Colby Mitchell is currently the Senior Producer for Media 13 Studios and has held that position since 2008. During his tenure at Media 13 Studios he has produced for such clients as WFAA, CW 33, Children's Medical Centre, and the Chickasaw Nation. From 2005-2008, Colby lived in Los Angeles, CA where he worked as a production manager and line producer on numerous films and projects.

In 2005, Colby produced William Kaufman's first film, The Prodigy. Then in 2010 Mr. Mitchell produced another of Mr. Kaufman's films, Sinners and Saints, starring Johnny Strong, Sean Patrick Flanery and Oscar nominee Tom Berenger. Colby serves as a member of Film Independent, an organization that produces the "Independent Spirit Awards", The Academy of Science Fiction, Fantasy and Horror Films that produces "The Saturn Awards", the International Documentary Association, and the Dallas Producers Association.

Colby graduated from The University of North Texas with a Bachelor of Arts and a degree in Radio, Television, and Film.

LINDELL SINGLETON

Lindell Singleton, a native of Los Angeles, attended Los Angeles City College, UCLA, and the Film /TV Directing Program at HFI. His degree is in Art. Lindell is currently completing a Master of Arts in Creative Writing at Newburgh College.

Currently he is Chief Creative Officer and an Executive Producer at Media 13 Studios working alongside King Hollis to set the firm's creative direction for content development and acquisition.

Before joining Media 13 Studios, Lindell spent more than 20 years with American Airlines. He was directly instrumental in shaping, crafting and leading global communications campaigns to advance AA's brand across more than 43 countries.

Recently, he wrote and directed the theatrical documentary Lone Star Holy War and The Judge and the 8th Wonder: True Story of the Houston Astrodome. Lone Star Holy War premiered as an official selection of the Dallas International Film Festival.

Lindell and King, as writing partners, were commissioned to write the screenplay, He Could Have Played Blind (story of NBA legend Pete Maravich). The completed screenplay is in development.

Lindell's historical novel — *Search for the True Love Indicator* — published in 2015.

WILL KAUFMAN

William Kaufman is a feature film director and a commercial producer and director. The past two years Mr. Kaufman has been the senior producer, director, and a partner at Throttle Films. Prior to Throttle Films Mr. Kaufman was a freelance director and producer for 15 years.

Will made his directorial debut with The Prodigy in 2005. He has since gone on to direct the notable cult hits Sinners and Saints, starring Johnny Strong and Oscar nominee Tom Berenger, and the most recent Daylight's End, starring Johnny Strong and Lance Henriksen, which premiered at The Dallas International Film Festival in 2016.

He also directed The Hit List, starring Cole Hauser and Academy Award Winner Cuba Gooding Jr., for Sony Pictures, Jarhead: The Siege for Universal Pictures, and The Marine: Moving Target for 20th Century Fox.

For almost 2 decades Will has been directing and producing media and films for commercial and international distribution. Will became a member of the Directors Guild of America in 2011.

2.4 Risks facing the business

An investment in the Company should be seen as high-risk and speculative. A description of the main risks that may impact our business is below. Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general, risks associated with the Company (for example, risks relating to general economic conditions or the inability to sell our shares).

Risk Area	Explanation
The Loss of Affiliation Agreements, Renewal on Less Favourable Terms or Adverse Interpretations Could Cause Our Revenues to Decline in Any Given Period or in Specific Markets.	We are dependent upon our agreements with distributors of our content. There can be no assurance that these agreements will be entered into or renewed in the future on terms, including pricing, acceptable to us, or at all. While many consumers have a choice of distributors from which to access our content, the loss of carriage on the most widely available distribution channels could reduce the distribution of our content and decrease the potential audience for our programs, thereby negatively affecting our growth prospects and revenues. Further, the loss of favourable packaging and positioning opportunities with any distributor could reduce revenues from subscriber fees. In addition, as these affiliate agreements have grown in complexity, the number of disputes regarding the interpretation, and even validity, of the agreements has grown, resulting in greater uncertainty and, from time to time, litigation seeking to circumscribe enforcement of our rights or to seek damages under competition and other laws.
Our Business Operates in a Highly Competitive Industry.	Companies in the filmed entertainment production industry depend on audience acceptance of content and solid distribution relationships. Competition for content, audiences, advertising and distribution is intense and comes from broadcast television, other cable networks, online and mobile properties, movie studios and independent film producers and distributors, consumer products companies and other entertainment outlets and platforms, as well as from search, social networks, program guides and "second screen" applications. Competition also comes from pirated content. Our ability to compete successfully depends on a number of factors, including our ability to create or acquire high quality and popular films, adapt to new technologies and distribution platforms, and achieve widespread distribution for our content. Our competitors could also have preferential access to important technologies, customer data or other competitive information. There can be no assurance that we will be able to compete successfully in the future against existing or potential competitors, or that competition will not have a material adverse effect on our business, financial condition or results of operations.

Risk Area	Explanation
We have a limited operating history in a new and unproven business model, which makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful.	Our production model and business model is new and may not develop as expected, if at all. Convincing distributors and platforms of the value of our content offering and production model is critical to the success of our business. If we fail to educate our distributor and platforms partners of the value of our production model, develop relationships and an ongoing business arrangement with distributors and platforms, if we fail to meet the needs of our global audiences and if our production slate does not operate as expected, our operating results will suffer.
Our business depends on continued and unimpeded access to our products on the Internet.	We depend on the ability of our users and advertisers to access the Internet. Currently, this access is provided by companies that have significant market power in the broadband and Internet access marketplace, including incumbent telephone companies, cable companies, mobile communications companies, government-owned service providers, device manufacturers and operating system providers, any of whom could take actions that degrade, disrupt or increase the cost of user access to our products or services, which would, in turn, negatively impact our business. The adoption of any laws or regulations that adversely affect the growth, popularity or use of the Internet, including laws or practices limiting Internet neutrality, could decrease the demand for, or the usage of, our products and services, increase our cost of doing business and adversely affect our operating results. We also rely on other companies to maintain reliable network systems that provide adequate speed, data capacity and security to us and our users. As the Internet continues to experience growth in the number of users, frequency of use and amount of data transmitted, the Internet infrastructure that we and our users rely on may be unable to support the demands placed upon it. The failure of the Internet infrastructure that we or our users rely on, even for a short period of time, could undermine our operations and harm our operating results.
Negative publicity could adversely affect our business and operating results.	We expect to receive a high degree of media coverage around the world. Negative publicity about our company, including about our production quality, business and labour practices, litigation, regulatory activity, the actions of our partners and audience experience with our products and services, even if inaccurate, could adversely affect our reputation and the confidence in our product offering.

Risk Area	Explanation
Our business is subject to complex and evolving domestic and foreign laws and regulations. These laws and regulations are subject to change and uncertain interpretation, and could result in claims, changes to our business practices, monetary penalties, increased cost of operations or declines in growth.	We are subject to a variety of laws and regulations in the United States and abroad that involve matters central to our business, including privacy, rights of publicity, data protection, content regulation, intellectual property, competition, protection of minors, consumer protection and taxation. These existing and proposed laws and regulations can be costly to comply with and can delay or impede the development of new products and services, result in negative publicity, significantly increase our operating costs, require significant time and attention of management and technical personnel and subject us to inquiries or investigations, claims or other remedies, including fines or demands that we modify or cease existing business practices.
Political and economic conditions in a variety of markets around the world could have an adverse effect on our businesses and harm our financial condition.	Our businesses operate and have customers, partners and audiences worldwide. Economic conditions in many different markets around the world therefore affect a number of aspects of our businesses worldwide. Economic conditions in each market can also impact the businesses of our partners and can impact our audience's discretionary spending. In addition, our businesses are exposed to certain political and economic risks inherent in conducting a global business. These include, among others: a) changes in the regulatory environment in the markets where we operate, including the imposition of new regulations or changed interpretations of existing regulations, particularly regarding repatriation of profits, taxation rules and procedures, tariffs or other trade barriers, currency exchange controls, permit requirements, restrictions on foreign ownership or investment, export and market access restrictions, exceptions and limitations on copyright and censorship; b) potential for longer payment cycles; c) issues related to the presence of corruption in certain markets and changes in anti-corruption laws and regulations; d) increased risk of political instability in some markets as well as conflict and sanctions preventing us from accessing those markets; e) wars, acts of terrorism or other hostilities; and f) other financial, political, economic or other uncertainties. These political and economic risks could create instability in any of the markets where our businesses derive revenues, which could result in a reduction of revenue or loss of investment that adversely affects our businesses and harms our financial condition.

Risk Area	Explanation
Theft of our content, including digital copyright theft and other unauthorised exhibitions of our content, may decrease revenue received from our Motion Pictures and other entertainment content and adversely affect our businesses and profitability.	The success of our businesses depends in part on our ability to maintain and monetize our intellectual property rights in our entertainment content. We are fundamentally a content company and theft of our brands, motion pictures and home entertainment products, television programming, digital content and other intellectual property affects us and the value of our content. Copyright theft is particularly prevalent in many parts of the world that lack effective copyright and technical protective measures similar to those existing in the U.S. and Europe and/or that lack effective enforcement of such measures. Such foreign copyright theft often creates a supply of pirated content for major markets as well. The interpretation of copyright, piracy and other laws as applied to our content, and our piracy detection and enforcement efforts, remain in flux, and some methods of copyright enforcement have encountered political opposition. The failure to appropriately enforce and/or the weakening of existing intellectual property laws could make it more difficult for us to adequately protect our intellectual property and negatively affect its value. Content theft is made easier by the wide availability of higher bandwidth and reduced storage costs, as well as tools that undermine encryption and other security features and enable infringers to cloak their identities online. In addition, we and our numerous production and distribution partners operate various technology systems in connection with the production and distribution of our programming and motion pictures, and intentional or unintentional acts could result in unauthorized access to our content. The increasing use of digital formats and technologies heightens this risk. For example, new mobile broadcasting tools enable users to livestream content, including copyrighted content, which can lead to content theft and could have an adverse impact on the monetization of our content. Unauthorized access to our content could result in the premature release of motion pictures or television shows as well as a reduction in legitimate audiences, which would likely have significant adverse effects on the value of the affected programming. Copyright theft has an adverse effect on our business because it reduces the revenue that we are able to receive from the legitimate sale and distribution of our content, undermines lawful distribution channels, reduces the public's perceived value of our content and inhibits our ability to recoup or profit from the costs incurred to create such works. While legal protections exist, piracy and technological tools with which to engage in copyright theft continue to escalate, evolve and present challenges for enforcement. We are actively engaged in enforcement and other activities to protect our intellectual property, and it is likely that we will continue to expend substantial resources in connection with these efforts. Efforts to prevent the unauthorized reproduction, distribution and exhibition of our content may affect our profitability and may not be successful in preventing harm to our business.

Risk Area	Explanation
We may require additional capital to support our operations or the growth of our business, and we cannot be certain that this capital will be available on reasonable terms when required, or at all.	From time to time, we may need additional financing to operate or grow our business. Our ability to obtain additional financing, if and when required, will depend on investor and lender demand, our operating performance, the condition of the capital markets and other factors, and we cannot assure you that additional financing will be available to us on favourable terms when required, or at all. If we raise additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of our common stock, and our existing stockholders may experience dilution. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support the operation or growth of our business could be significantly impaired and our operating results may be harmed.
The loss of key talent could disrupt our business and adversely affect our revenues.	Our business depends upon the continued efforts, abilities and expertise of not only our corporate and divisional executive teams, but also the various creative talent and entertainment personalities with whom we work. For example, we employ or contract with several entertainment personalities with loyal audiences and we produce motion pictures with highly regarded directors, producers, writers, actors and other talent. These individuals are important to achieving the success of our programs, motion pictures and other content. There can be no assurance that these individuals will remain with us or will retain their current appeal, or that the costs associated with retaining this and new talent will be reasonable. If we fail to retain these individuals on current terms or if our entertainment personalities lose their current appeal or we fail to attract new talent, our revenues and profitability could be adversely affected.
We could be adversely affected by strikes and other union activity.	We and our business partners engage the services of writers, directors, actors and other talent, trade employees and others who are subject to collective bargaining agreements. Some of our collective bargaining agreements are industry-wide agreements, and we may lack practical control over the negotiations and terms of the agreements. In addition, any labour disputes may disrupt our operations and reduce our revenues, and we may not be able to negotiate favourable terms for a renewal, which could increase our costs.

Risk Area	Explanation
Our business is subject to the risks of earthquakes, fire, power outages, floods and other catastrophic events, and to interruption by man-made problems such as terrorism.	A significant natural disaster, such as an earthquake, fire, flood or significant power outage could have a material adverse impact on our business, operating results, and financial condition. In addition, acts of terrorism and other geo-political unrest could cause disruptions in our business. All of the aforementioned risks may be further increased if our disaster recovery plans prove to be inadequate. We have implemented a disaster recovery program, which allows us to move production to a back-up data centre in the event of a catastrophe.

2.5 Financial information

Below are the financial statements of the Company for the 2018/19 financial year, prepared in accordance with the Accounting Standards. Financial information for the period ending 11 November 2019 is also included, based on management accounts, so may be subject to change.

Income Statement

For the year ended 30 June 2019

Income	
Interest Income	6
Total Other Income	6
Total Income	**6**
Expenses	
Establishment Costs	2,000
Total Expenses	**2,000**
Profit/(Loss) before Taxation	**(1,994)**
Net Profit After Tax	**(1,994)**
Net Profit After Dividends Paid	**(1,994)**

Balance Sheet

As at 30 June 2019

Assests	30 JUN 2019	30 JUN 2018
Current Assests		
Macquarie Bank Account	20,006	-
Total Current Assests	**20,006**	-
Total Assets	**20,006**	-
Net Assests	**20,006**	-
Equity		
Retained Earnings	(1,994)	-
Share Capital		
Foundation Share Capital	2,000	-
Shares (B Class)	20,000	-
Total Share Capital	**22,000**	-
Total Equity	**20,006**	-

Statement of Cash Flows

For the year ended 30 June 2019

Operating Activities	**2019**
Receipts from operations	6
Payments to suppliers	(2,000)
Net Cash Flows from Operating Activities	**(1,994)**

Financing Activities	
Cash items from financing activities	22,000
Net Cash Flows from Financing Activities	**22,006**
Net Cash Flows	**20,006**

Cash and Cash Equivalents	
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	20,006
Net change in cash for period	**20,006**

Profit and Loss

For the period 1 July to 11 November 2019

Income	1 JUL to 11 NOV2019
Interest Income	55
Total Other Income	35
Total Income	**90**
Expenses	
General Admin	13,969
Legal & Regulatory	7,655
Sales, Marketing,	8,212
Total Expenses	**29,836**
Profit/(Loss) before Taxation	**(29,747)**
Net Profit After Tax	**(29,747)**
Net Profit After Dividends Paid	**(29,747)**

Balance Sheet

As at 11 November 2019

Assests	**11 NOV 2019**
Current Assests	
Macquarie Bank Account	67,589
GST Receivable	9,131
Screenplay Options	61,509
Total Current Assests	**138,229**
Total Assets	**138,229**

Liabilities	
Current Liabilities	
Taxation	(30)
Total Current Liabilities	**(30)**
Total Liabilities	**(30)**

Net Assests	**138,259**

Equity	
Retained Earnings	(31,741)
Share Capital	170,000
Total Equity	**138,259**

Statement of Cash Flows

For the period 1 July 2019 to 11 November 2019

Operating Activities	**11 NOV 2019**
Receipts from operations	93
Payments to suppliers	(38,971)
Net Cash Flows from Operating Activities	**(38,878)**
Investing Activities	
Cash items from investing activities	(61,509)
Net Cash Flows from Investing Activities	**(61,509)**
Financing Activities	
Cash items from financing activities	147,970
Net Cash Flows from Financing Activities	**147,970**
Net Cash Flows	**47,583**
Cash and Cash Equivalents	
Cash and cash equivalents at beginning of period	20,006
Cash and cash equivalents at end of period	67,589
Net change in cash for period	**47,583**

Movement in Equity

As at 11 November 2019

	30 JUN 2019	**11 NOV 2019**
Equity		
Opening Balance	-	20,006
Current Year Earnings	**(1,994)**	**(31,741)**
Shares	**22,000**	**148,000**
Total Equity	**20,006**	**138,259**

Management Commentary

Reel House Productions Australia Pty Ltd

As the company was incorporated in May 2019, the financial statements for June 30, 2019 reflect establishment costs and wholesale shareholder inflows. Management accounts for the current financial year (an interim period of July 1, 2019 to November 11, 2019) have been included to provide the most up to date operational and investing activity for the company.

Options on films have already been secured and this is reflected in the year to date statements in addition to ones previously secured by the Founders.

Capital raised from Seed Round investors (B Class shares) has been used to further secure these options ready for potential production in 2020. Capital raised in this Crowd-sourced funding will be allocated towards property acquisition, development and pre production costs as set out in the Sources and Uses section of this Offer Document.

Our future value creation for our shareholders is found in our owning and retaining ongoing passive income via license fees for our film vault. As the license fees paid for rights to our content expire (generally) at year five and are renewed, this will provide the company with ongoing passive income. Each year as we produce more content, that is content that can be sold and resold over the life of the company, our vault's capital value increases.

The business has been funded to date by the founding shareholders from their current business operations, Reel House Capital Pty Ltd and the Newhaven Group of companies. This has included all expenses of research and development over the past 3 years and the costs of consultants and industry advisers.

This funding of direct costs has been approx. $230,000 to date. In addition to direct costs, all management time and general business overheads have been fully funded by the founders and is reflected in the shareholding for Founder Class Shares.

2.6 Issued Equity and Equity Pre & Post Offer

Table 7 below sets out the major shareholders in Reel House Productions Pty Ltd. Share Classes are noted in the table.

Table 7: Issued capital of the Company before the CSF Offer

Shareholders	Share Class	Current Shares
Reel House Capital Pty Ltd (Grant & Moore)	Founder Class	98.35%
Seed Round investors group	(Class B Shares)	1.65%
Total		**100%**

Table 8 sets out the issued capital of the Company following the Offer.

Table 8: Issued capital of the Company following the CSF Offer

Shareholders	Minimum Subscription	Maximum Subscription
Existing Shares	10,168,000 99%	10,168,000 80%
Offer Shares (Ordinary shares)	83,333 1%	2,500,000 20%
Total Shares on Issue	**10,251,333** 100%	**12,668,000** 100%

2.7 Rights associated with Founder shares, Class B shares and Ordinary shares

Founder Class shares have additional voting rights, with 5 votes for every share held. The additional voting rights of the Founder Class shares is in consideration of the expectation that the company will hold multiple assets in the future which will require careful management and oversight. The company may, in the future, expand using capital raised from further equity rounds which would likely entail dilution of the Founder Class shares. The founders voting control over the company in the near term is viewed as a method to ensure continuity of operations, adherence to the buisness model and a sustained approach to governance and transparency.

The Seed Round (Class B) Shares were issued to wholesale investors. Class B shares carry one vote for every share held.

The Ordinary Shares being issued under this Crowd-sourced funding offer carry one vote for each share held (the same voting and entitlement rights as wholesale (Class B) shareholders).

2.8 Debt funding and other sources of funding

Director loans

To date, our activities have been fully funded by the Company's founding shareholders. It is reflected in the founding shareholder capital being allocated as noted on the current Issued Capital Table 7.

Government grants

Reel House will seek funding from government and film governing bodies across domestic and international locations. This may assist in budgetary management or access to talent and resources for particular films. The Company however is not relying on any funding or grants of this type to underpin its commercial performance.

Information about the offer

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3.1 Terms of the Offer

The Company is offering up to 2,500,000 shares at an issue price of $1.20 per share to raise up to $3,000,000. The key terms and conditions of the Offer are set out in Table 9 below.

Table 9: Offer Terms

Term	Details
Shares	Fully-paid ordinary shares
Price	$1.20 per share
Min Subscription	$100,000
Max Subscription	$3,000,000
Opening Date	14 November 2019
Closing Date	14 December 2019
Minimum parcel	$200

A description of the rights associated with the shares is set out in Section 3.3 below. To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.
The offer is not underwritten.

3.2 Use of Funds

We intend to use the net proceeds from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures.

We may use a portion of the net proceeds to acquire rights to scripts or books, other businesses, unfished productions and products required to execute our business plan.

Table 10 on the following page sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

Table 10: Use of Funds

Intended Use	2019 minimum subscription	2019 maximum subscription
Property Acquistion	$55,000	$160,000
Development	$25,000	$150,000
SG&A	$10,000	$460,000
Production	$0	$2,000,000
Promotion	$4,000	$50,000
Offer Costs	$6,000	$180,000
Total Funds	**$100,000**	**$3,000,000**

Sales, General and Administration costs (SG&A) includes overhead expenses, employee wages and director remuneration.

Steering Committee members will be remunerated as 'Producers' on a per project basis, with the film production budget incorporating their costs.

The costs of the Offer include the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are 6% of the total funds raised by this Offer.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 18–24 months.

If only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 12–18 months. In such circumstances, the Company may consider undertaking a further crowd-sourced funding (CSF) offer under the CSF regime.

The Offer is not underwritten and there is no guarantee that these funds will be raised.

3.3 Rights associated with the shares

Immediately after issue, the shares will be fully-paid Ordinary shares. There will be no liability on the part of shareholders and the shares will rank equally with Class B shares currently on issue.

The rights associated with the shares are set out in the Company's constitution. A summary of these rights is set out below. A copy of the constitution is available on the intermediary's platform.

There are no preference shares on issue.

There are no options granted to any party over any of the Company's securities.

3.3.1 Voting rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Election and removal of directors

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution (50%).

3.3.3 General meetings and notices

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Shareholders who hold at least 5% of the votes which may be cast at a general meeting of the Company have the power to call and hold a meeting themselves or to require the directors to call and hold a meeting.

3.3.4 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

3.3.5 Winding up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to holders of ordinary shares after secured and unsecured creditors of the Company.

3.4 Investor Rewards

In addition to being a shareholder in Reel House Productions and enjoying our success, you will rewarded with special experiences that money can't buy (well it can)… including:

Amount	Signed Scripts, posters & photographs	Attend film launch and after party	Set visit during shoot or rehearsals	Non-scripted role in a film (extra)	Scripted role (extra with dialogue)
$500	★				
$2,500		★	★		
$5,000		★	★	★	
$10,000+		★	★		★

3.5 What can I do with my shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold.

However, there are numerous possible circumstances that may create an opportunity for shareholders to exit the business. These include, but are not limited to:

- A trade purchase of the Company
- A listing on a recognised stock exchange (e.g. the ASX)
- A private equity investment in the Company
- A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate.

Information about investor rights

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4.1 Cooling off Rights

You have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within five business days of making your application (the Cooling-off Period).

You must withdraw your application by contacting the Governance officer on the contact details below.

After your withdrawal has been processed, we will refund the application money to your nominated account as soon as practicable.

Mr Geoff Moore

E: governance@reelhouseproductions.com.au

T: 03 8692 5 810

4.2 Annual Report

While the Company is currently a small proprietary company that is not required to prepare annual financial reports and directors' reports, if we successfully complete this Offer, then we will be required to prepare and lodge these annual reports with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 October each year.

Our financial reports are currently not required to be audited as we are a small proprietary company. This means that the Company's financial reports will not be subject to auditor oversight and, therefore, there will be no independent assurance of the Company's financial statements. However, the directors are still required to ensure that the financial statements give a true and fair view of the Company's financial position and performance and that the financial statements comply with the accounting standards.

We may be required to have our financial reports audited in the future if we raise more than $3 million from CSF offers (including this current offer and any future offers) or otherwise become a large proprietary company.

4.2.1 Distribution of Annual Report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report on the Company's website at the following address https://www.reelhouseproductions.com.au/ (free of charge) or can purchase the report from ASIC.

4.3 Communication facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

4.4 Details of previous CSF offers

The Company nor its Directors or senior managers have made any other CSF Offers.

Glossary

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5.0 Glossary

Company
Means Reel House Productions Australia Pty Ltd ACN 633 413 135.

Cooling-off Period
Means the period ending five business days after an application is made under this Offer, during which an investor has a right to withdraw their application and be repaid their application money.

CSF
Means crowd-sourced funding under Part 6D.3A of the Corporations Act

Intermediary
Means Birchal Financial Services Pty Ltd - AFSL: 50 26 18

Maximum Subscription
Means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer.

Minimum Subscription
Means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer.

Offer
Means an offer of fully-paid ordinary shares by the Company under this CSF offer document.