

CattleCorp

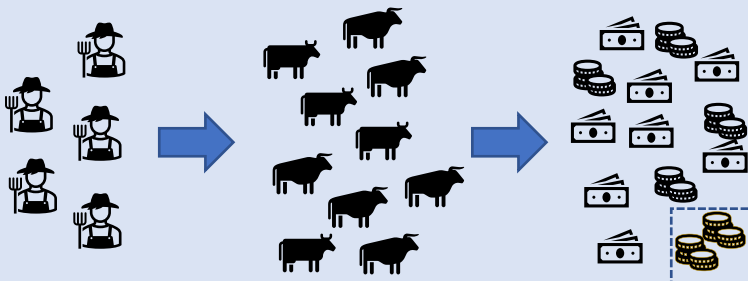
A corporation formed for the purpose of receiving grass fed cattle transaction levies for the Department of Agriculture in the same way the Australian Meat Processor Corporation (AMPC) and LiveCorp receive their industry sector's levies

Governance

Board of CattleCorp to be a mixed grass-fed cattle producer and financial management and investment skills-based board of 3-5 directors appointed by an independent selection committee

Operating Model

Receive Levy



Receive the grass-fed cattle transaction levy of \$5 per head on each sale transaction

Receive the grass-fed cattle proportion of the Red Meat Industry Fund reserve levies, which assuming a RMIF balance of \$40 million and based on Annexure "E" distribution provisions for Peak Industry Councils in the current MoU would be 25% of \$10m = \$2.5m plus 31.3% of \$30m = \$9.39m = a total of \$11.89m

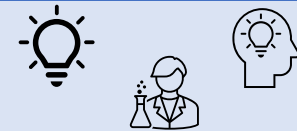
Subject to Federal Government approval. The intent is to preserve and build the capital fund for the benefit of the Grass-fed Beef Industry. A small portion may be required as seed funding and transitional arrangements to establish BIA

CattleCorp

A new grass-fed cattle levy collection corporation, is to be established to enable the sector to collect its levies as applies for the processing and live export sectors. CattleCorp would allow grass-fed cattle producers to use a portion of their transaction levies to carry out specific policy R&D policy research for their sector just as the processor and live exporter sectors of the red meat industry do now

In addition to receiving levies, applying the levies and managing the unexpended portion of any levies, CattleCorp would also provide the much needed and long-awaited grass-fed cattle levy payer register

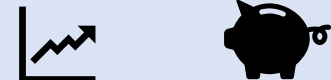
Apply Transaction Levies



Apply a guaranteed portion of those levies to:

- MLA as a professional contractual R&D and marketing service provider under the terms of a revised MoU to be expended on particular joint red meat industry R&D projects and particular grass-fed cattle producer projects to carry out & manage the R&D and marketing subject only to general oversight from BIA
- Grass fed cattle producer sector policy R&D either through MLA or other independent R&D service providers at the request and direction of BIA

Manage & Invest remainder



Manage and invest any unexpended portion of those grass-fed cattle transaction levies and direct that any interest earned from those levy invested funds to be paid to BIA and applied for advocacy work on behalf of the grass-fed cattle producer sector of the red meat industry