

Product Disclosure Statement

OAKS BROOME

ISSUER OF PRODUCT DISCLOSURE STATEMENT
TROPICANA ENTERPRISES PTY LTD
ACN 108 146 587

CONTENTS

DIRECTORY	2
1. INTRODUCTION AND OVERVIEW	3
2. DETAILS OF THE OFFER	5
3. YOUR QUESTIONS ANSWERED	7
4. RISK FACTORS	13
5. SUMMARY OF IMPORTANT DOCUMENTS	15
6. ADDITIONAL INFORMATION	21
7. INSTRUCTIONS ON HOW TO INVEST	22
8. GLOSSARY	23

NOTICE

This Product Disclosure Statement (PDS) is dated 4 April 2008. This PDS is issued by Tropicana Enterprises Pty Ltd ACN 108 146 587 (Tropicana Enterprises) as trustee for the Tropicana Unit Trust. This PDS contains important information and you should read it carefully and in its entirety.

Throughout this PDS, certain defined terms are used. Defined terms appear in the glossary in Section 8 of this PDS.

While ownership of an Apartment at the Resort is a prerequisite to participating in the Resort Letting Pool, this PDS is not intended to provide applicants with all the information they will need to know before purchasing an Apartment. There is a separate Sale Contract and associated information which make disclosures about the Apartments. Tropicana Enterprises has included some information in relation to the sale of Apartments in this PDS, to the extent necessary to better explain the way in which the Resort Letting Pool will operate.

Neither Tropicana Enterprises nor any of their associates or directors guarantee the performance or success of the Resort Letting Pool, the payment of income from participation in it, or any particular rate of income return.

This PDS contains important information and you should read it in its entirety. This PDS does not take into account your investment objectives, financial situation or particular needs.

Accordingly, you should consider whether to consult the following before making a decision to participate in the Resort Letting Pool and before signing any contract to buy an Apartment at the Resort:

- (a) An investment adviser who is either a financial services licensee or an authorised representative of one.
- (b) A taxation adviser.
- (c) A lawyer.

Information in this PDS may change. If a change will be materially adverse, then Tropicana Enterprises will issue a supplementary PDS. However, if a change will not be materially adverse, then Tropicana Enterprises will not issue a supplementary PDS. Updated information may also be obtained by contacting Tropicana Enterprises on (08) 6311 7018. Alternatively, updated information will be regularly available on the following website: www.oaksbroome.com.au.

An electronic version of this PDS will also appear at www.oaksbroome.com.au. Tropicana Enterprises will also provide you with a paper copy at no charge upon request.

The offer under this PDS is only available to persons receiving this PDS within Australia (whether or not the PDS indicates it is available to persons in other countries).

All financial amounts in this PDS are expressed in Australian dollars unless otherwise stated.

DIRECTORY

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Principal place of business	Colonial Building Level 2, 55 St. Georges Terrace Perth WA 6000 Telephone: 08 6311 7018 Facsimile: 08 6311 7012
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Solicitors to the offer	McMahon Clarke Legal 62 Charlotte Street Brisbane Qld 4000

1. INTRODUCTION AND OVERVIEW

1.1 Why is this PDS needed?

This is a PDS issued by Tropicana Enterprises Pty Ltd ACN 108 146 587 as trustee of the Tropicana Unit Trust, the developer and promoter of the resort to be known as “Oaks Broome” located in Broome, Western Australia. It is a summary of important information purchasers of an Apartment in the Resort ought to know in order to make an informed decision as to whether or not they ought to participate in the management rights system available to owners of Apartments in the Resort.

This PDS is needed because Tropicana Enterprises has put in place a system of “management rights” (explained below) which enables owners of Apartments in the Resort to earn income from their Apartment by making it available to an on-site letting agent to use as part of a holiday letting business operated from the Resort.

Pursuant to an agreement entered between Tropicana Enterprises and Oaks Hotels & Resorts (Vic) Pty Ltd ACN 113 881 744 (Oaks Hotels & Resorts) for the sale of the Resort’s management rights, Oaks Hotels & Resorts will act as the ongoing operator and letting agent for the Resort upon completion of the management rights sale (discussed in detail at section 5.4).

It is important to note Apartment owners may choose to—

- (a) appoint the Manager to let out their Apartment as part of a holiday letting business operated from the Resort
- (b) appoint another, external letting agent to let out their Apartment, or
- (c) let out their Apartment themselves.

A feature of a management rights system is that you may elect to have an off-site letting agent manage and let your property. If you decide to do this, then you will need to make your own arrangements about rent

collection, fees and charges. This PDS only contains information applicable to those owners of Apartments who elect to make their Apartment available to the Manager for holiday letting purposes.

1.2 What are management rights?

The Resort Letting Pool is a management rights system. Management rights are the business of on-site caretaking and letting of apartments in a strata-titled apartment building or complex. When developers build apartments, it makes sense for them to provide for the long-term caretaking of the common property of the apartment complex and for there to be an on-site letting service for owners who might want to let their property to other people. The Resort Letting Pool will allow the Common Property to be managed effectively, and for the short-stay accommodation system at the Resort to be promoted and operated in a co-ordinated manner.

The management rights system at the Resort works this way:

- (a) In any strata-titled development, there are parts of the property which are referred to as “common property”. In the case of the Resort, these are parts of the resort which do not form part of an Apartment. For example car parks, pathways, swimming pools and gardens are designated as Common Property.
- (b) The Common Property is owned by the “Strata Company”. The Strata Company is the name given to the collective group of all owners of the Apartments.
- (c) The Strata Company is entitled to appoint the Manager to maintain the Common Property on its behalf. The Manager is paid a salary by the Strata Company to do this work. Where it is necessary, the Manager may engage skilled tradespersons to do the work. If this happens, then the cost of the tradespersons must be paid

by the Strata Company, and these costs are passed on to Apartment owners. The agreement between the Strata Company and the Manager is called the “Caretaking Agreement” (refer to section 5.1).

- (d) The Strata Company will also grant the Manager the exclusive right to conduct a letting business from the Resort. There is no fee payable by either party to the other for this right. The agreement between the Strata Company and the Manager granting this right is the "Management Rights Agreement" (refer to section 5.2)
- (e) Owners of Apartments may appoint the manager to allow guests of the Resort to use their property. This is done by both the manager and the owner entering into an agreement, which in the case of the Resort is referred to as the Letting and Management Agreement. A copy of the pro forma Letting and Management Agreement for the Resort is attached to the Sale Contract (refer to section 5.3).

The “management rights” for the Resort is a name given to the rights comprised in the Caretaking Agreement, Letting and Management Agreements and the Management Rights Agreement, together with the Central Facilities Lot within the Resort and/or any rights to use Common Property.

Once the construction of the first stage of the Resort has been completed and its first strata plan registered, thereby creating titles for the first stage Apartments, the Strata Company will be formed.

Initially, Tropicana Enterprises will be the registered owner of all the Apartments, and therefore, the only Strata Company member. On or about the date of the registration of the strata plan for the Resort, Tropicana Enterprises as the sole strata Company member will appoint Oaks Hotels & Resorts as the Manager under the Caretaking Agreement and Management Rights Agreement and the “management rights” to the Resort will come into existence. If the sale of the management rights to Oaks Hotels & Resorts does not proceed to

completion, then Tropicana Enterprises may seek a replacement operator or appoint itself as Manager under the Caretaking Agreement and Management Rights Agreement.

The purpose of this PDS is to explain the particular features of the management rights system Tropicana Enterprises has put in place at the Resort for the benefit of Apartment owners who choose to participate.

2. DETAILS OF THE OFFER

2.1 The opportunity

The town of Broome is experiencing unprecedented economic growth. The region's immense natural beauty, prosperous pearl farming, unique shopping and cosmopolitan dining have all fuelled the increase in tourism.

Tourism statistics indicate that in recent years, an average of 230,000 visitors stayed in Broome, with 33 percent being from interstate, 51 percent intrastate and 16 percent coming from overseas. This demand has created a growing need for quality accommodation.

Tropicana Enterprises is developing a prime tourism site (formerly the Tropicana Motel) located at 99 Robinson Street, Broome, Western Australia into a 4/4.5 star resort. Once construction is complete, the resort will consist of 193 fully serviced holiday and short-stay strata apartments, comprising a combination of studio, one bedroom and two bedroom dual-key apartments (which can be let as separate one bedroom units) and will be operated as an integrated resort.

Provided the contracts for the sale of the management rights and the Central Facilities Lot entered into between Tropicana Enterprises and Oaks Hotels & Resorts proceed to completion, the Resort will, providing certain conditions are satisfied by both parties (which are discussed in detail at section 5.4 and 5.5), be operated by Oaks Hotels & Resorts and bear the "Oaks" brand name. The completed resort will be known as the "Oaks Broome".

The land on which the Resort will be located is currently zoned "Special Use-Motel" under the Shire of Broome's Town Planning Scheme No.4, preventing the use of the Apartments in the Resort Letting Pool as permanent residences.

Tropicana Enterprises intends to strata title and sell the Apartments, offering purchasers the ability to join a management rights-style apartment management system.

The development of the Resort will be conducted in the following stages:

- (a) Stage 1— the development of 95 Apartments plus the Central Facilities.
- (b) Stage 2— the development of 34 Apartments.
- (c) Stage 3— the development of the remaining 64 Apartments.

Applicants under this PDS should note that Tropicana Enterprises cannot offer any guarantees that Stages 2 and 3 will be completed within a definite time frame or at all. However, it is anticipated Stage 2 construction will commence in April 2008. While Tropicana Enterprises fully expects Stages 2 and 3 to be completed, there is a possibility that between the date of this PDS and commencement of those stages, events may occur which cause the delay or even the abandonment of plans to proceed with Stages 2 and 3. Refer to section 4 for more information about the risks associated with becoming a member of the Resort Letting Pool.

If you own an Apartment at the Resort, then you are invited to join the Resort Letting Pool. The purpose of the Resort Letting Pool is to allow the Manager to use Participating Apartments as part of a holiday letting business to be operated from the Resort.

As noted earlier in this PDS, participation in the Resort Letting Pool is voluntary—you may appoint an external off-site letting agent or let your Apartment yourself.

However, if at any time you decide to make your Apartment available to the Manager for letting, then you can join the Resort Letting Pool by following the steps set out in the next section.

2.2 How to participate

There are three things you need to do so your Apartment can be part of the Resort Letting Pool. These are as follows:

- (a) Read this PDS, which explains how the Resort Letting Pool works.
- (b) Purchase an Apartment at the Resort (which will include a furniture package).
- (c) Enter into a Letting and Management Agreement with the Manager, allowing the Manager to incorporate your Apartment in the Resort Letting Pool.

If you decide to make your Apartment available to the Manager as part of the Resort Letting Pool, then you will receive the Accommodation Revenue earned from your Apartment (less certain fees, costs and expenses, as explained in section 3.1).

The number of Apartments to be used by the Manager in the Resort Letting Pool will depend upon how many Apartment owners choose to participate. There will be 193 Apartments in the Resort assuming it is fully developed (refer to the development risks in section 4). Tropicana Enterprises anticipates many of these will participate in the Resort Letting Pool. However, some Apartment owners may choose to let their property out themselves or may make their property available to external letting agents. Joining the Resort Letting Pool is voluntary, so it is not possible for Tropicana Enterprises to give an exact number of Apartments which will eventually participate.

2.3 Application fee

You do not pay any fee to become a member of the Resort Letting Pool. However, you must first become an owner of an Apartment (which includes a furniture package).

3. YOUR QUESTIONS ANSWERED

3.1 Overview—How will the Resort Letting Pool work and how will I receive the income generated by my Apartment?

If you choose to participate in the Resort Letting Pool, then you must sign a Letting and Management Agreement which authorises the Manager to let and manage your Apartment as part of the Resort Letting Pool.

Other Apartment owners who choose to participate in the Resort Letting Pool will also sign a Letting and Management Agreement on the same terms as you do. This will enable the Manager to run the Resort Letting Pool in a co-ordinated and effective manner.

The Manager will implement a system of allocating guests to available Participating Apartments.

Non-Participating Apartments will not form part of the Resort Letting Pool and will therefore not be available to the Manager to use as part of its holiday letting business.

All money (rent) actually received by the Manager from guests for occupying your Apartment will be paid into a trust account. For the purposes of this PDS, this money is referred to as "Accommodation Revenue". The Manager is entitled to deduct all authorised fees and charges from your Accommodation Revenue before paying the balance to you.

The Manager will remit the balance to you by direct funds transfer to your bank account within 21 days of the end of each Accounting Period. The method of calculating returns explained below only applies to you if you appoint the Manager to let your Apartment.

Your returns will be calculated by following these steps:

- (a) Adding deposits paid and rental money collected from the use of your Apartment.

- (b) Deducting any authorised expenses including—
 - (i) the Letting Fee (refer to section 3.6)
 - (ii) the Management Fee (refer to section 3.6)
 - (iii) electricity, gas and water charges, cable TV charges, and all other costs and charges of a reasonable nature in respect of services connected to the Apartment
 - (iv) Strata Company levies
 - (v) pest control treatments if and when required
 - (vi) all GST payable in respect of the supply of goods and/or services which are supplies under any legislation, from time to time, with respect to GST
 - (vii) all taxes in the nature of bed taxes or taxes on the provision of accommodation (if applicable)
 - (viii) all insurance premiums and excesses in respect of the insurance which the Manager is obliged or entitled to effect
 - (ix) all reasonable expenses incurred by the Manager in observing, performing and fulfilling all of the requirements of any laws, and
 - (x) the expenses of auditing the books, records and accounts of the Manager relevant to any trust account operated by the Manager on behalf of the owners.

Any money the Manager expends (on your behalf) for repair of and maintenance to your Apartment can also be deducted from your Accommodation Revenue. See section 3.3 for more details.

If the authorised deductions are greater than the Accommodation Revenue received, then the Manager may call upon you to make up the difference.

Your returns may be influenced by expenses such as any land tax that may be assessed by the Office of State Revenue in Western Australia, statutory rates or any income tax assessed on income earned (rent), all of which must be paid by you.

3.2 Will I have to pay GST on the purchase price of my Apartment?

You should refer to your Sale Contract and seek advice from your lawyer or financial adviser.

3.3 Will my Apartment be kept in good repair?

The Manager (or its agents) will clean and maintain your Apartment (in accordance with the Letting and Management Agreement), and in keeping with the overall high standard of presentation at the Resort.

The Manager will also arrange for and supervise repairs and replacements to the contents of your Apartment as and when the Manager thinks it is necessary. The Manager is entitled to deduct any expenses it incurs in repairing and maintaining your Apartment from your Accommodation Revenue.

You must reimburse the Manager for any money spent by it for repairs and maintenance when called on to do so.

Repairs, refurbishment and replacement with respect to Common Property will be carried out and supervised by the Manager at the expense of the Strata Company to which individual owners will contribute via their Strata Company levies.

The Manager will not be responsible for making capital repairs or capital improvements to your Apartment.

3.4 What if my Apartment needs refurbishing?

Under the Letting and Management Agreement, you will authorise the Manager to deduct and retain, at the end of each Accounting Period, a Refurbishment Fund Contribution of three percent of your Accommodation Revenue (\$3 per \$100 of Accommodation Revenue).

The Manager may use the money in the Refurbishment Fund, to a maximum of \$1,000 plus GST, to replace, substitute or refurbish any item of the contents in your Apartment which does not comply with the Letting Standard from time to time.

If the Manager, in its absolute discretion, determines that complete refurbishment of an Apartment and/or its contents is required, then the Manager will notify you before any work is undertaken. If there are insufficient funds in the Refurbishment Fund to cover these costs, then the Manager may call upon you to pay the shortfall. If you refuse to pay the shortfall, then the Manager is not obliged to let your Apartment.

According to the ASIC Relief, the Manager must not deduct nor retain from your share of Accommodation Revenue a level of contribution which would cause the amount standing to your credit in your Refurbishment Fund to exceed \$5,000. If the balance on your Refurbishment Fund reaches \$5,000, then deductions from your Accommodation Revenue will be suspended until such time as the balance falls below \$5,000.

At the end of the term of the Letting and Management Agreement, the balance in the Refurbishment Fund shall be returned to you.

3.5 Am I able to use my Apartment?

If you sign a Letting and Management Agreement with the Manager, then you will have the following rights:

- (a) You are effectively granting the Manager exclusive rights to use your Apartment as part of the Manager's business. This means you will not be entitled to use your Apartment unless you contact the Manager in writing,

who then confirms your property is available at the time you wish to use it.

- (b) By virtue of the zoning and development approval of the Resort, you will not be permitted to occupy your Apartment for more than three months in aggregate in any twelve month period.
- (c) If you use your Apartment, then you will be required to pay a fee. The amount payable shall be an amount equal to 38 percent of the Corporate Rate (\$38 per \$100 of the Corporate Rate).
- (d) Your entitlement to use your Apartment is restricted to 14 days during the peak period of 1 June until 30 September each year or such other period determined by the Manager and notified to you.

If you elect not to sign a Letting and Management Agreement or you terminate your Letting and Management Agreement, then you may appoint an off-site agent to manage your Apartment for you.

3.6 What are the Manager's fees?

The Manager will receive both a fee for letting out your Apartment and management services as part of the Resort Letting Pool and a salary under the Caretaking Agreement for maintaining the Common Property (refer to section 5.1).

For provision of the letting services, the Manager is entitled to 12 percent of your Accommodation Revenue (plus GST) (\$12 per \$100 of Accommodation Revenue (plus GST)).

For the provision of management services, the Manager is entitled to a Management Fee of 38 percent of the Accommodation Revenue (plus GST) (\$38 per \$100 of Accommodation Revenue (plus GST)).

As noted in section 3.1, these fees will be deducted from your Accommodation Revenue by the Manager at the end of each Accounting Period.

3.7 Are there any other tax implications associated with my property's participation in the Resort Letting Pool?

(a) General

It is recommended you seek professional advice in relation to the taxation implications of your participation in the Resort Letting Pool. Income you receive from your participation is likely to be assessable income, and there may also be capital gains tax implications which arise from your participation and from ownership of your Apartment.

(b) Application of GST

Tropicana Enterprises anticipates pursuant to *Goods and Services Tax Ruling GSTR 2000/20*, your rental income stream will be input taxed. The effect of this is you will not be required to pay GST on rental income, but at the same time, you will not be entitled to any input tax credits in relation to GST paid on the purchase of an Apartment nor the ongoing costs.

However, we again recommend you seek legal, financial and taxation advice in relation to the impact of GST on your participation in the Resort Letting Pool and particularly, on the Net Revenue you will receive.

(c) Stamp duty and registration costs

As is the case in any normal property acquisition, you are responsible for the payment of all stamp duty and registration fees in relation to the purchase of your Apartment.

3.8 Are there other amounts payable by me as an owner?

As owner of your Apartment, the normal liabilities relating to property ownership will apply to you. This means you will be responsible for paying items such as Strata Company levies (refer to section 3.10), local council rates and charges, contents insurance and land tax. Local council rates and charges are decided by the relevant local council from time to time. Land tax is based upon the unimproved value of your Apartment, as determined by government authorities.

Except for Strata Company levies (which will be deducted from your Accommodation Revenue by the Manager at the end of each Accounting Period as noted in section 3.1), all of these types of expenses must be paid by you directly as and when they arise.

If Accommodation Revenue is insufficient to cover your Strata Company levies (and any other expenses deducted from your Accommodation Revenue), then the Manager may call upon you to pay the shortfall.

3.9 Who controls the property needed to operate the Resort Letting Pool?

The Manager will own the Central Facilities Lot from which it will carry out its caretaking duties and manage the Resort.

3.10 What are my obligations to the Strata Company?

By owning your Apartment, you will be a member of the Strata Company.

Your rights and obligations as an owner of your Apartment and as a member of the Strata Company are regulated by the relevant by-laws and other documents relating to the Resort.

As a member of the Strata Company, you will be required to pay Strata Company levies.

The purpose of Strata Company levies is to fund the Strata Company's administrative costs in running the Strata Company and repairs and maintenance to the Common Property. Strata Company levies are payable to the Strata Company, not the Manager. They will be deducted from your Accommodation Revenue as noted in section 3.1.

3.11 For how long will I be part of the Resort Letting Pool?

If you elect to participate, then you can end your Letting and Management Agreement at any time without cause, by giving the Manager 90 days' written notice.

This means you can choose to withdraw your Apartment from the Resort Letting Pool at any time, by giving that period of notice. You must however honour any confirmed guest bookings.

The Manager can also terminate your Letting and Management Agreement at any time by giving you 90 days' written notice.

3.12 Can the Manager sell its management rights and can the Manager's appointment be terminated?

Because management rights are like any other business, the Manager is able to transfer its management rights, but only to another person who is of sufficient financial standing and expertise to carry out the duties of the Manager.

There is also a procedure (required by law) under which the majority of Participating Owners can force the Manager to transfer its management rights (for example, if owners were dissatisfied with the level of service they were receiving from the Manager).

If a majority of Participating Owners advise the Manager they wish to terminate the Manager's appointment, then the Manager must, within nine months, transfer the management rights to someone

else, chosen by the Manager. The new Manager must be someone who has not previously been involved in operating the Resort Letting Pool.

If the Manager does not transfer the management rights within that time, then it must transfer them to a new Manager nominated by a majority of Participating Owners. In such circumstances, the price payable by the new Manager for the management rights must be one of the following:

- (a) The average of two valuations for the management rights.
- (b) The highest bona fide bid for the management rights at an auction.
- (c) The highest bona fide amount tendered for the management rights.

The new manager selected by Participating Owners is subject to approval by a majority of all Strata Company members.

The Resort Letting Pool is structured in a way so that, if the Manager transfers its management rights or is required to do so by a majority of Participating Owners, then the new on-site manager will be given control of all the property it needs to run the Resort efficiently and effectively. This is an important safeguard for Participating Owners. It is important because the Manager should not be in a position where it controls property which inhibits the operation of the Resort after its agreements with the Strata Company have been terminated.

3.13 What are the Manager's caretaking duties?

The Strata Company will appoint the Manager under the Caretaking Agreement to maintain and repair the Common Property on behalf of the Strata Company and to carry out other general caretaking duties for the Strata Company.

The Caretaking Agreement is summarised in Section 5.

3.14 What returns can I expect from my Apartment's participation in the Resort Letting Pool?

The income to be earned by you from your participation in the Resort Letting Pool is uncertain, and variable, as it will be influenced by factors such as occupancy levels and room rates for holiday lettings at the Resort and Broome generally. Occupancy levels and room rates will in turn be influenced by many factors, such as those set out in section 4.

3.15 What are the expected room rates at the Resort?

The Manager will determine the room rates from time to time having regard to the market influences at the time. The Manager's objective is to maximise revenue on behalf of Participating Owners. The Manager cannot guarantee maintaining any particular level of room rates.

The Manager can also accept bookings from travel wholesalers, at wholesale room rates, and offer discounted rates to tourist or travel organisations.

3.16 What happens if I want to sell my property?

If you decide to sell your Apartment, then the person who buys your property can choose whether or not to participate in the Resort Letting Pool.

If the purchaser of your property chooses to remain in the Resort Letting Pool, then they must sign a Letting and Management Agreement with the Manager. The purchaser must also honour any advance bookings already made by the Manager for your property which cannot be transferred.

3.17 How can I withdraw my property from the Resort Letting Pool?

You are free to withdraw from the Resort Letting Pool at any time, by terminating your Letting and Management

Agreement. However, you must first give the Manager 90 days' written notice of your wish to do so.

3.18 Is it compulsory for me to participate in the Resort Letting Pool?

No. If you wish, you can use a local real estate agent to let your Apartment or let your property yourself. However, as the Manager has the exclusive right to operate a letting service from the Resort itself, participation in the Resort Letting Pool is likely to be the best way for you to earn a return.

3.19 Is there a suggested minimum period of time for which you should participate in the Resort Letting Pool?

It is up to you as to how long you participate in the Resort Letting Pool.

If you wish to make your Apartment available to the public for holiday letting, then participation in the Resort Letting Pool is likely to be the best way for you to earn money in that way. This is because the Manager will have the exclusive right to operate a letting service from the Resort. However, you are free to appoint a local real estate agent to let your Apartment or let your Apartment yourself.

3.20 Who is Tropicana Enterprises?

The board of Tropicana Enterprises combines the experience of directors with a diverse background of commercial experience.

The chairman of the board, Stephen Seward, has a high profile within the Western Australian property sector, acquired through wide-ranging achievements over a period of over 30 years. With an extensive agency and consultancy background, Stephen has provided counsel to a range of clients including major corporations, government organisations and private investors. He has particular capabilities in the area of property development, including direct investment in a portfolio

of projects. Stephen holds a valuation qualification from Curtin University, is a licensed real estate agent, Fellow of the Australian Property Institute and a past President of the Real Estate Institute of Western Australia.

Tropicana Enterprises has entered into a contract with Oaks Hotels & Resorts for the sale of the management rights to the Resort. A condition of sale is that the Strata Company consents to enter into the Caretaking Agreement and Management Rights Agreement directly with Oaks Hotels & Resorts. Accordingly, once appointed, Oaks Hotels & Resorts will manage the day-to-day operations of the Resort including all letting and caretaking services.

3.21 Who is Oaks Hotels & Resorts?

Oaks Hotels & Resorts is a member of the Oaks Group.

Since its establishment in 1991, the Oaks Group has forged a reputation as one of the fastest growing and dynamic operators in the Australasian accommodation management sector.

The Oaks Group's impressive growth record and competitive standing in the local industry is a function of a highly successful operating model which focuses on achieving benchmark levels for occupancy rates, guest satisfaction and individual investor returns.

The Oaks Group specialises in the management of four to five star strata-titled serviced apartments and resorts. By focusing on this specialised sector of the market and following continued industry-wide consolidation, a member of the Oaks Group, Oaks Hotels & Resorts Limited, is now Australia's largest pure management letting rights operator listed on ASX.

Oaks Hotels & Resorts will act as the ongoing operator of the Resort upon completion of the sale of the management rights. As ongoing operator and letting agent, Oaks Hotels & Resorts will manage the day-to-day operations of Oaks Broome including all letting and caretaking services.

Further information relating to the Oaks Group can be found at www.theoaksgroup.com.au.

4. RISK FACTORS

4.1 Associated risks

There are risks associated with your participation in the Resort Letting Pool.

As noted earlier, the income to be earned by you from your participation in the Resort Letting Pool is uncertain. Room rates will vary and there is no guarantee that any particular level of occupancy for the Resort (and therefore, for your Apartment) will be achieved.

Occupancy levels and achievable room rates will be influenced by many factors, including the following:

(a) Market conditions

Changes in the market conditions, including changes in the demand for holiday lettings, will affect occupancy levels, and therefore the earnings of the Participating Owners. For example, a change in overall travel habits, or the attractiveness of Broome as a holiday destination, could affect occupancy and the achievable room rates in either a positive or negative way.

(b) Economic factors

The success of the Resort as a venue for holiday makers, and therefore the success of the Resort Letting Pool, will be affected by general economic factors. Should the economy experience a downturn, then this is likely to have an effect on the income and occupancy levels that can be achieved. Government policy changes in relation to matters such as tax can also impact upon returns, as can fluctuations in currency exchange rates. It is however not expected the Resort Letting Pool will be affected to any greater extent than other properties in the same market.

(c) Competition

The entry of new competitors, whether they are traditional hotels, resorts, serviced apartments or other accommodation providers, could affect income derived from the Participating Apartments. Competitors'

decisions to change their room rates and make various offers either to the wider market or on specific contracts, could also affect performance.

(d) Seasonality

Historically, demand for accommodation in Broome is seasonal. A substantial proportion of the annual occupancy of holiday accommodation in Broome occurs during the peak period from June to September each year. At periods of high demand, higher levels of occupancy can be expected and higher room rates may be able to be achieved. At periods of low demand, it is likely occupancy levels will be lower and room rates may be discounted. This may affect the returns of Participating Owners during the off-peak periods.

(e) Reputation and performance of the Manager

Some of the bookings for Participating Apartments are expected to come as a result of the reputation and performance of the Manager, including its relationship with travel agents, general marketing and the Resort guests' desire to be repeat guests on the basis of service levels enjoyed previously. The success of the Resort Letting Pool will therefore depend to some extent on the Manager's performance. Therefore, if the Manager were to sell the management rights or be removed as the on-site letting agent (see section 3.12), then this could have an effect on the performance of your investment if the replacement Manager is not as experienced or proficient.

(f) Variations in costs and expenses

The costs and expenses of letting your property and running the Resort Letting Pool could also vary. As some of those costs and expenses will be deducted from Accommodation Revenue prior to its distribution to you, there is the risk your return could vary.

(g) Property costs

An investment in an Apartment is an investment in real property. Therefore, if the costs associated with owning real property increase or decrease, then this will affect your returns. For example, any change in the costs of council rates, land tax and Strata Company fees and levies will affect your return because these are expenses for which you are directly or indirectly responsible.

(h) Development risk

There are numerous risks associated with every property development project. Construction of the Resort is being undertaken in stages. Because of this there is a risk that due to, for example, the escalation of construction costs, increases in anticipated project duration or a failure to receive relevant statutory approvals, some or all of the Apartments and other facilities at the Resort may not be completed as and when anticipated, or at all. This may reduce the number of Apartments available for inclusion in the Resort Letting Pool and possibly affect the attractiveness of the Resort as a holiday destination.

(i) Termination of the contracts entered between Tropicana Enterprises and Oaks Hotels & Resorts

Some of the bookings for Participating Apartments are expected to come as a result of the branding of the Resort as an "Oaks" property. If the agreements entered into for the purchase of the management rights and/or Central Facilities Lot are terminated for any reason, with the consequence that Oaks Hotels & Resorts does not become the ongoing operator, and the Resort can not use the brand name "Oaks", then this could have a negative effect on the performance of your investment unless the "Oaks" brand is replaced with a brand of equal standing and recognition amongst consumers.

5. SUMMARY OF IMPORTANT DOCUMENTS

5.1 Caretaking Agreement

Under the Caretaking Agreement, the Strata Company appoints the Manager to look after the Common Property and other property of the Strata Company.

The term of the appointment commences on the date the strata plan for the Resort is registered and continues for a period of 25 years or, if earlier, the date which is three months after the Manager gives notice to the Strata Company in writing of its intention to terminate the Caretaking Agreement.

The Manager has duties to—

- (a) keep the Common Property clean and tidy
- (b) repair and maintain the Common Property
- (c) arrange and supervise repairs and maintenance which requires the services of a skilled tradesperson or is covered by other contracts to which the Strata Company is a party
- (d) obtain quotes for property, materials and services as instructed by the Strata Company
- (e) buy property and materials for and on behalf of and at the cost of the Strata Company
- (f) engage other contractors to perform services as instructed by the Strata Company
- (g) pay the costs for employees employed by it to carry out caretaking services
- (h) maintain the gardens and landscaped areas
- (i) clean and maintain the pools, spas and any ponds, lagoons or other water features
- (j) keep clear the Common Property drains and gutters
- (k) keep roads and pathways clear of any debris
- (l) comply with all relevant laws including by-laws
- (m) maintain public liability insurance (at its own cost), and
- (n) ensure all staff and contractors receive adequate job specific training and are appropriately presented and attired in the Resort uniform.

The Manager is paid \$1,000 per lot in the Resort per annum. At the end of the first year and then annually, the Manager's remuneration shall be increased by an amount to be agreed between the Manager and the Strata Company or failing an agreement, by an amount equal to the remuneration payable for the first year or year immediately prior to the relevant review date plus the percentage increase in the consumer price index for the previous year.

The Manager may spend up to \$3,000 per month for material or services which it must engage on behalf of the Strata Company, and is entitled to be reimbursed by the Strata Company for these expenses.

The Manager may transfer its interests in the Caretaking Agreement subject to approval by the Strata Company which must not be unreasonably withheld.

The Manager may be removed by the Strata Company if the Manager—

- (a) is convicted of an indictable offence involving fraud or dishonesty
- (b) engages in misconduct, or is grossly negligent, in carrying out, or failing to carry out, the obligations required under the Caretaking Agreement
- (c) does not carry out duties under the Caretaking Agreement, and persists in not carrying out the duties for 30 days or more after the Strata Company, by written notice, requires the Manager to carry out the duties
- (d) is unable to provide the services provided for under the Caretaking Agreement because it becomes unlawful to do so

- (e) transfers an interest in the Caretaking Agreement without the Strata Company's approval.

The Manager can terminate its appointment under the Caretaking Agreement by giving the Strata Company not less than three months notice in writing.

5.2 Management Rights Agreement

Under the Management Rights Agreement, the Strata Company authorises the Manager as the person with the exclusive right to conduct an on-site letting service for owners. The important terms of the Management Rights Agreement are as follows:

- (a) No remuneration is payable by the Strata Company to the Manager for the provision of services under the Management Rights Agreement.
- (b) The Manager may transfer its rights and obligations under the Management Rights Agreement if the Strata Company approves the transfer and the proposed transferee is the same as the transferee under the Caretaking Agreement.
- (c) The Strata Company must not unreasonably withhold approval of the transfer or receive a fee or other consideration for approving the transfer.
- (d) If a majority of Participating Owners advise the Manager in writing they wish to terminate the Manager's engagement then the Manager must, within nine months of receiving the termination notice, transfer the Management Rights to a person—
 - (i) chosen by the Manager
 - (ii) who has not previously been involved in the operation of the management rights scheme, and
 - (iii) who is not controlled by a person who has been involved in the operation of the management rights scheme.

The Manager may be removed by the Strata Company if the Manager—

- (a) is convicted of an indictable offence involving fraud or dishonesty
- (b) is placed into liquidation or is placed under the control of a receiver, administrator or official manager or makes any assignment for the benefit of creditors or enters into any composition or scheme of arrangement
- (c) engages in misconduct, or is grossly negligent, in carrying out, or failing to carry out, the obligations required under the Caretaking Agreement
- (d) does not carry out obligations under the Management Rights Agreement, and persists in not carrying out the duties for 30 days or more after the Strata Company, by written notice, requires the Manager to carry out that obligation
- (e) does not carry out obligations under the Caretaking Agreement, and persists in not carrying out the duties for 30 days or more after the Strata Company, by written notice, requires the Manager to carry out that obligation

5.3 Letting and Management Agreement

The Letting and Management Agreement is the agreement signed between the Manager and each owner under which the owner grants the Manager rights to use their Apartment to let to guests of the Resort and under which the Manager is appointed to act as the owner's exclusive property and facilities manager. The key features of the Letting and Management Agreement are as follows:

- (a) In respect of letting the Apartment, the Manager will pay the owner, for each Accounting Period, the Accommodation Revenue earned from the Apartment less all Deductible Expenses and the owner's contribution to the refurbishment fund (3

- percent of Accommodation Revenue), as detailed in sections 3.1 and 3.4.
- (b) The Manager must (at its cost)—
- (i) advertise, market and promote the Apartment for letting for accommodation purposes
 - (ii) maintain and renew any licences, permits and registrations required for carrying out the letting
 - (iii) operate the letting business in a proper and business like manner
 - (iv) keep the Apartment stocked with consumable items
 - (v) keep the Apartment clean and keep and store waste and garbage in proper receptacles
 - (vi) ensure the Strata Company by-laws are observed by tenants and tenant's guests
 - (vii) remove tenants from the Apartment whose conduct is unlawful, hazardous or considered to be a threat or disturbance to other guests
 - (viii) keep proper books of account in relation to the letting business, and
 - (ix) provide owners within 21 days after the end of each Accounting Period, a statement for that period showing the Accommodation Revenue, Deductible Expenses, Refurbishment Fund Contribution and the amount payable by the Manager to the owner.
- (c) The Manager will pay all banks fees, credit card commissions, commissions for travel agents and all operating expenses associated with letting the Apartment unless expressly excluded.
- (d) The Manager will—
- (i) make all bookings and select all tenants for the Apartment
 - (ii) charge a room rate which the Manager, in its discretion, considers appropriate
 - (iii) take bookings for the Apartment up to twelve months in advance without requiring your prior approval, and
 - (iv) collect and receive all rental money and deposits paid by occupiers of the Apartment.
- (e) The owner must—
- (i) allow the Manager to be the sole and exclusive manager of the Apartment
 - (ii) not occupy or permit the Apartment to be occupied other than as is permitted under the Letting and Management Agreement
 - (iii) allow the Manager to determine the room rental rate
 - (iv) not interfere with any business conducted by the Manager
 - (v) pay on time all local authority rates and taxes and all other taxes and assessments levied or charged in respect of the Apartment and the owner's interest in the Common Property including land tax
 - (vi) give reasonable notice before an inspection of the Apartment and carry out such inspection as the Manager nominates, and
 - (vii) comply with all relevant laws including by-laws.
- (f) The Manager may let the Apartment free of charge for a maximum of five nights during each calendar year for the purposes of marketing and promoting the Resort.
- (g) The owner may use the Apartment for the owner's own purposes subject to and in accordance with the terms of the Letting and Management Agreement and any limitation applying under any relevant government or

statutory approval or regulation. Refer to section 3.5 for more information.

- (h) The owner acknowledges they are not permitted to occupy the Apartment for more than three months in aggregate in any twelve month period.
- (i) If a majority of Participating Owners advise the Manager in writing they wish to terminate the Manager's engagement, then the Manager must, within nine months of receiving the termination notice, transfer the Management Rights in the manner set out in the Management Rights Agreement.

5.4 Contract for sale of management rights

Tropicana Enterprises has entered into an agreement with Oaks Hotels & Resorts for the sale of the management rights pertaining to the Resort. The nature of the management rights which are the subject of the sale are described in section 1.2.

The key features of the management rights sale contract are as follows:

- (a) Completion of the contract (the Completion Date) will occur on the later of—
 - (i) 28 days after registration of the strata plan for stage 1,
 - (ii) 28 days after Tropicana Enterprises serves on Oaks Hotels & Resorts a certificate from an architect or building supervisor stating that construction works, lots, common property, driveways, and landscaping have been substantially completed in respect to stage 1, or
 - (iii) 2 business days after evidence is provided to Oaks Hotels & Resorts of satisfaction that—
 - the Strata Company has entered into the Caretaking Agreement and Management Rights Agreement with Oaks Hotels & Resorts, and

- new by-laws are registered with the strata plan.

- (b) Tropicana Enterprises warrants it will—
 - (i) enter into a Letting and Management Agreement with each owner and assign each agreement to Oaks Hotels & Resorts on or before the Completion Date
 - (ii) not itself, nor any of its directors, shareholders, real estate agents or other agents of Tropicana Enterprises, seek appointment as the letting agent for Oaks Broome following the Completion Date
 - (iii) provide Oaks Hotels & Resorts with the names and addresses of owners of Apartments upon execution of each sale contract for an Apartment, and
 - (iv) assist Oaks Hotels & Resorts with their preparations for commencing business as the Manager by providing it with keys to Apartments to allow inspections, allowing access to the development four weeks prior to completion of the sale of the management rights, and assist Oaks Hotels & Resorts with any application it makes for a liquor licence.
- (c) Oaks Hotels & Resorts warrants it will—
 - (i) obtain and maintain an appropriate licence to conduct the letting business, and
 - (ii) operate Oaks Broome as a 4 to 4 ½ star resort.
- (d) The contract for the sale of the management rights is subject to and conditional upon the simultaneous completion of the Central Facilities Lot contract.

5.5 Central Facilities Lot contract

The contract for the sale of the management rights detailed in section 5.4 is interdependent upon the completion of contract for sale of the Central Facilities Lot.

Pursuant to the Central Facilities Lot contract, Tropicana Enterprises agrees to sell to Oaks Hotels & Resorts, the Central Facilities Lot at Oaks Broome in order to enable Oaks Hotels & Resorts to carry out its functions as letting agent and ongoing operator of the resort.

5.6 ASIC instrument of relief

Tropicana Enterprises is the beneficiary of an instrument of relief dated 11 April 2006 granted by ASIC in respect of the Resort. The instrument of relief allows Tropicana Enterprises to lawfully operate and market interests in the Resort Letting Pool without complying with certain provisions of the Corporations Act. The relief is conditional upon the following:

- (a) The sale of Apartments in the Resort is not and was not conditional upon participation in the Resort Letting Pool.
- (b) Each investor and the Manager may withdraw from participation in the Resort Letting Pool on no more than 90 days' notice and an investor that withdraws will not be bound after that notice expires to allow a use of their strata unit except for occupation of the strata unit—
 - (i) by a person other than the Manager or an associate of the Manager, and
 - (ii) under an agreement that the Manager made with that person before the notice of withdrawal was given.
- (c) Each investor may, if the investor withdraws from participation in the Resort Letting Pool, appoint another person to manage their Apartment.
- (d) The Manager is licensed in relation to the conduct of the letting services under the law of Western Australia or holds an Australian financial services licence.
- (e) No payment is liable to be made by an investor to participate in the Resort Letting Pool other than—
 - (i) payment of money to buy an Apartment, and
 - (ii) one or more payments of the investor's reasonable proportion of the Manager's fees and expenses with respect to the management of the Resort Letting Pool where in any three-month period the total of such payments relates to a period of no more than three months and where—
 - that total is reasonably commensurate with the work done or to be done, or the expenses incurred or likely to be incurred (as the case may be), by the operator during the period to which the payments relate, and
 - where a refurbishment fund has been established for the investor — no payment or part thereof is used for the replacement, repair or refurbishment of furniture, fittings and equipment of the apartment in relation to the period to which the payment relates unless all money in the refurbishment fund has first been expended, and
 - (iii) where a refurbishment fund has been established for the investor — one or more payments into the refurbishment fund where—
 - each payment is by way of a deduction from Accommodation Revenue that would otherwise be paid to the investor in relation to a period and does not exceed 3

percent of the gross rent attributable to the investor for the period; and

- the balance of the refurbishment fund at all times does not exceed \$5,000 for each Apartment made available by the investor for use as part of the Resort Letting Pool.

- (f) There is no obligation on any person to ensure that other owners of Apartments at the Resort agree to participate in the Resort Letting Pool.
- (g) The Resort Letting Pool is operated in accordance with the Letting and Management Agreement, which includes provisions dealing with the compulsory transfer of management rights.

The Manager is also obliged to provide this PDS to each investor to whom an offer or invitation to participate in the Resort Letting Pool is made, at or before the offer or invitation is made.

The Manager must ensure that any part of the Resort Letting Pool property held in cash or on deposit with an Australian ADI or another financial institution must be held on trust for the Participating Owners in a trust account and subject to audit as to whether the moneys have been dealt with in accordance with the terms of the trust by a registered company auditor at least annually.

Where a refurbishment fund has been established for an investor, the Manager must ensure that—

- (a) the money comprising the refurbishment fund is held on trust for the investor in a trust account and subject to audit as to whether the money has been dealt with in accordance with the terms of the trust by a registered company auditor at least annually, and
- (b) the balance of the refurbishment fund is promptly returned to the investor at the termination of the Resort Letting Pool or upon the investor's withdrawal from the Resort Letting Pool, whichever occurs first.

6. ADDITIONAL INFORMATION

6.1 Copies of material contracts

True copies of every material contract referred to in this PDS are available for inspection without charge from Tropicana Enterprises' principal place of business (stated in the directory on page 2).

6.2 Cooling off rights

There are no cooling off rights in relation to your application to participate in the Resort Letting Pool.

6.3 Dispute resolution

If you have a complaint about our service or the Resort Letting Pool, then you can contact Stephen Seward on telephone 08 6311 7018 who will attempt to resolve your complaint as soon as possible. If you are still unsatisfied, then you may contact the Financial Industry Complaints Service (FICS) on telephone 1300 780 808. FICS is an external complaints handling body, of which Tropicana Enterprises is a member (member no. F-4934).

6.4 Social and ethical standards

Whilst Tropicana Enterprises intends to conduct its affairs in an ethical and sound manner, it will not give additional weight to labour standards, environmental, social or ethical considerations when operating the Resort Letting Pool.

6.5 Consent of directors

To the best of the knowledge and belief of the directors of Tropicana Enterprises (who have taken all reasonable care to ensure that such is the case), the information contained in this PDS is in accordance with the facts and does not omit anything likely to affect the accuracy of such information.

Each of the directors of Tropicana Enterprises has consented to the issue of this PDS.

6.6 Consent to be named

Oaks Hotels & Resorts has given, and not withdrawn, its consent to be named in this PDS and to the extent information appears in this PDS which relates to Oaks Hotels & Resorts, Oaks Hotels & Resorts has consented to its inclusion.

McMahon Clarke Legal has given, and not withdrawn, its consent to be named in this PDS.

6.7 Other Information

If you require further information, then you can contact Tropicana Enterprises' representative, Stephen Seward by telephoning 08 6311 7018 or by sending a facsimile to 08 6311 7012.

7. INSTRUCTIONS ON HOW TO INVEST

To join the Resort Letting Pool, you need to sign the Letting and Management Agreement which accompanies the Sale Contract.

By signing the Letting and Management Agreement, you will be taken to apply to join the Resort Letting Pool pursuant to this PDS.

There is no separate application form to join the Resort Letting Pool.

7.1 Payment

There is no payment required to become a member of the Resort Letting Pool. However, as stated earlier in this PDS, you must own an Apartment in the Resort (which includes a furniture package).

7.2 Lodging your signed Letting and Management Agreement

Your signed Letting and Management Agreement should be either delivered or mailed to the offices of Tropicana Enterprises, the details of which appear below:

Tropicana Enterprises Pty Ltd
AMP Building
Level 1, 140 St Georges Terrace
Perth WA 6000

7.3 Privacy Principles

The Privacy Act 1988 (Privacy Act) and amendments made to the Privacy Act by the Privacy Amendment (Private Sector) Act 2000 govern the use of an individual's personal information gained by an organisation from dealings with the individual. The National Privacy Principles of the Privacy Act govern the way in which organisations should treat personal information.

The Manager is committed to managing and only using personal information in ways that comply with the

Privacy Act. As a result, the Manager will apply the National Privacy Principles in respect of all information you provide in making the application for investment in the Oaks Broome Letting Pool.

The information the Manager obtains from you in relation to your application is used to evaluate your application, as well as to issue and manage your investment. The Manager will retain the information you provide for record keeping purposes, however, once your personal information is no longer required, the Manager will either destroy it, or retain it in a way that does not identify that it relates to you.

You have a right to know the information the Manager holds and to require the Manager to correct any errors. In this regard you can assist the Manager to keep your details up-to-date by advising the Manager of any information that appears incorrect. You can telephone or write to the Manager at the telephone and address details listed in the corporate directory on page 1 of this PDS to obtain details about the information Tropicana Enterprises holds for you. Alternatively, the Manager's up-to-date details will be provided on the resort's website, www.oaksbroome.com.au.

As well as reporting to you about your investment, the Manager may use your contact details to let you know about other investment opportunities. If you prefer not to receive these communications, then please advise the Manager using the contact details referred to above. If the Manager is obliged to do so by law, it will pass your personal information to other parties strictly in accordance with the relevant legal requirements.

8. GLOSSARY

Accommodation Revenue—The rent received by the Manager from guests who occupy your Apartment.

Accounting Period—Means the financial reporting period of the Manager, of which there will be twelve in each year from 1 July to 30 June, as notified in writing from time to time by the Manager to the owner.

Apartment—An apartment in the Resort.

ASIC—The Australian Securities and Investments Commission.

ASIC Relief—Means the ASIC instrument of relief dated 11 April 2006 in respect of the Resort granted in favour of Tropicana Enterprises.

Caretaking Agreement—The agreement between the Strata Company and the Manager regarding the caretaking of the Common Property, the terms of which are summarised in section 5.1.

Central Facilities Lot—Means the lot in Oaks Broome containing the two-bedroom manager's unit, the reception/lobby area, the administration area, the restaurant, lounge and bar area, the house and guest laundries, the workshop area, the linen store rooms, the furniture store room, gardener's storeroom, bin storeroom and the staff accommodation area located on lot 96 of the strata plan for the Resort.

Common Property—All of the parts of the Resort which do not form part of an Apartment. For example, the roads, pathways and swimming pools.

Corporate Rate—The room rate determined from time to time by the Manager (in its discretion) and identified by the Manager as a "Corporate Rate" or otherwise described as a room rate for corporate guests.

Corporations Act—The Corporations Act 2001 (Cth) for the time being in force together with the regulations of the Corporations Act.

Deductible Expenses—Means, but is not limited to, all and any of the expenses payable or incurred in respect of the Apartment or the letting thereof by the Manager as set out in the Letting and Management Agreement.

GST—Goods and services tax.

Letting and Management Agreement—The agreement between you and the Manager, under which you appoint the Manager to let and manage your Apartment, the terms of which are summarised in section 5.3.

Letting Fee—12 percent of the Accommodation Revenue (plus GST).

Letting Standard—Means a 4/4.5 star rating according to the Australian Automobile Association under its National Classification Scheme and National Classification Guidelines for hotels as interpreted by the Manager.

Management Fee—38 percent of the Accommodation Revenue (plus GST).

Management Rights Agreement—The agreement between the Strata Company and the Manager under which the Manager is authorised as the party with the exclusive right to conduct an on-site letting service for owners, the terms of which are summarised in section 5.2.

Manager—Means Oaks Hotels & Resorts or, if the sale of the management rights of the Resort to Oaks Hotels & Resorts does not proceed to completion, then this term is a reference to any replacement operator Tropicana Enterprises may appoint, or if a replacement operator is not appointed, then it is a reference to Tropicana Enterprise itself.

Net Revenue—Accommodation Revenue earned from letting your Apartment less any allowable deductions.

Oaks Hotels & Resorts—Oaks Hotels & Resorts (Vic) Pty Ltd ACN 113 881 744.

Participating Apartments—Apartments participating in the Resort Letting Pool at any particular point in time.

Participating Owners—Owners of Participating Apartments.

PDS—This product disclosure statement or any supplementary or replacement product disclosure statement or other disclosure document as defined in the Corporations Act, issued by Tropicana Enterprises (or if applicable, Oaks Hotels & Resorts as the ongoing operator) in respect of the Oaks Broome Letting Pool.

Refurbishment Fund—Means the fund to be established by the Manager for an owner to fund the refurbishment of the owner's Apartment.

Refurbishment Fund Contribution—Means an amount equal to three percent of the Accommodation Revenue.

Resort—The strata-titled resort to be known as "Oaks Broome", located at 99 Robinson Street, Broome, Western Australia.

Resort Letting Pool—Means the management rights system to be operated at the Resort, which involves owners making their Apartment available to the on-site letting agent for use as part of a letting business.

Sale Contract—The contract for the purchase of an Apartment.

Strata Company—The collective group of all owners of Apartments created in respect of the Resort.

Tropicana Enterprises—Tropicana Enterprises Pty Ltd ACN 108 146 587 as trustee of the Tropicana Unit Trust.