

Crowd-Sourced Funding Offer Document

6 December 2023



Offer of fully-paid ordinary shares in Manilla Solar Farm Pty Ltd at \$0.80 per share to raise a maximum of \$1,000,000.00

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

Issuer

Manilla Solar Pty Ltd ACN 670 201 493

Intermediary

Swarmer PTY LTD AFSL 50786

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Glossary

Credits

1. 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.

2. Information about the Company



2.1 Letter from the Directors

Dear community members,

It is our pleasure to invite you to become shareholders in Manilla Solar. It has taken a great deal of effort over several years to get to this point! For nearly 10 years, Manilla Community Renewable Energy Inc (MCRE) has led the community effort to bring the vision of a ~4.6 MW solar farm with battery storage to life.

We, the undersigned, are relatively recent additions to the project. For the past 18 months we have supported MCRE in charting the path forward for the community.

Over the past few years, MCRE has partnered with a commercial developer to bring the Manilla Solar Farm to investment-readiness. This included obtaining planning and grid approvals. MCRE has now decided to pursue a buyout of the Manilla Solar Farm from the commercial developer and realisation of the Manilla Solar Farm under community stewardship – and this crowd sourced funding (CSF) raise is an integral part of this process.

The motivation for the Manilla Solar Farm is rooted in a tradition of independence and self-reliance of the New England / North West region and a significant step towards taking local ownership of what amounts to a local power station. The Manilla Solar Farm seeks to provide investment returns to investors, but also to retain economic value in the region, create local jobs and business opportunities and secure an opportunity for local households and businesses to buy renewable energy and lower the electricity bills. Community stewardship of this project will enhance the ability of the Manilla Solar Farm to deliver these broader benefits.

MCRE is the beneficiary of a \$3.5 million grant from the NSW Government under the Regional Community Energy Fund that will contribute to the construction of the Manilla Solar Farm and enable the Manilla Solar Farm to deliver community benefits.

Manilla Solar has recently raised just over \$300,000 in seed funding to commence due diligence on the Manilla Solar Farm and progress the acquisition of the Manilla Solar Farm into community ownership. This CSF raise now opens up Manilla Solar to investment from the community from as little as \$60, but for the same share price as the previous seed funding.

At its core, the business model of Manilla Solar is simple: raise finance, build and operate a community solar farm that sells renewable energy into the electricity market and provides community benefits. However, acquiring, developing, financing, constructing and operating a solar farm comes with some complexity and requires us to manage a variety of risks. We encourage you to read this CSF offer document to gain a better understanding.

We bring together professional experience in the large-scale renewable energy sector and experience and as developers for community-scale renewable energy projects. Our well-publicised projects include the Grong Grong Solar Farm and the Goulburn Community Solar Farm. We will be working with MCRE and other community stakeholders to bring the Manilla Solar Farm to fruition. We are excited to support the community in this journey!

Kind regards

Gerald Arends & Jonathan Prendergast



This CSF raise now opens up Manilla Solar to investment from the community from as little as \$60.

2.2 Company Details

This offer of shares is made by Manilla Solar Pty Ltd ACN 670 201 493 (the "**Company**"). The Company was incorporated on 2 August 2023.

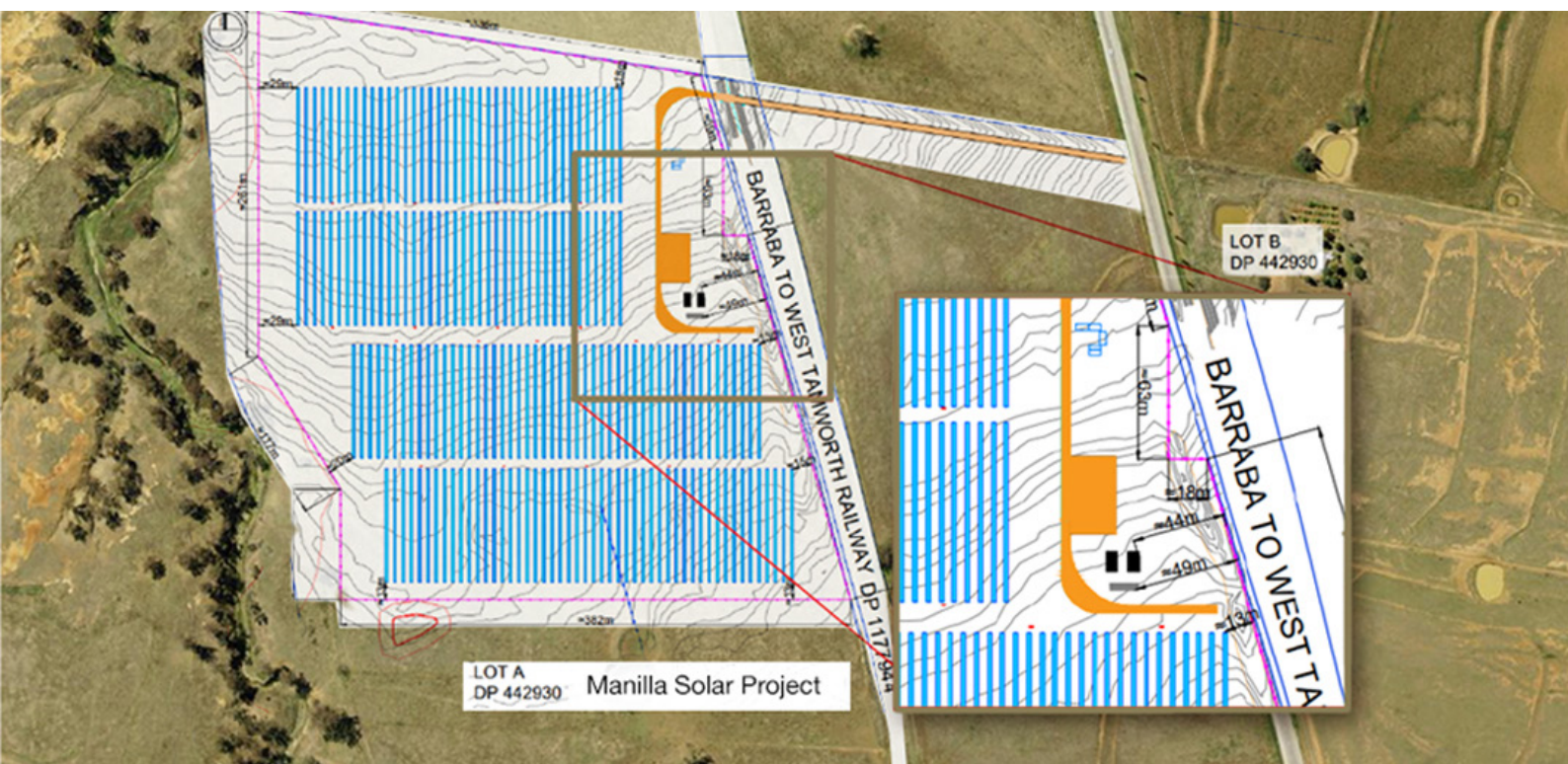
Company name:	Manilla Solar Pty Ltd
ACN:	670 201 493
Date of incorporation:	2 August 2023
Registered office and Principal place of business:	17 Thurlow St, Newmarket QLD 4051
Subsidiaries:	None
Other related companies:	None

2.3 Description of the business

2.3.1 What is the Manilla Solar Farm?

The Manilla Solar Farm is a proposed 4.6 MW_{AC} / 6.4 MW_{DC} solar farm with a single axis tracking system that allows the solar panels to follow the sun from East in the morning to West in the afternoon. The project also includes 1 to 2 hours of battery storage, namely 4.6 MWh to 9.2 MWh.

It is the intention that the Manilla Solar Farm will be built on private land located at 4133 Manilla Road, Manilla NSW 2346. The land is owned by John Calokerinos and his family. The Manilla



Solar Farm will occupy approx. 16 ha of land between Greenhatch Creek and the disused Tamworth-Barraba Railway Line.

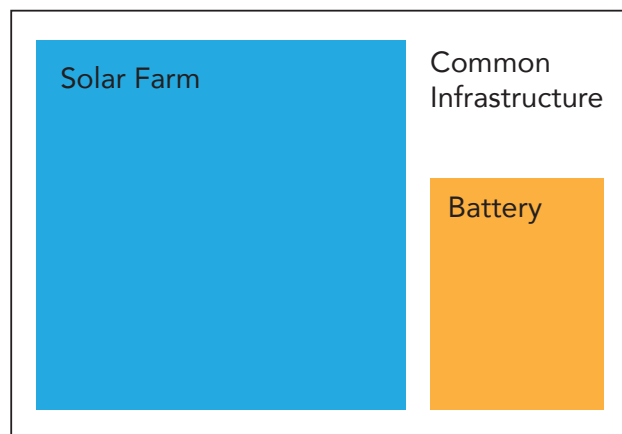
The Manilla Solar Farm is expected to generate as much electricity as is necessary to power over 2,500 average NSW households, based on an assumed household consumption of 5,000 kWh per year. With an anticipated revenue of approx. over \$1 million per year, it will – if funded locally – keep an equivalent amount of funds in the region.

The Manilla Solar Farm has, thus far, been developed by a commercial development partner of MCRE. This included gaining grid connection approval and planning approval. These approvals are currently held by a special purpose vehicle (SPV) held by that commercial developer.

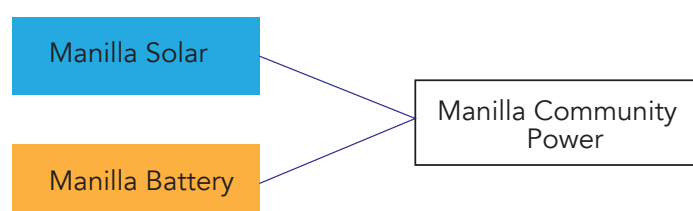
2.3.2 Who we are

Manilla Solar Pty Ltd (referred to in this CSF offer document as the **"Company"**) is one of 3 entities expected to be involved in funding and owning the Manilla Solar Farm.

Manilla Community Power Pty Ltd is seeking to acquire the development rights for the Manilla Solar Farm held by the commercial developer and provide land access and high-voltage infrastructure (common infrastructure) to the two other entities: Manilla Solar (the Company) to fund and own the solar component and Manilla Battery (an entity still to be established) to fund and own the battery.



The arrangement is similar to a shopping centre providing the 'common roof' and water and electricity infrastructure and car parking and road access to tenants in a shopping centre. MCRE is the founding shareholder of Manilla Solar (alongside the seed investors that have recently contributed to the capital of the Company, as set out in Section 2.4.1) and is currently the sole shareholder of Manilla Community Power.



The three entities are expected to enter into a number of contractual arrangements to regulate:

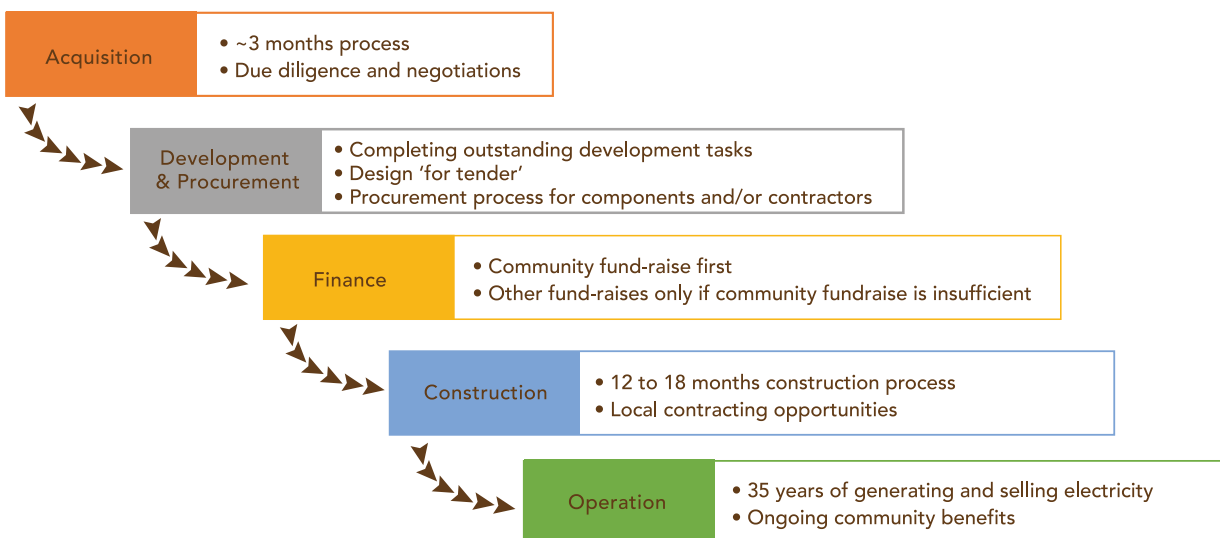
- land access for Manilla Solar and Manilla Battery;
- funding and access to the common infrastructure to be held Manilla Community Power; and
- electricity arrangements (such as charging the battery from the solar generation).

While these arrangements will be somewhat complex, they provide for significant flexibility in operating the solar and battery components separately or jointly as may be required to generate the greatest value for the project. The structure also allows different investment strategies and opportunities for co-investment should this be required.

Manilla Solar (the Company) is the first entity being funded up to ensure the solar component can be deployed as soon as possible.

2.3.3 What is our business strategy?

The Company is effectively a solar farm start-up business. After acquisition of the development rights by Manilla Community Power, the Company will seek to undertake outstanding development steps, procurement and financing of the solar component of the Manilla Solar Farm, followed by construction and commissioning. After that, the Company expects to enter up to 35 years of revenue earning service.



While the phases for the delivery of the Manilla Solar Farm are logically separate and follow each other, the Company expects that these phases will bleed into each other.

Acquisition

The acquisition of the development rights for the Manilla Solar Farm is undertaken by Manilla Community Power. Working on an acquisition incurs significant cost for due diligence (the process of assessing whether the development is in good condition) and this will focus, in particular, on technical matters and tax considerations. Once satisfied with the outcome of the due diligence, the legal documents need to be negotiated.



Grong Grong Solar Farm. A crowd-funded community project developed by Komo Energy. September 2023

The cost of undertaking due diligence and negotiating the acquisition is carried by our partners Komo Service and Pegasus Legal at their risk. If the due diligence is not successful or if contracts cannot be negotiated, no cost will be charged to either Manilla Solar or Manilla Community Power. This means that seed funds will be returned to investors if the project is not acquired.

Manilla Solar will contribute financially to the acquisition of the development rights by Manilla Community Power through subscribing for shares in Manilla Community Power and/or a shareholder loan. These contributions will be funded out of existing funds of Manilla Solar, not out of funds raised under this Offer.

Further development and procurement

Once the development rights are completed, any outstanding development steps need to be completed. This will include – based on today's knowledge – securing an easement over the disused Tamworth to Barraba rail line. Whether any other steps are required will be demonstrated during the due diligence that forms part of the acquisition.

It is expected that these outstanding development tasks will not concern the 'if' of the project going ahead, but only the 'when'. The Company will therefore progress, in parallel, procurement activities. The Company plans to develop a design to a 'for tender' level and develop a procurement strategy. The Company may either procure some key equipment directly and free-issue these to a contractor or seek a single-point responsibility from an 'engineering, procurement and construction contractor'.

Finance

The procurement activities will firm up the cost for the Manilla Solar Farm, the construction time frame and the expected generation from the Manilla Solar Farm. These are crucial inputs for the next fund-raising stages that will need to secure the bulk of the funding for the Manilla Solar Farm.

This Offer is priced lower than what the Company expects to raise at subsequently to recognise the greater level of uncertainty as well as the earlier investment by any community member becoming a shareholder under this Offer.

Construction

Construction typically has to proceed in a certain logical order. Onsite construction of the Manilla Solar Farm is expected to take only about 6 to 8 months. However, there are various preparatory steps such as the ordering of long lead items, the construction of an access road and a security fence that can extend these time frames.

If the Company raises an amount close to the Maximum Subscription, it will have some funds to – after acquisition – progress some of the preparatory steps of construction, thereby de-risking and accelerating the delivery of the Manilla Solar Farm.



Wayne Chaffey MC, the 100 Mile Dinner for Renewable Manilla. April 2023

Operation

Once the Manilla Solar Farm is constructed and commissioned, it will generate electricity – a commodity centrally priced by the Australian Energy Market Operator (AEMO). During this phase, the Company will arrange for the technical maintenance, insurance and participation in energy markets.

One of MCRE's key ambitions for Manilla Solar Farm is the sale of part of the electricity output to local residents and businesses so as to reduce their electricity bills.

Commitment to safeguarding the community interests

On 19 September 2023, MCRE, Manilla Community Power and the Company entered into a 'Safeguard Agreement' in which the parties agreed to contribute to MCRE's vision as follows:



MCRE works to build sustainable regional community projects that deliver social, environmental and economic returns.

Our mission is to promote the renewable energy transition in Northwest NSW and share a blueprint for other groups to do the same.

The Safeguard Agreement also secures ongoing funding for the activities of MCRE and commits Manilla Community Power and Manilla Solar to deliver a range of community benefits. It creates reporting and consultations mechanism that enable MCRE to act as 'custodian' of the community interest.

2.3.4 Business Highlights

MCRE and its industry partner submitted a grant application for \$3.5 million to the NSW Regional Community Energy Fund in 2019. Since the announcement of successful grant funding in 2020, the Manilla Solar Farm has achieved planning and grid connection approval.

In the past 12 months, MCRE has – with the support of Komo Energy – negotiated terms for the due diligence and acquisition of the Manilla Solar Farm from its industry partner. This process is flanked by the creation of Manilla Community Power and the Company and the present Offer.



The sunsets over the crowd for the 100 Mile Dinner. Celebrating Local Produce + 25 years of Landcare. October 2019

2.3.5 What is our business model?

The business model of Manilla Solar is predominantly the generation of ongoing yield.

Once the Manilla Solar Farm has entered the operating phase, it will seek to generate revenue from the sale of electricity and the creation of renewable energy certificates. It is expected that the revenue will be sufficient to return the capital to investors plus an adequate return on their investment.

The Company expects that prior to the next following raise, it will have firmed up and be able to provide anticipated capital expenditure and operational expenditure.

The Company anticipates that there will be a notional growth in value of the shares in the Company and it will seek to realise this increasing value by increasing the share price for later raises. This capital growth will become visible if the subscription price per share increases over various fundraising rounds as anticipated. However, such capital growth can only be realised if there is an exit event. Exiting the Manilla Solar Farm as an investment may be possible at some stage but may run counter the best interest and intentions of the community.

2.3.6 Competitors

The sale of electricity means participation in the National Electricity Market (NEM) operated by the Australian Energy Market Operator (AEMO). The NEM is a commodity market with pricing ultimately determined by a bidding process that balances supply and demand. The Manilla Solar Farm (like any other solar farm) will provide electricity physically into the local electricity grid and operate financially in the (NSW segment of) the NEM.

The competitive landscape in the supply of electricity is driven by differences in capital cost and differences in operating (in particular fuel) cost. Conventional power generators factor fuel cost into their bidding strategy. This is where solar farms have an advantage: the 'fuel' is free and generation is only constrained by sunlight hours. However, solar farms require a comparatively high upfront capital investment.

While more solar and wind generation continues to be built, the rate of new generation is constrained by available places to connect new solar farm to the electricity grid. The resultant shortage of new generation provides an opportunity for projects such as the Manilla Solar Farm: as coal power station close in NSW, the Company expects several years of elevated electricity prices which represents higher revenues for the Manilla Solar Farm.

Recently, the Australian Federal Government has announced plans to contract 32 GW of new solar and wind farms and 9 GW of firming or storage capacity. Such a large investment in new generation is likely to bring down energy prices during solar generation hours. However, the timing and extent of this reduction in pricing will depend on how quickly these new large-scale projects can be approved, financed, built and commissioned, which could take several years.

2.3.7 Competitive Advantage

The Manilla Solar Farm has planning and grid connection approval. Subject to due diligence and acquisition of the development rights, the Manilla Solar Farm can be financed and constructed more quickly than projects still working through the approval processes.

The Manilla Solar Farm is developed to deploy single axis tracking. This is a mounting structure that faces the solar panels East in the morning and West in the afternoon. Electricity prices tend to be higher earlier in morning and later in the afternoon due to higher demand and lower generation output by rooftop solar.

The Manilla Solar Farm is approved to include battery storage. Though the anticipation is that the battery component will be funded separately by Manilla Battery (working name), the presence of a battery can create additional revenue streams and reduce risks to revenue streams.

As the Manilla Solar Farm will be a community energy project, it can be marketed based on the 'social licence' value of the project when seeking Power Purchase Agreements (PPAs) from corporates or electricity retailers. This can see preferential procurement, terms or pricing for PPAs where corporates seeking to achieve corporate social responsibility (CSR) goals.2.3.8

2.3.8 What does our organisation look like?

The Company is established solely for the purpose of acquiring, further developing, procuring, financing, constructing, owning and operating the solar component of the Manilla Solar Farm. It has presently no staff.

Gerald Arends and Jonathan Prendergast are the directors of the Company. Their biographies are included at Section 2.5. It is anticipated that, in the future, community members will be appointed as directors in addition to Gerald and Jonathan.

2.3.9 Legal or disciplinary actions against the Company

No disclosable matter.



2.4 Capital structure

2.4.1 Issued capital

As at the date of this CSF offer document, the Company has 388,500 ordinary shares on issue. There are no share options in place.

Table 1 below sets out the issued capital of the Company before the Offer.

Shareholder	Share Type	Shares	Options
MCRE (Founder Shareholder) ¹	Ordinary	1,000	Nil
Seed investors ²	Ordinary	387,500	Nil
Total	Ordinary	388,500	Nil

Notes to Table 1:

1. The share allocation is in respect of MCRE being the originator of the project and voice of the community in the project.
2. All investors subscribed for shares at \$0.80 per ordinary share. The investment of the Seed Investors includes an investment by Arends Family Investment Pty Ltd (a related party of director Gerald Arends).

Table 2 sets out the issued capital of the Company following the Offer.

Table 2: Issued capital of the Company following the Offer

Shares	Minimum Subscription	Maximum Subscription
MCRE (Founder Shareholder)	1,000 0.22%	1,000 0.06%
Seed Investors	387,500 85.92%	387,500 23.65%
Offer shares ¹	62,500 13.86%	1,250,000 76.29%
Total shares on issue	451,000 100%	1,638,500 100%

Notes to Table 2:

1. Note that the existing investors may choose to invest further funds under this Offer. Any such further investment will be counted in the row "Offer shares" rather than the row relevant for the existing investor.

2.4.2 Rights associated with Ordinary shares and options

As at the date of this Offer, the only class of shares on issue are ordinary shares.

Set out below is a summary of the rights and liabilities associated with the securities in the Company. A copy of the Company's Constitution is available on the Intermediary's platform.

Ordinary Shares

The rights and liabilities associated with the ordinary shares are set out in the Company's constitution, including:

1. All ordinary shares have the same voting rights and the same rights to receive dividends.
2. The sale and transfer of shares is subject to restrictions, including drag and tag rights and exit provisions.
3. The Board has the power to refuse a transfer of shares to a third party in certain circumstances, including where the Board reasonably determines in good faith that the transfer would be materially detrimental to the interests of the Company.
4. The Constitution includes a definition of a 'Substantial Shareholder', being a member who holds (together with any of its affiliates) at least 100,000 shares or at least 10% (or such alternative proportion determined by the board) of the total number of shares on issue.

5. A disposal to a shareholder who would become a Substantial Shareholder is subject to pre-emption process, whereby the shares must first be offered to existing members. Please refer to Section 3.3 of this Offer document.
6. The Constitution includes a definition of a 'Major Shareholder', being a member who holds (together with any of its affiliates) at least 20% (or such alternative proportion determined by the board) of the total number of shares on issue.
7. A Major Shareholder is entitled to appoint a director to the Board and such director is referred to as a 'Representative Director'. The appointing Major Shareholder may also remove its Representative Director. Please refer to Section 3.3 of this Offer document.
8. The Constitution includes a definition of a 'Founder Shareholder', being Manilla Community Renewable Energy Inc (MCRE).
9. The Founder Shareholder may, for as long as it holds at least 1 share, appoint a director to the Board and such director is referred to as a 'Founder Director'. The Founder Shareholder may also remove the Founder Director. Please refer to Section 3.3 of this Offer document.
10. The shares offered under this Offer are ordinary shares. A more detailed description of the rights and liabilities associated with the ordinary shares is set out in Section 3.3 of this Offer document.

No Shareholder Agreement

Other than the Constitution, there is no shareholder agreement or other agreement between the existing shareholders of the Company.

2.4.3 Sources of financing, including debt financing and other financing

To date, the business has been funded primarily through deferred payment terms of suppliers (in particular Komo Service and Pegasus Legal) (the **"Industry Partners"**) and the Industry Partners carrying external expenditure as well as their internal time cost.

Background

Like many renewable energy assets, the solar farms are capital-intensive to deploy but tend to have a lower operating cost than power generators that need to buy a fuel source such as coal, gas or biomass.

As is typical for solar farms, the Company intends to apply multiple levels of financing to deliver the Manilla Solar Project. These consist of equity (including the equity raised under this Offer), further equity raises scheduled for 2024, grant funding and possibly loans.

None of these other sources of funding, required to realise the Manilla Solar Project, has been secured as at the date of this Offer document.

RCEF Grant

The Manilla Solar Project benefits from a grant in the amount of \$3,500,000 (exclusive of GST) under the 'Regional Community Energy Fund' (RCEF), administered by the Office of Energy and Climate Change (previously by the Department of Planning, Industry and Environment) (the **"RCEF Grant"**).

The RCEF Grant is currently held by Manilla Community Renewable Energy Inc. (MCRE), the Company's Founder Shareholder, as 'funding recipient'. The funding agreement requires the RCEF Grant to be transferred to the entity that implements the Manilla Solar Project.

Given that there are likely to be 3 entities involved in the delivery of the Manilla Solar Project, it is not yet known which entity the RCEF Grant will be transferred to. However, the Company expects that it will, directly or indirectly, benefit from the RCEF Grant.



MCRE committee and supporters receive RCEF cheque from MP for Tamworth Kevin Anderson. 2020 Manilla Show.

MCRE has advised the Company that the status of the RCEF Grant is as is set out below:

RCEF Grant in detail	Amount (ex GST)	Status
Milestone 1A	\$22,500	Achieved, approved and paid
Milestone 1B	\$477,500	Open
Milestone 2	\$1,000,000	Open
Milestone 3	\$1,050,000	Open
Milestone 4	\$930,000	Open
Milestone 5	\$20,000	Open
Total RCEF Grant	\$3,500,000	

The RCEF Grant provides for payment against the achievement of certain payment milestones. The Company expects that the payment milestones will be materially adjusted when the funding agreement is transferred and expects that the adjustments will address both the changed project structure and timelines.

2.5 Directors and senior managers

2.5.1 Our directors and management

The Company is established solely for the purpose of developing, financing, constructing, owning and operating the Manilla Solar Project and has a very lean organisational structure. The Company presently only has two directors (see Section 2.5.2) and is supported through a range of consulting arrangements. At present, no directors' fees are paid to the directors of the Company. Gerald Arends and Jonathan Prendergast are the directors of the Company. Further details are set out below. Both directors have a proven track record of working with community energy groups and on community energy assets.



Gerald Arends

Gerald is a director of the Company. He is a leading renewable energy lawyer and commercial advisor and has worked almost exclusively in the solar industry in a variety of legal and commercial roles for the past 16 years. Within the Company, Gerald is responsible for project development and delivery.

Gerald is passionate about pioneering projects in countries and in sectors where renewable energy is not yet firmly established. He has worked in renewables in over 30 countries, including all over Europe, Japan, Thailand, the Philippines and Malaysia.

In Australia, he advised on pioneering renewable energy projects integrated into a remote mine site, such as the Degussa solar/battery integration project and the Agnew hybrid project, as well as large-scale projects such as the 20 MW Hughenden project in Queensland, the 112 MW Karadoc and the 106 MW Yatpool projects in Victoria.

Gerald seeks to transfer skills from large-scale solar projects to smaller-scale but replicable renewable energy projects.

Gerald is a founder and director of Komo Energy, a group that partners with communities, landholders and businesses who want to invest in, develop and benefit from renewable energy. In addition, he is a director of Pegasus Legal, a boutique law firm advising on renewable energy projects. Gerald is also a conference speaker, panellist and a post-graduate teacher on topics relating to renewable energy.

Gerald grew up in Germany and has lived and worked in England, Greece and Germany before moving to Australia in 2011. While not native to the region, Gerald feels deeply connected with, and spends much time in, the New England region due to his wife having grown up and having family ties there.

When not working on renewables, he spends time with his family and young kids. He enjoys reading widely across current affairs, history, philosophy, politics and linguistics. Gerald has played the violin for most of his life and is both President and an active member of the Brisbane Symphony Orchestra.

Jonathan Prendergast



Jonathan is a director of the Company. He is a project manager, engineer and procurement specialist recognised for his work at the forefront of renewable energy procurement strategies and business models. Within the Company, Jonathan is responsible for energy markets, community and investor engagement.

With over 15 years' experience in clean energy, Jonathan has extensive commercial and technical knowledge, having managed and advised on a number of projects from feasibility through to implementation.

Jonathan consults to universities, renewable energy project developers, councils and property developers across Australia. His deep understanding of energy markets, contracts and procurement enables him to unlock new business models to deliver projects. He has achieved several Australian 'first' innovative energy projects, including the development of Australia's first district heating system, district cooling customer agreement and offsite solar PPA.

He is a founder and director of Komo Energy, a group that partners with communities, landholders and businesses who want to invest in, develop and benefit from renewable energy.

Jonathan sees significant opportunity for more innovation in community scale projects, including innovative financing, power purchase agreements and microgrids.

Jonathan is passionate about community, sports and the outdoors. He co-founded Sunny Shire, a local community energy group in the Sutherland Shire (Sydney), which supports Shire families in the adoption of solar, storage, home energy efficiency and electric vehicles. Recently, Sunny Shire's solar bulk buy enabled 200 Shire families to get rooftop solar from local suppliers.

Jonathan lived in Japan for 1.5 years and loves to travel back to visit. He also enjoys playing soccer, skiing and getting his young kids outdoors and enjoying nature.

2.5.2 Legal or disciplinary actions

No disclosable matter.

Testimonial



John Calokerinos, Emma Stilts and Gerald Arends

“ I was born and raised in Manilla and have supported the establishment of the Manilla solar project for the past 6 years.

MCRE was planning the solar farm and looking for suitable land no more than 5km from the Manilla electricity substation. Nobody else came forward with a suitable site so I offered a site on our farm!

This project aligns with my personal values of supporting community and supporting sustainability and it is a natural extension of farm diversification. If Manilla could do this, then anyone can! “

*John Calokerinos, Manilla
Farmer and Solar Farm Host*

2.6 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 (e.g. risks relating to general economic conditions or the inability to sell our shares).

Table 3: Main risks

<p>The Company is a single-purpose project business</p>	<p>The Company is a single-purpose project business consisting of the Manilla Solar Farm and seeks to sell electricity and renewable energy certificates generated by it.</p> <p>The Company is not set up to diversify its assets and generate a multitude of different revenue streams. This means that the Company is exposed to the upside and the downside of this singular focus.</p>
<p>The Company needs to acquire the project (directly or indirectly)</p>	<p>Some of the development rights for the Manilla Solar Farm are currently owned by an entity held by Providence Climate Capital. These rights need to be acquired (directly or indirectly) in order for the Company to realise the Manilla Solar Farm.</p> <p>While the key commercial parameters for the acquisition have been agreed, there remains a risk that the acquisition may fail due to the documentation not being agreed or detailed due diligence not being successful.</p>
<p>The Company needs to raise the necessary finance for the project</p>	<p>The Company will rely on multiple layers of finance. The Company has raised some seed funds and is seeking further seed funds under this Offer. However, these seed funds together are not sufficient for the Company to commence construction.</p> <p>The Company will need to raise further funds and such further fund-raise may not be successful or may take longer than anticipated.</p>
<p>The Company carries procurement and construction cost</p>	<p>Until such time as supply and construction contracts are signed, the Company's budget and programme for the delivery of the Manilla Solar Farm will carry some uncertainty.</p>
<p>The Company carries procurement and construction cost</p>	<p>In recent years, global supply chains have experienced significant disruptions with impacts on the availability of components and delivery cost for solar farm.</p> <p>The construction of the Manilla Solar Farm will carry typical construction risks for solar farms, including geotechnical risk</p>

<p>continued... The Company carries procurement and construction cost</p>	<p>(impacting the installation method for foundations), network connection risk (impacting the interface with Essential Energy, force majeure risk (including pandemic, war, etc.) and construction price risk. In recent years, construction cost has significantly increased and the preparedness of contractors to assume risks was reduced.</p> <p>The Company will need to undertake a significant amount of work to achieve cost and price certainty, combined with an adequate risk profile, from suppliers and contractors.</p>
<p>The Company's success relies on sustainable NSW wholesale market and prices for renewable energy certificates</p>	<p>The Company intends to sell electricity into the NSW segment of the National Electricity Market (NEM) once the Manilla Solar Farm achieves commercial operation.</p> <p>The revenue in the NEM is subject to changes in 5-minute intervals and shows diurnal, seasonal and long-term fluctuations.</p> <p>While the baseload futures prices on ASX Energy indicate that the energy market anticipates a high price period for the next few years, a positive development that was triggered by the announcement of the early closure of the Eraring coal fired power station, the Company anticipates that over time energy prices will soften again.</p> <p>The pricing for renewable energy certificates is not set by a regulator, but there is a liquid spot market as well as the opportunity to sell renewable energy certificates under longer-term contracts. The pricing for renewable energy certificates is forecast to fall towards the 2030 end of the Renewable Energy Target mechanism. While renewable energy certificates prices have recently risen (including due to demand for corporates that pursue sustainability goals), the Company anticipates that over time renewable energy certificates prices will soften again.</p>
<p>The Company's success relies on sustainable NSW wholesale market and prices for renewable energy certificates</p>	<p>The Company anticipates (as is common practice in financial modelling for solar farms) that there will be a means of monetising the 'green value' of the electricity generated by Manilla Solar Farm beyond the 2030 end of the Renewable Energy Target, but the means through which this may be achieved are not yet determined.</p>

2.7 Financial information

Below are the unaudited financial statements of the Company for the period from 2 August 2023 (the date of incorporation) to 30 November 2023. The information has been prepared in accordance with the Accounting Standards.

2.7.1 Balance sheet

Balance sheet of Manilla Solar as at 30 November 2023.

STATEMENT OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2023

	2 August 2023 - 30 November 2023 \$
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	310,647
TOTAL CURRENT ASSETS	310,647
NON-CURRENT ASSETS	
TOTAL ASSETS	310,647
LIABILITIES	
CURRENT LIABILITIES	
Current tax liabilities	191
TOTAL CURRENT LIABILITIES	191
NON-CURRENT LIABILITIES	
TOTAL LIABILITIES	191
NET ASSETS	310,456
EQUITY	
Issued capital	310,010
Retained earnings	446
TOTAL EQUITY	310,456

2.7.2 Profit and loss statement

Profit and loss statement of Manilla Solar for the period from 2 August 2023 to 30 November 2023.

COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 NOVEMBER 2023

	2 August 2023 - 30 November 2023
	\$
Interest income	637
GROSS PROFIT	637
PROFIT / (LOSS) BEFORE INCOME TAX EXPENSE	637
Income tax (expense) / benefit	(191)
PROFIT / (LOSS) FOR THE PERIOD	446
Other comprehensive income	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	446

2.7.3 Cashflow statement

Cashflow statement of Manilla Solar for the period from 2 August 2023 to 30 November 2023.

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 NOVEMBER 2023

	2 August 2023 – 30 November 2023
	\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Interest received	637
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES	637
CASH FLOWS FROM INVESTING ACTIVITIES	
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from share issue	310,010
NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES	310,010
Cash and cash equivalents at beginning of the period	-
Net increase / (decrease) in cash and cash equivalents	310,647
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	310,647

2.7.4 Statement of changes in equity

Statement of changes in equity of Manilla Solar for the period from 2 August 2023 to 30 November 2023.

STATEMENT OF CHANGES IN EQUITY

AS AT 30 NOVEMBER 2023

	ISSUED CAPITAL	RETAINED EARNINGS	TOTAL
	\$	\$	\$
Balance at 2 August 2023	-	-	-
Total profit or loss for the period	-	446	446
Share capital	310,010		310,010
BALANCE AT 30 NOVEMBER 2023	310,010	446	310,456

Testimonial



“ The Manilla Solar Project is the culmination of many years of work from a dedicated group of volunteers, who can see there is a smarter way to generate energy - that is community focused.

To everyone who has come to a MCRE meeting, and help make the 100 Mile Dinners and Renewable Manilla festivals happen - thank you for your support and energy - We wouldn't be here without you!

We share a vision of community-owned power projects - where owning a <5MW power station can be made to benefit shareholders and our community - often the same folks!

On behalf of MCRE, we are thrilled the Crowd Raise is open and welcome your support. “

*Emma Stilts, Moore Creek
President MCRE*

3. Information about the Offer

3.1 Terms of the Offer

The Company is offering up to 1,250,000 shares at an issue price of \$0.80 per share to raise up to \$1,000,000. The key terms and conditions of the Offer are set out in Table 4 below.

Table 4: Terms of the Offer

Term	Details
Shares	Fully-paid ordinary shares
Price	\$0.80 per share
Minimum Subscription	\$50,000
Maximum Subscription	\$1,000,000
Opening date	6 December 2023
Closing date	14 December 2023 Unless closed earlier by the Intermediary

A description of the rights associated with the shares is set out in Section 3.3 of this CSF offer document. 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.

Retail investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4.1 of this CSF offer document.

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

3.2 Use of funds

Table 5 below sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

Table 5: Use of funds

Intended use	Year 1: Minimum Subscription	Year 1: Maximum Subscription
Fees and reimbursements of expenses in relation to the acquisition of the development rights for the Manilla Solar Farm ^{1,2}	\$40,000	\$114,000
Staff cost for a community engagement officer/ project manager to support MCRE and the community engage in the development and fundraising process for 6 months	-	\$60,000
Further development activities not subject of the acquisition ²	-	\$129,000
Community fundraising process and if required, other fundraising processes ²	-	\$187,000
Procurement process for components and contractors, including development of a 'for tender design' ²	-	\$180,000
Capital cost	-	\$250,000
Offer costs ^{2,3}	\$10,000	\$80,000
Total funds	\$50,000	\$1,000,000

Notes on Table 5:

¹ The amount excludes the acquisition price which will be funded out of existing funds.

² The amount may include payments to Komo Service Pty Ltd (of which Jonathan Prendergast and Gerald Arends are directors) and to Pegasus Legal Pty Ltd (of which Gerald Arends is one of the directors).

³ The amount includes payments to Swarmer Pty Ltd, the intermediary for this Offer.

No director fees

The directors do not, at present, receive any directors' fee.

Payments to Komo Service and Pegasus Legal

Komo Service is MCRE's industry partner in taking the Manilla Solar Farm through to realisation and the current directors of the Company are also directors of Komo Service. Pegasus Legal is a boutique renewable energy law firm and Gerald Arends is one of its directors. These entities are not related parties of the Company yet have a 'proximity' to the directors of the Company.

MCRE engaged Komo Service and Pegasus Legal on a pre-agreed budget for taking the Manilla Solar Farm through the acquisition phase, development phase, procurement phase and fund-raising phase. It is based on Komo Service's collaboration model whereby Komo Service defers its fees and carries third party cost until such time as the project is funded. Pegasus Legal similarly defers its fees until the project is funded. Consistent with that approach, the business has been funded – to-date – primarily through deferred payment terms from Komo Service and Pegasus Legal, including these entities carrying both external expenditure as well as their internal time cost.

As a consequence, funds received during the early stages of this project (including under this Offer) may be used – if not used to directly fund third party cost – to (1) repay the third party cost incurred by Komo Service and Pegasus Legal and/or (2) pay fees to Komo Service and Pegasus Legal.

Whether costs are initially funded by Komo Service and Pegasus Legal and then repaid or paid directly by the Company depends largely on the timing of those third party costs and the available funds within the Company. The amounts presented here are the maximum amounts that may be payable to Komo Service and Pegasus Legal out of the proceeds of this Offer.

Intended use	Komo Service Fee	Pegasus Legal - Fee	Reimbursement of Third Party Cost (unless paid directly)
Acquisition Phase: <ul style="list-style-type: none">• Negotiation and management of acquisition process• Network connection, planning and tax due diligence	\$27,500	\$17,500	\$19,000
Development Finalisation: <ul style="list-style-type: none">• Development management and securing outstanding development rights (lease finalisation, easement across rail corridor, subsidiary approvals)• Development of Business Plan and Financial Model to support subsequent procurement and fundraises	\$85,000	-	\$44,000

Community Fund-raises and other raises: <ul style="list-style-type: none"> • Development management and securing outstanding development rights (lease finalisation, easement across rail corridor, subsidiary approvals) • Development of Business Plan and Financial Model to support subsequent procurement and fundraises • Negotiation of relevant funding or investment documentation 	\$90,000	\$12,500	\$84,500
Procurement of suppliers and contractors: <ul style="list-style-type: none"> • Development of procurement strategy • Creation of tender documentation • Running procurement processes • Negotiation of final documentation 	\$60,000	-	\$60,000
Procurement of suppliers and contractors: <ul style="list-style-type: none"> • Drafting and negotiating supply and engineering, procurement and constructions contracts 	-	\$60,000	-
Offer cost: <ul style="list-style-type: none"> • Cost of corporate setup for fundraiser • Development of Offer document • Intermediary fees 	\$10,000	\$5,000	\$65,000

Intermediary's fees

The costs of the Offer include the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees may range between \$10,000 and \$60,000.

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.

Budget and adjustments to budget

The figures set out in Table 5 form part of a budget agreed between MCRE as representative of the community and Komo Service and Pegasus Legal as industry partners. A project of the nature of the Manilla Solar Farm may experience some workstreams progressing faster than others and this may mean that the actual utilisation of funds may need to re-allocate amounts between the various line items.

Funding 'runway'

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 6 months.

If only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out its intended activities over the next 6 months. It may consider undertaking a further CSF offer under the CSF regime. Until additional funding is obtained, it will rely on further financial support from Komo Service and Pegasus Legal and may need to slow down some activities.

3.3 Rights associated with the shares

Immediately after issue, the shares will be fully-paid shares. There will be no liability on the part of shareholders and the shares will rank equally with the 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 attached in the Annexure to this CSF offer document and is available on the Intermediary's platform.

3.3.1 Voting rights and types of shareholders

General principle

On a show of hands, each shareholder has one vote. On a poll, each shareholder has one vote for each share held. A poll is only conducted if a poll is demanded in accordance with the Company's constitution.

Substantial Shareholders

A member who holds (together with any of its affiliates) at least 100,000 shares or at least 10% (or such alternative proportion determined by the board) of the total number of shares on issue, is referred to as a 'Substantial Shareholder'. A disposal to a shareholder who would become a Substantial Shareholder is subject to additional obligations and these are set out in this Section 3.3.

As at the date of this Offer, the Company has 3 Substantial Shareholders. These shareholders will cease to be Substantial Shareholders (based on their current holding), if the Company raises approx. \$290,000 under this Offer.

Major Shareholders

A member who holds (together with any of its affiliates) at least 20% (or such alternative proportion determined by the board) of the total number of shares on issue, is referred to as a 'Major Shareholder'. A Major Shareholder has additional rights and these rights are set out in this Section 3.3.

As at the date of this Offer, the Company has no Major Shareholders.

Testimonial



" Hi, I'm Brad Pilon and I became a part of the Manilla Solar Project for many reasons. First and foremost, I really want to save our planet for our future generations to be able to live and enjoy the freedoms we have today.

I believe that our climate is changing quickly and not for the better, I want to be a part of the solution to hopefully reverse the side effects of climate change.

Renewable energy can be a part of the solution but not the whole solution, through the Manilla Solar Project I hope to help educate our community and others to live a cleaner life, this will help our beautiful environment survive for future generations to come. It is time for renewable energy to move forward faster and if we as a community start, then hopefully in the future all communities can learn and move forward in a better way.

So basically, I want to help drive change away from our current trajectory, this will also build our community resilience and allow us all to reap the benefits of doing it right."

Brad Pilon, Manilla

Founding Shareholder

Manilla Community Renewable Energy Inc (ABN 88 652 448 481), an incorporated association registered under the laws of New South Wales, is referred to as the 'Founder Shareholder'.

The Founder Shareholder has additional rights and these rights are set out in this Section 3.3.

3.3.2 Election, removal and meetings of directors

Election and appointment of directors

Directors may be elected by the shareholders at a general meeting by way of ordinary resolution with a majority of the votes cast or by the Board (except during a general meeting).

Each Major Shareholder may appoint a director and such director is referred to as a 'Representative Director'.

The Founder Shareholder may, for as long as it holds at least 1 share, appoint a director and such director is referred to as a Founder Director.

Removal of directors

Directors may be removed by shareholders at a general meeting by way of ordinary resolution with a majority of the votes cast or by shareholders holding a majority of the issued shares by written notice delivered to the Company.

A Representative Director may also be removed by the relevant Major Shareholder by notice to the Company.

The Founder Director may also be removed by the Founder Shareholder by notice to the Company.

Quorum

For the purposes of a board meeting, a quorum is at least 2 directors. If the meeting is not quorate and adjourned accordingly, the director or directors present at the reconvened meeting are the quorum.

3.3.3 General meetings and notices

Calling of general meeting

The Board or a Director 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.

Quorum

For the purposes of a general meeting, a quorum is at least 2 voting shareholders. If the meeting is not quorate and adjourned accordingly, the shareholder or shareholders present at the reconvened meeting are the quorum.

Notices

Notice of a meeting of members must be given individually to each member entitled to vote at the meeting, to each Director (other than an Alternate) in writing, at least 21 days prior to the meeting taking place. The notice of meeting must comply with section 249L of the *Corporations Act 2001* (Cth) and may be given in any manner permitted by section 249J(3) of the *Corporations Act 2001* (Cth).

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 2001* (Cth) (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 members in proportion to the number of fully paid shares held by them and, for this purpose, a partly paid share is counted as a fraction of a fully paid share equal to the proportion which the amount paid on it bears to the total issue price of the share.

3.3.6 Restrictions on sale and transfer

Pre-emption rights on transfer

If a shareholder wishes to transfer his/her shares, he/she must first offer those shares to the other shareholders in accordance with the pre-emption procedure.

This obligation does not apply:

1. to certain transfers to affiliates and custodians;
2. if the transfer is pursuant to an acceptance of a takeover bid under Chapter 6 of the *Corporations Act 2001* (Cth);
3. if the transfer is pursuant to a scheme of arrangement;
4. if the Board has approved the transfer by a 'Board Special Resolution' (75% majority);
5. if the transfer is to a shareholder other than a Substantial Shareholder or a shareholder who, by virtue of that transfer, would become a Substantial Shareholder; and
6. if the transfer is in accordance with the Company's Financial Hardship and Compassionate

Policy and is in respect of the entire holding of that shareholder.

Pre-emptive rights on new issue

If the Company resolves to issue new equity securities, it must first offer those shares to the shareholders in accordance with the pre-emption procedure.

This obligation does not apply to a share issue:

1. that proceeds with the approval of the shareholders passed by special resolution (75%);
2. subject to an incentive plan;
3. on the basis of convertible notes;
4. on the basis of other commercial arrangements;
5. if shares are issued as consideration in an acquisition;
6. if shares are issued under a CSF offer; or
7. in a share issue where:
 - a. the number of shares issued is not greater than in the 2023/2024 financial year, 200,000 shares or, in any subsequent financial year, 20% of the shares on the final day of the immediately preceding financial year; and
 - b. the shares are issued at a price per share no less than the greater of \$0.80 per share and the issue price per share in the Company's most recent capital raise.

Testimonial



“ It is a privilege to be involved with a project that is building a solar farm in my own community.

I believe it will bring many benefits and opportunities to the people of Manilla, while contributing to a better future for us all for generations to come.

For me, it is about taking care of the planet and this project is a great way to do just that.”

Fiona McNiven, Manilla

3.4 What can I do with my shares

Shares in the Company are considered an illiquid investment 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 sale of shares to a willing shareholder (who may be an existing shareholder of the Company);
- a trade sale of the Company;
- a listing on a registered stock exchange (e.g. the ASX);
- a private equity acquisition of the Company; or
- a share buy-back by the Company.

There is no guarantee that any of the exit options will eventuate. Therefore, potential shareholders should consider this investment as illiquid and be prepared to hold it until there is an exit event as set out above.

The Company has put in place measures that ensure that the procedural burden of shareholders in selling their shares are reduced. In particular, any Shareholder can sell shares outside the pre-emption process, except where the acquiring Shareholder becomes, by virtue of the acquisition, a Substantial Shareholder (see Section 3.3).

3.5 Details of previous CSF offers

The directors of the Company have been involved in the following previous CSF offers:

Person involved	Company raising CSF Funds	Intermediary	Raise Opened	Raise Closed	Status	Amount Raised
Gerald Arends and Jonathan Prendergast	Komo Energy Pty Ltd	Birchal Financial Services	17 November 2020	10 December 2020	Complete	\$239,841.60
Gerald Arends and Jonathan Prendergast	Grong Grong Solar Farm Pty Ltd	Birchal Financial Services	15 June 2022	23 June 2022 (early)	Complete (maximum raised)	\$750,000.00
Gerald Arends and Jonathan Prendergast	Grong Grong Solar Farm Pty Ltd	Birchal Financial Services	3 October 2023	19 October 2023	Complete	\$580,346.00



Grong Grong Solar Farm. A crowd-funded community solar farm developed by Komo Energy

4. Information about investor rights

4.1 Cooling-off rights

If you are a Retail Investor, 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 during the Cooling-off Period.

Testimonial



“ Investing in Manilla Solar feels like the most powerful way I can make a contribution to the future of our region, and our planet.

Our environment is under pressure with climate change, yet the solution to this sometimes-overwhelming problem is literally on our doorstep.

Our people, our farms and our wildlife all depend on a safe climate, and we have an opportunity to help make this happen.

Manilla Solar is a ‘home grown’ renewable energy project that offers the community a localised power source, removing their reliance on polluting coal fired energy.

I admire and congratulate Manilla Community Renewable Energy Inc for their hard work and dedication.”

Penny Milson, Tamworth

You must withdraw your application via the Intermediary's platform as follows:

1. proceed to your profile on the top right-hand side of the screen on Swarmer's website by clicking your profile image;
2. click on the right-hand side bar and select "My Investments";
3. scroll until you find your Manilla Solar investment;
4. click the "Withdraw" button below the Manilla Solar logo; and
5. confirm the selection by clicking the "Confirm" button on the pop up.

Your Withdraw request will then be processed – this may take a few days to complete. After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

4.2 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 2001 (Cth)*.

4.3 Proprietary company corporate governance obligations

4.3.1 Annual report

The Company is required to prepare an annual financial report and directors' reports at the end of each financial year and lodge these with ASIC (within 4 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.

The directors of the Company are also required to make a declaration 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.

4.3.2 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 (www.manillasolar.com.au) free of charge or can purchase the annual report from ASIC.

4.3.3 Related party transactions

The rules on related party transactions in Chapter 2E of the *Corporations Act 2001* (Cth) will apply to the Company (for so long as the Company continues to have CSF shareholders). This means that the Company is required to obtain shareholder approval before giving financial benefits to related parties of the company (e.g. directors and their spouses, children or parents), subject to certain exceptions (such as reasonable remuneration provided to directors).

4.3.4 Takeovers

The takeover rules in the *Corporations Act 2001* (Cth) apply to the Company in a very limited way. If someone wants to buy more than 20% of the voting shares in the Company, they will be able to do so without complying with the takeover rules. This means a person may be able to get control of the Company without making a formal takeover bid to all shareholders or without seeking shareholder approval.

Shareholders will not have the benefit of the full protections under the takeover rules, which means you may not have the right to vote on or participate in a change of control of the Company. However, the general principles of ensuring shareholders have sufficient information and time to consider a change of control, and all have a reasonable and equal opportunity to participate in any benefits, will apply to the Company. In addition, the Takeovers Panel has jurisdiction to hear disputes relating to control of the Company.

Glossary

"Company" means Manilla Solar Pty Ltd ACN 670 201 493.

"Cooling-off Period" means the period ending 5 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 2001* (Cth).

"Intermediary" means Swarmer Pty Ltd AFSL 507 867.

"Komo Service" means Komo Service Pty Ltd ACN 645 429 483.

"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.

"MW_{ac}" means 'Megawatt alternating current' being a measure of the capacity of the solar farm facing the electricity network.

"MW_{dc}" means 'Megawatt direct current' being a measure of the capacity of the solar panels installed. The capacity of solar panels installed is typically higher than the MW_{ac} capacity.

"MWh" means 'Megawatt hour' being a measure of the amount of energy. 1 MWh equates to a 1 MW capacity provided for 1 hour.

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

"Pegasus Legal" means Pegasus Legal Pty Ltd ACN 165 925 324.

"Retail Investor" has the meaning given to the term 'retail client' under the *Corporations Act 2001* (Cth).

This project is supported by a grant from the NSW Government's Regional Community Energy Fund. The views expressed herein are not necessarily the views of the NSW Government. The NSW Government does not accept responsibility for any information or advice contained herein.

Each of John Calokerinos, Emma Stilts, Brad Pilon, Fiona McNiven and Penny Milson have given consent for the inclusion of their Testimonials.

Credits:

Photography: Tess Reading. Joanne Stead. Veronica Filby. Emma Stilts. Jonathan Stilts.