

NOTICE OF FILING

This document was lodged electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 20/06/2017 3:16:14 PM AEST and has been accepted for filing under the Court's Rules. Details of filing follow and important additional information about these are set out below.

Details of Filing

Document Lodged: Defence - Form 33 - Rule 16.32
File Number: QUD147/2017
File Title: SECURITIES AND EXCHANGE BOARD OF INDIA v MIRESORTS
GROUP 1 PTY LTD ACN 140 177 395 & ANOR
Registry: QUEENSLAND REGISTRY - FEDERAL COURT OF AUSTRALIA



A handwritten signature in blue ink that reads 'Warwick Soden'.

Dated: 20/06/2017 3:16:18 PM AEST

Registrar

Important Information

As required by the Court's Rules, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date and time of lodgment also shown above are the date and time that the document was received by the Court. Under the Court's Rules the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4.30 pm local time at that Registry) or otherwise the next working day for that Registry.



Defence

No. QUD147 of 2017

Federal Court of Australia
District Registry: Queensland
Division: General

SECURITIES AND EXCHANGE BOARD OF INDIA

Applicant

MIIRESORTS GROUP 1 PTY LTD (ACN 140 177 395) AND ANOTHER NAMED IN THE SCHEDULE

Respondents

Defence of First Respondent

1. The First Respondent contends that:

- (a) this Court does not have jurisdiction to determine the claims made in this proceeding; or
- (b) if they are properly characterised as a single justiciable controversy, this Court does not have jurisdiction to determine the claims made in this proceeding and proceeding QUD528/16;

for reasons identified in the First Respondent's submissions filed on 5 May 2017 in proceeding QUD528/16.

2. If it is found that this Court has jurisdiction, the First Respondent relies upon the matters pleaded below in defence of the claim.
3. The First Respondent admits paragraph 1 of the Statement of Claim filed 17 March 2017 ("**SOC**").

Filed on behalf of (name & role of party) First Respondent

Prepared by (name of person/lawyer) Alex Nase

Law firm (if applicable) Tucker & Cowen Solicitors

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(include state and postcode)

4. As to paragraph 2 of the SOC, the First Respondent:
 - (a) as to subparagraph 2.3:
 - (i) says that the contract for the First Respondent to purchase the Sheraton settled on 30 March 2010 and the First Respondent was registered as the owner of the perpetual lease of the Sheraton (Lot 239 on Crown Plan WD6317) on 20 May 2010;
 - (ii) otherwise, denies the allegations in that subparagraph to the extent that they are inconsistent with subparagraph (i) above, because the true facts are pleaded in subparagraph (i) above;
 - (b) otherwise admits the allegations therein.
5. The First Respondent admits paragraph 3 of the SOC.
6. The First Respondent admits the allegation in paragraph 4 (in so far as they concern the orders of 24 February 2017 and relevant subsequent orders up to the date of this Defence) but says that by paragraph 1 of the Orders of Murphy J, dated 23 May 2017, liberty to apply to vary the Orders, on three days' notice, was granted.
7. As to paragraph 5 of the SOC, the First Respondent:
 - (a) admits the allegation at paragraph 5.1;
 - (b) as to subparagraph 5.2:
 - (i) admits PIPL holds 50% of the issued shares in the First Respondent;
 - (ii) says that the issued shares in MiiGroup Holdings Pty Ltd ("**MiiGroup**") are held by:
 - (A) PIPL, which holds: 1 A Class share; 50 million B Class shares; and 47,999,000 D Class shares;
 - (B) MBH Holdings Australasia Pty Ltd ("**MBH**"), which holds 750,001 C Class shares;
 - (iii) says that different rights attach to A Class, B Class, C Class and D class shares in MiiGroup;

- (c) as to subparagraph 5.3:
 - (i) admits that, as of 31 March 2015, PACL held 33,920,000 out of 133,651,750 (or 25.38%) of shares in PIPL;
 - (ii) otherwise does not know and cannot admit the allegations therein;
 - (d) does not plead to paragraph 5.4, because the allegations in that paragraph do not concern the First Respondent.
8. As to paragraph 6 of the SOC, the First Respondent:
- (a) admits subparagraph 6.1; and
 - (b) does not know and cannot admit subparagraph 6.2.
9. As to paragraph 7, the First Respondent:
- (a) admits that Bhangoo was born in India, but denies that he was born on 14 May 1955, because the true facts are that Bhangoo was born on 14 April 1955;
 - (b) as to subparagraph 7.2:
 - (i) admits that Bhangoo was a director of each of PACL, MiiResorts, and MiiGroup during the periods pleaded therein;
 - (ii) does not know whether and cannot admit that Bhangoo was Chairman of PACL;
 - (iii) admits that Bhangoo is described as Chairman in certain board minutes of the First Respondent and MiiGroup, but says that title or description was notional only and did not carry with it any additional duties, responsibilities or entitlements;
 - (iv) otherwise, does not know and cannot admit the allegations therein;
 - (c) as to subparagraphs 7.3:
 - (i) admits that Bhangoo was related to the persons to which subparagraphs 7.3.1 to 7.3.5 therein refer;
 - (ii) otherwise, does not know and cannot admit the allegations therein.
10. The First Respondent admits the allegations in paragraphs 8, and 9.

11. As to paragraph 10:
 - (a) save for the matters in subparagraph (b) hereof, the First Respondent admits paragraph 10;
 - (b) the First Respondent does not know and cannot admit the date upon which Mr Gurpartap Singh ceased to be a director of PIPL.
12. As to paragraph 11 of the SOC, the First Respondent does not know and cannot admit the allegation therein.
13. The First Respondent does not know and cannot admit the allegations in paragraph 12 of the SOC.
14. As to paragraph 13 of the SOC, the First Respondent:
 - (a) says that paragraph contains conclusions of law, not allegations of material fact, to which the First Respondent is not obliged to plead;
 - (b) says, in any event, that a standard form agreement between PACL and its customers:
 - (i) contains no express term that provides for all or any portion of funds paid by the customer to PACL to be held on trust by PACL;
 - (ii) does not prescribe what, if any portion of the funds, was to be held on trust;
 - (iii) contemplates that funds paid to PACL were consideration given in exchange for PACL's promises to perform the obligations imposed upon it by that agreement;
 - (iv) provided that, if PACL committed a breach of the agreement by not allotting a plot in favour of a customer, the customer was entitled to:
 - (A) seek specific performance of the agreement; or
 - (B) terminate the agreement, in which case PACL was obliged to refund the amount paid by the Customer "along with compensation towards liquidated damage @ 10% per annum from the date of the agreement;

- (v) provided that, PACL was not, in any event, liable “to pay any cost / expense / damages whatsoever, other than to refund the money to the Customer as specified” in clause 18(a) and (b) of that agreement;

Particulars

Clauses 2,3,4,5,6,7, 9, 10 and 18 of standard form customer agreement provided by letter from DLA Piper to Tucker & Cowen, dated 6 June 2017.

- (c) says, in the premises of the matters pleaded above in this paragraph, that:
 - (i) neither the investors nor PACL intended that the money PACL collected from investors was to be held on trust for the investors;
 - (ii) the investors and PACL agreed that the Investor's only remedy in the event of a breach of the agreement by PACL would be those set out in the agreement;
 - (iii) in any event the legal consequence of PACL's breach (if any) of any such agreement is not that PACL held the funds (in whatever sum) paid by an investor on any trust nor that the payment by PACL of any such funds to anybody was impressed with any such trust.
15. The First Respondent does not know and cannot admit the allegations in paragraphs 14 of the SOC.
16. The First Respondent does not know and cannot admit the allegations in paragraphs 15 of the SOC.
17. As to paragraph 16 of the SOC, the First Respondent:
- (a) says that:
 - (i) between 2 September 2009 and 21 January 2014, the Second Respondent (“PIPL”) paid a total of \$97,990,001 to MiiGroup, as set out in Schedule A, in consideration for being issued shares in MiiGroup and obtaining the rights attached to those shares;
 - (ii) between 23 October 2009 and 29 March 2010, PIPL paid a total of \$35,000,000, as set out in Schedule B, in consideration for being issued shares in the First Respondent and obtaining the rights attached to those shares;

- (iii) between 23 October 2009 and 29 March 2010, MiiGroup paid a total of \$35,000,000 as set out in Schedule C, in consideration for being issued shares in the First Respondent and obtaining the rights attaching to those shares;
 - (b) otherwise does not know and cannot admit the allegations therein.
- 18. As to paragraph 17 of the SOC, the First Respondent:-
 - (a) repeats and relies upon the matters pleaded in paragraph 14 above;
 - (b) repeats and relies upon the matters pleaded in paragraph 17 above; and
 - (c) otherwise, does not know and cannot admit the allegations therein.
- 19. As to paragraph 18 of the SOC, the First Respondent:
 - (a) repeats and relies upon paragraphs 14 and 17 above;
 - (b) does not know and cannot admit that all or any of Mr Bhangoo, Gurpartap Singh, Harvinder Singh Bhangoo, and Vinod Bansal had knowledge of the matters alleged therein;
 - (c) says that:
 - (i) Vinod Bansal was not a director, employee or agent of the First Respondent and accordingly any knowledge he may have had:
 - (A) can not be imputed to the First Respondent;
 - (B) was not knowledge of the First Respondent;
 - (ii) any knowledge acquired by Mr Bhangoo whilst acting as a director or in the course of duties for PACL or by Gurpartap Singh or Harvinder Singh whilst acting as a director or in the course of duties for PIPL, as a matter of law, can not be imputed to the First Respondent;
 - (iii) no material facts are alleged that, if proved, would support an inference that all or any of Mr Bhangoo, Gurpartap Singh, Harvinder Singh Bhangoo, and Vinod Bansal acquired knowledge of the matters alleged whilst acting within the scope of any actual or apparent authority they might have had to act on behalf of the First Respondent.

- (iv) those directors of MiiGroup and the First Respondent that were nominated by PIPL had little or no involvement in the day-to-day operations of the First Respondent's business and performed little or no duties other than attendance at Board meetings;
- (v) under the terms of the Shareholders Agreement for MiiGroup:
 - (A) PIPL and MBH had rights to nominate an equal number of directors; and
 - (B) certain major decisions could only be made by unanimous consent of all directors or shareholders;
- (vi) under the Shareholders Agreement for the First Respondent:
 - (A) unless otherwise agreed, the directors are to be the same as the directors of MiiGroup; and
 - (B) certain major decisions could only be made by unanimous consent of all directors or shareholders.

Particulars

Clauses 4.1 and 5.1 of Shareholders Agreement for MiiGroup (pleaded in paragraph 27 below) and clauses 4.1 and 5.1 of Shareholders Agreement for First Respondent (pleaded in paragraph 31 below).

20. As to paragraph 19 of the SOC, the First Respondent:

- (a) repeats and relies upon paragraphs 12, 14 and 17 above;
- (b) says, otherwise, that:
 - (i) the matters pleaded therein are conclusions of law, not allegations of material fact and the First Respondent is not obliged to plead to those;
 - (ii) if all or any of the funds paid by PIPL to the First Respondent as pleaded in paragraph 17 of the SOC were transferred in breach of trust (which is not admitted), the First Respondent relies upon the defences pleaded in paragraphs 39 to 42 below.

21. As to paragraph 20 of the SOC, the First Respondent:

- (a) repeats and relies upon the matters pleaded in paragraphs 14 and 17 above;
 - (b) admits that the First Respondent purchased the Sheraton Mirage for \$62.5 million;
 - (c) otherwise, does not admit the allegations pleaded therein because it does not know and can not admit them.
22. As to paragraph 21 of the SOC, the First Respondent:
- (a) admits that it sold the Sheraton Mirage to Australian Wattle Development Pty Ltd;
 - (b) says that the contracts of sale were dated 12 October 2016;
 - (c) says that the contracts of sale settled on 27 January 2017.
23. As to paragraph 22 of the SOC, the First Respondent:-
- (a) repeats and relies upon paragraphs 6, 14 and 17 above;
 - (b) otherwise denies the allegations therein for the reasons pleaded in paragraph 20 above.
24. As to paragraphs 23 to 27 of the SOC, the First Respondent:
- (a) repeats and relies upon paragraph 17;
 - (b) otherwise does not plead to those allegations because they do not concern the First Respondent.
25. The First Respondent admits the allegations in paragraphs 28 to 33 of the SOC.
26. The First Respondent is not obliged to plead to paragraph 34 of the SOC, because it does not contain allegations of material fact.

Shareholders Agreements

27. On or about 2 September 2009, PIPL, MBH, Mr Paul Brinsmead, Mr Peter Madrers and MiiGroup entered into a shareholders agreement (**Shareholders Agreement**), with respect to shares in MiiGroup, pursuant to which:
- (a) by clause 2.1, the rights attaching to A, B, C and D class shares were those set out in Schedule 3 to the Shareholders Agreement;

- (b) by clause 2.4, the parties acknowledged and agreed that the issue price for A, B, C and D class shares was AUD\$1;
 - (c) by clause 2.5, PIPL agreed to contribute:
 - (i) AUD\$50 million for the issue of 50 million fully paid B Class shares, and AUD\$1 for the issue of 1 fully paid A Class share;
 - (ii) up to AUD\$50 million, in exchange for the issue of D Class shares at a price of AUD\$1 per share; and
 - (d) by clause 2.6, MBH agreed to contribute AUD\$50 million, which may be paid as follows:
 - (i) from MBH's entitlement to distributable profits from the company (which was 50% after payment of any priority dividends);
 - (ii) the value, agreed between the parties, of the business platform contributed by MBH;
 - (iii) the agreed value of any project that MBH procured for MiiGroup,

in exchange for the issue of C class shares at a price of AUD\$1.
28. MBH provided to MiiGroup a valuable business platform comprising employees, business connections, contacts and relationships with consultants, financiers, land owners, and other associates, offices, databases, intellectual property rights, and other assets.
29. At all material times, the directors of MBH:
- (a) were Mr Paul Brinsmead, Mr Peter Maders, and Mr David Higgins; and
 - (b) did not include any directors nominated by PIPL.
30. Mr Brinsmead, Mr Maders and Mr Higgins did not have knowledge or notice of the breach of trust alleged in the SOC:
- (a) at the time of entry into the Shareholders Agreements;
 - (b) at the time PIPL acquired shares in MiiGroup and the First Respondent; and
 - (c) at the time MiiGroup acquired shares in the First Respondent.

31. In 2010, PIPL, MiiGroup and the First Respondent entered into a shareholders agreement, with respect to the shares in the First Respondent, pursuant to the terms of which:
- (a) by clause 2.1, the parties must ensure that either immediately prior to or following execution of that agreement, the share structure of the company provides for 50% of shares to be issued to PIPL and 50% of the shares to MiiGroup;
 - (b) by clause 2.4, the parties acknowledged and agreed that the issue price of shares in the company is AUD\$1; and
 - (c) by clause 20.1, the parties acknowledged and agreed that MiiGroup will be paid remuneration or an additional profit share to provide its skill, people, and platform to assist and arrange the acquisition of the Sheraton Mirage, the management and implementation of that refurbishment, the management of the Sheraton, and the management and delivery of an ultimate exit strategy.

Management Deed

32. At Board meetings of MiiGroup and the First Respondent on 11 June 2010, and 23 August 2010, unanimous resolutions of directors were passed, which had the effect of authorising the entry into the management deed to which paragraph 33 below refers.

Particulars

Board Minutes dated 11 June 2010 and 23 August 2010.

33. On or about 30 August 2010, a management deed (**the Management Deed**) was entered between the First Respondent, MiiResorts Group 2, and MiiGroup as trustee for the MiiGroup Master Unit ("**MiiGroup as trustee**"), pursuant to which:
- (a) by clause 1 of the Management Deed, MiiGroup as trustee agreed to provide certain services, defined in recital 6 as the provision of management and development skills and people and infrastructure in arranging the acquisition of the Sheraton, the management of any refurbishment, implementing that refurbishment, the management of the hotel and the operator Starwood Hotels hotels, considering any development approvals or additional acquisitions or amalgamations that may be required and taking a major role in the ultimate exit strategy ("**Services**");

- (b) by clause 2 of the Management Deed, MiiGroup as trustee agreed to provide certain additional services, namely to take an overriding management responsibility for the performance of the Sheraton and to manage on a daily, weekly and monthly basis the operator, Starwood Hotels, to maximise the returns that can be achieved, to provide recommendations as to an appropriate time to exit to sell the asset, to appoint agents to sell the asset and manage and oversee the sale ("**Additional Services**");
- (c) in consideration for the provision of the Services and the Additional Services, the parties agreed that a management and success fee was to be paid to MiiGroup as trustee (**the Management Fee**), to be agreed or, in the absence of agreement, as calculated in accordance with clause 4 of the Management Deed.

Management Fee Payable

- 34. The First Respondent received from MiiGroup as trustee the Services and the Additional Services, in accordance with the Management Deed.
- 35. There having been no agreement to fix or calculate the Management Fee at a different amount, the Management Fee due to MiiGroup upon the sale of the Sheraton and payable by the First Respondent, is:
 - (a) to be calculated in accordance with clause 4 of the Management Deed;
 - (b) \$41,357,639, as particularised in schedule D to this Defence.
- 36. As at the date of this defence, the Management Fee:
 - (a) remains payable;
 - (b) has not been paid.

Tax liability payable

- 37. On or about 27 January 2017, the Commissioner of Taxation assessed the income tax liability of the First Respondent (as a result of the capital gain from the sale of the Sheraton), at \$20,272,684.50.
- 38. As at the date of this defence, the tax assessed as payable, as pleaded in paragraph 37 above, has not been paid.

Bona fide purchaser for value and without notice and change of position

39. If the allegations made in the SOC as to the alleged breach of trust (which are not admitted) are proved to the Court's satisfaction, and the entitlement to trace the funds is held to exist (which is denied), the First Respondent relies upon the matters set out in paragraphs 40 to 42 below, as complete defences to the claim.
40. The First Respondent acquired amounts paid by PIPL and MiiGroup, as set out in Schedules B and C to this Defence, in good faith and for valuable consideration, namely: issued shares in the First Respondent and the rights that attach to those shares.
41. Further or alternatively, in reliance upon receipt of those funds from PIPL and MiiGroup, the First Respondent altered its position to its detriment by:
- (a) purchasing, operating, refurbishing and selling the Sheraton (**the First Respondent's Business**); and
 - (b) incurring liabilities, including to:
 - (i) MiiGroup, as pleaded in paragraphs 34 to 36 above in this Defence; and
 - (ii) the Commissioner of Taxation, as pleaded in paragraphs 37 to 38 above.

Discretionary Defences

42. In the alternative to what is pleaded above in paragraphs 39 to 41, if the Court finds that the allegations in the SOC are proved and that the defences pleaded above are not made out, the First Respondent says that:
- (a) the available form of relief would be a declaration of constructive trust, rather than a resulting trust;
 - (b) this Court, in the exercise of its discretion:
 - (i) ought not make any declaration of constructive trust;
 - (ii) ought to mould the relief so as to avoid adversely affecting the rights, entitlements or claims of:
 - (A) the Commissioner of Taxation;
 - (B) MiiGroup; or

- (C) PIPL, to the extent, if at all, that it is found to have acquired shares in MiiGroup or the First Respondent with funds not transferred in breach of trust.
- (iii) ought to declare that the net proceeds of sale of the Sheraton are not solely the product of the funds invested by PIPL in MiiGroup and the First Respondent, but also the product of the skills, effort, resources and contributions made by the First Respondent in conducting the First Respondent's Business; and
- (iv) just allowances ought to be made to reflect those contributions.

Response to paragraphs 64 and 66 of Amended Statement of Claim of Applicants ("ASOC") in Proceeding QUD528/16 (pursuant to orders of Murphy J dated 16 June 2017).

- 43. The First Respondent says that the claims made by the Applicants in Proceeding QUD528/16 are liable (and ought) to be struck out in their entirety, for the reasons identified in the First Respondent's submissions filed on 5 May 2017 in proceeding QUD528/16, including want of jurisdiction.
- 44. As to paragraph 64 of the ASOC, the First Respondent does not know and cannot admit the allegations.
- 45. As to paragraph 66 of the ASOC, the First Respondent:
 - (a) admits that the Indian Affidavits were served on Tucker & Cowen, solicitors for the First Respondent, by on or about 13 July 2016;
 - (b) otherwise does not know and cannot admit the allegations;
 - (c) further says that Mr Brinsmead is presently not contactable and, in the time available for the filing of this Defence, its solicitors have not been able to obtain instructions as to the specific allegations in paragraph 66.
- 46. In relation to the claim made by the Applicants at paragraphs 64 and 66 of the ASOC: the First Respondent repeats and relies upon the defences pleaded in paragraphs 39 to 42 above.
- 47. The First Respondent is prevented from paying its just debts (including those pleaded in paragraphs 34 to 38 above) and, thus, incurs loss to which the Securities and Exchange Board of India's undertaking as to damages responds.

Date: 20 June 2017



Signed by Tucker & Cowen Solicitors
Lawyers for the First Respondent

This pleading was prepared by Douglas Savage QC, Matthew Hickey of counsel and Alexander Philip Nase, lawyer

Certificate of lawyer

I, Alexander Philip Nase, certify to the Court that, in relation to the Defence filed on behalf of the First Respondent, the factual and legal material available to me at present provides a proper basis for:

- (a) each allegation in the pleading; and
- (b) each denial in the pleading; and
- (c) each non-admission in the pleading.

Date: 20 June 2017



Signed by Tucker & Cowen Solicitors
Lawyers for the First Respondent

SCHEDULE A

Date	Description	Amount (\$)
02-Sep-09	Initial share capital - 1 share - Pearls Infrastructure Projects Ltd	\$1.00
02-Sep-09	Initial share capital - 1 share - Pearls Infrastructure Projects Ltd	\$1.00
18-Mar-10	Allotment of shares - 37,000,000 shares - Pearls Infrastructure Projects Ltd	\$37,000,000.00
29-Oct-10	Allotment of shares - 8,000,000 shares - Pearls Infrastructure Projects Ltd	\$8,000,000.00
31-Jan-11	Allotment of shares - 4,999,999 shares - Pearls Infrastructure Projects Ltd	\$4,999,999.00
14-Mar-11	Allotment of shares - 5,000,000 shares - Pearls Infrastructure Projects Ltd	\$5,000,000.00
08-Apr-11	Allotment of shares - 4,000,000 shares - Pearls Infrastructure Projects Ltd	\$4,000,000.00
30-Jun-11	Allotment of shares - 2,000,000 shares - Pearls Infrastructure Projects Ltd	\$2,000,000.00
06-Jul-11	Allotment of shares - 3,500,000 shares - Pearls Infrastructure Projects Ltd	\$3,500,000.00
20-Jul-11	Allotment of shares - 3,000,000 shares - Pearls Infrastructure Projects Ltd	\$3,000,000.00
08-Aug-11	Allotment of shares - 5,000,000 shares - Pearls Infrastructure Projects Ltd	\$5,000,000.00
05-Oct-11	Allotment of shares - 1,500,000 shares - Pearls Infrastructure Projects Ltd	\$1,500,000.00
10-Nov-11	Allotment of shares - 2,500,000 shares - Pearls Infrastructure Projects Ltd	\$2,500,000.00
02-Mar-12	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
16-Apr-12	Allotment of shares - 2,000,000 shares - Pearls Infrastructure Projects Ltd	\$2,000,000.00
26-Apr-12	Allotment of shares - 500,000 shares - Pearls Infrastructure Projects Ltd	\$500,000.00
16-May-12	Allotment of shares - 1,500,000 shares - Pearls Infrastructure Projects Ltd	\$1,500,000.00
01-Jun-12	Allotment of shares - 500,000 shares - Pearls Infrastructure Projects Ltd	\$500,000.00
21-Sep-12	Allotment of shares - 900,000 shares - Pearls Infrastructure Projects Ltd	\$900,000.00
19-Nov-12	Allotment of shares - 2,000,000 shares - Pearls Infrastructure Projects Ltd	\$2,000,000.00

Date	Description	Amount (\$)
05-Dec-12	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
24-Dec-12	Allotment of shares - 250,000 shares - Pearls Infrastructure Projects Ltd	\$250,000.00
07-Jan-13	Allotment of shares - 250,000 shares - Pearls Infrastructure Projects Ltd	\$250,000.00
24-Jan-13	Allotment of shares - 500,000 shares - Pearls Infrastructure Projects Ltd	\$500,000.00
24-May-13	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
04-Jun-13	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
26-Jun-13	Allotment of shares - 3,000,000 shares - Pearls Infrastructure Projects Ltd	\$3,000,000.00
27-Jun-13	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
28-Jun-13	Allotment of shares - 1,290,000 shares - Pearls Infrastructure Projects Ltd	\$1,290,000.00
05-Jul-13	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
02-Sep-13	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
31-Oct-13	Allotment of shares - 300,000 shares - Pearls Infrastructure Projects Ltd	\$300,000.00
04-Dec-13	Allotment of shares - 1,000,000 shares - Pearls Infrastructure Projects Ltd	\$1,000,000.00
21-Jan-14	Allotment of shares - 500,000 shares - Pearls Infrastructure Projects Ltd	\$500,000.00
		\$97,990,001.00

SCHEDULE B

Date	Description	Amount (\$)
23-Oct-09	Initial share capital - 1 share - Pearls Infrastructure Projects Ltd	\$1.00
29-Mar-10	Allotment of shares - 17,999,999 shares - Pearls Infrastructure Projects Ltd	\$17,999,999.00
29-Mar-10	Allotment of shares - 17,000,000 shares - Pearls Infrastructure Projects Ltd	\$17,000,000.00
		\$35,000,000.00

SCHEDULE C

Date	Description	Amount (\$)
23-Oct-09	Initial share capital - 1 share - Pearls Australasia Pty Ltd	\$1.00
29-Mar-10	Allotment of shares - 17,999,999 shares - Pearls Australasia Pty Ltd	\$17,999,999.00
29-Mar-10	Allotment of shares - 17,000,000 shares - Pearls Australasia Pty Ltd	\$17,000,000.00
		\$35,000,000.00

SCHEDULE D

CALCULATION OF MANAGEMENT FEE

Sales Price	140,000,000
Book Value of Investment	(64,804,292)
Nominal Profit	<u>75,195,708</u>

%	MiiGroup MUT Management Fee	Nominal Profit from	Nominal Profit to	
7.5%		0	10,000,000	0
20%		10,000,001	30,000,000	0
30%		30,000,001	50,000,000	0
45%		50,000,001	75,000,000	0
55%		75,000,001	100,000,000	41,357,639
	Management Fee		29.54%	<u>41,357,639</u>