

DATE OF BASE PROSPECTUS: 2 MAY 2016

This Base Prospectus contains information that is relevant to all offers of simple corporate bonds ("Bonds") made by Peet Limited during the period from 2 May 2016 to 2 May 2019 (the "Covered Period"). To make an informed investment decision about a particular offer of Bonds, you must read this Base Prospectus together with the relevant Offer Specific Prospectus for the Tranche of Bonds you are considering investing in.

PEET BONDS

PART B: BASE PROSPECTUS

ISSUER

Peet Limited ABN 56 008 665 834

PEET

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SECTION ONE

WHAT YOU NEED TO KNOW

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1. **To make an informed investment decision about the Bonds, you should read the Offer Specific Prospectus and this Base Prospectus before investing.**

2. **About this Base Prospectus**

There will be a separate Offer Specific Prospectus for each offer of Bonds during the life of this Base Prospectus. The disclosure document for each such offer of Bonds during the Covered Period will consist of this Base Prospectus and an Offer Specific Prospectus for the offer.

Peet Limited (ABN 56 008 665 834) ("**Peet**" or the "**Issuer**") may, from time to time, offer simple corporate bonds, which are unsecured and unsubordinated debt securities and are referred to in this Base Prospectus as Bonds.

This Base Prospectus is dated 2 May 2016 and a copy was lodged with the Australian Securities and Investments Commission ("**ASIC**") on that date.

This Base Prospectus will be the Base Prospectus for Bonds for three years from the time it is lodged with ASIC.

This Base Prospectus alone is not an offer of Bonds. The offer is contained in the Offer Specific Prospectus, this Base Prospectus and other information that is incorporated by reference into the Offer Specific Prospectus and this Base Prospectus.

The Base Prospectus and the relevant Offer Specific Prospectus are together referred to in the Base Prospectus as the "**Offer Documents**".

Neither ASIC nor ASX Limited ("**ASX**") take any responsibility for the contents of the Offer Documents or the merits of an investment in the Bonds.

The Bonds are unsecured notes for the purposes of section 283BH of the Corporations Act.

3. **Documents relevant to the Bonds**

The Base Terms and the Trust Deed, which are incorporated by reference into this Base Prospectus, (see Section 3.6 ("**Trust Deed relating to Peet**") of this Base Prospectus) are relevant to the Bonds and can be obtained from www.peetbonds.com.au during the Covered Period.

Additional information about Peet and the Bonds is publicly available through ASIC and ASX, and additional information on Peet can be obtained from www.peet.com.au and additional information on the Bonds can be obtained from www.peetbonds.com.au (see Section 2 ("**About the Bonds**") and Section 3 ("**About Peet**") of this Base Prospectus).

4. **The Offer Documents do not provide financial product or investment advice**

The information contained in the Offer Documents does not constitute financial product or investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read the Offer Documents in full before deciding whether to invest in any Bonds and consider the risks that could affect the performance of the Bonds.

The Offer Documents are only relevant for investors or potential investors in the Bonds and should not be used for any other purpose.

5. **Obtaining the relevant Offer Specific Prospectus and other documents**

The Offer Documents (and, during the Offer Period, the Application Form) and any other documents relevant to Peet or the Bonds may be obtained electronically from www.peetbonds.com.au

If you access the relevant Offer Specific Prospectus and Base Prospectus electronically, the following conditions apply:

- you must download the entire Base Prospectus and the relevant Offer Specific Prospectus;
- your Application will only be valid where you have completed an Application Form that was attached to or accompanied by this Base Prospectus and the relevant Offer Specific Prospectus; and
- this Base Prospectus and the relevant Offer Specific Prospectus are available to you electronically only if you are accessing and downloading or printing the electronic copy of them in Australia.

Paper copies of this Base Prospectus and the relevant Offer Specific Prospectus can be obtained free of charge by calling the Peet Bonds information line on 1300 783 261 (within Australia) or +61 3 9415 4232 (outside Australia) Monday to Friday 9.00 am to 5.00 pm (Melbourne time).

6. Applications for the Bonds

Applications for the Bonds may only be made by filling out the Application Form accompanying the relevant Offer Specific Prospectus for that Tranche of Bonds during the period from the Opening Date to the Closing Date applicable to that offer (the relevant “Offer Period”). Information on who is eligible to apply for the Bonds and how to make an Application will be set out in the relevant Offer Specific Prospectus.

7. Providing personal information

You will be asked to provide personal information to Peet (directly or via its agents) if you apply for the Bonds. See Section 5.2 (“Privacy”) of this Base Prospectus for information on how Peet and its agents collect, hold, and use this personal information.

8. Selling restrictions in foreign jurisdictions

For details on the selling restrictions that apply to the purchase of Bonds by investors in foreign jurisdictions, see Section 5.3 (“Selling restrictions”) of this Base Prospectus.

9. No representation other than in the Offer Documents

No person is authorised to provide any information or to make any representation in connection with any Bonds that are not contained in the Offer Documents. Any information or representation not contained in the Offer Documents may not be relied upon as having been authorised by Peet.

10. Defined words and expressions

Some words and expressions used in the Offer Documents have defined meanings. These words and expressions are capitalised and are defined in Section 6 (“Glossary”) of this Base Prospectus.

A reference to A\$ or Australian cents in the Offer Documents is a reference to Australian currency. A reference to time in the Offer Documents is a reference to Perth, Australia time unless otherwise stated.

11. Forward-looking statements

The Offer Documents may contain forward-looking statements concerning Peet’s business, operations, and financial performance and condition as well as Peet’s plans, objectives and expectations for its business, operations, and financial performance and condition. Any statements contained in the Offer Documents that are not of historical facts may be deemed to be forward-looking statements. You can identify these statements by words such as “aim”, “anticipate”, “assume”, “believe”, “could”, “due”, “estimate”, “expect”, “goal”, “intend”, “may”, “objective”, “plan”, “predict”, “potential”, “positioned”, “should”, “target”, “will”, “would” and other similar expressions that are predictions of or indicate future events and future trends.

These forward-looking statements are based on current expectations, estimates, forecasts and projections about Peet’s business and the industry in which Peet operates and Peet management’s beliefs and assumptions. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond Peet’s control.

Peet does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in the Offer Documents will actually occur and you are cautioned not to place undue reliance on the forward-looking statements.

Unless required by law, Peet does not intend to publicly update or revise any forward-looking statements to reflect new information or future events.

12. More information

If you have any questions about the Bonds, you should seek advice from your financial advisor or other professional advisor. You can also call the Peet Bonds Information Line on 1300 783 261 (within Australia) or +61 3 9415 4232 (outside Australia) Monday to Friday 9.00 am to 5.00 pm (Melbourne time).

To find out more about the pros and cons of investing in corporate bonds (such as the Bonds), visit ASIC’s MoneySmart website: <http://www.moneysmart.gov.au>

ASIC and ASX have also published guidance for retail investors who are considering investing in bonds such as the Bonds. Information on where to obtain a copy of this guidance is set out in Section 2.2.1 (“Other guidance from ASIC and ASX”) of this Base Prospectus.

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SECTION TWO

ABOUT THE BONDS

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More information on corporate bonds (such as the Bonds) and things you should consider before making an investment decision can be found on ASIC's MoneySmart website at www.moneysmart.gov.au

2.1 SUMMARY OF THE PROGRAMME

This Base Prospectus relates to a programme for the issuance of Bonds (“**Programme**”) established by the Issuer under which Bonds may be issued in one or more series (each a “**Series**”) made up of one or more tranches (each a “**Tranche**”) during the Covered Period, subject to the publication of an Offer Specific Prospectus applicable to the relevant Tranche.

The relevant Offer Specific Prospectus will contain the terms and information specific to the Tranche, including:

- Face Value and Issue Price;
- Interest Rate;
- Interest Payment Dates;
- Issue Date;
- Maturity Date;
- listing on ASX; and
- selling restrictions,

together with any other terms and conditions and information not set out in this Base Prospectus.

This Base Prospectus must be read together with the relevant Offer Specific Prospectus, which are together referred to as the “Offer Documents”. Details of where you can obtain a copy of the relevant Offer Specific Prospectus are set out on Page 4 (“Obtaining the relevant Offer Specific Prospectus and other documents”) of this Base Prospectus and on Peet’s website at www.peetbonds.com.au

The following summary should be read in conjunction with the remainder of this Base Prospectus and the relevant Offer Specific Prospectus and any other documents incorporated by reference into the Offer Documents or referred to in the Offer Documents.

		Further information	Page
2.1.1 GENERAL			
Issuer	Peet Limited (ABN 56 008 665 834).	Section 3 of this Base Prospectus	21
Programme	A simple corporate bond issuance programme under which the Issuer may issue unsubordinated and unsecured simple corporate bonds (“ Bonds ”). The Bonds will be offered within one or more Series made up of one or more Tranches. Each Series of Bonds is likely to have different features from each other, including the Issue Date, Face Value, Maturity Date (which may not be later than 15 years after the Issue Date), Interest Rate, Interest Payment Dates and any other features described in the relevant Offer Specific Prospectus.	Base Terms	
What is a Peet Bond?	An unsubordinated and unsecured debt obligation, issued by the Issuer, which pays Interest periodically. Each Bond is issued on and subject to the terms and conditions of the Series of Bonds set out in the Offer Documents and the Trust Deed.	Base Terms	
Face Value and Issue Price	\$100 per Bond (unless a different amount is specified in the Offer Specific Prospectus).	Base Terms (Clause 1.3)	
Currency	Australian dollars.		
Terms	The terms of the Bonds comprise the Base Terms as supplemented, amended, modified or replaced by the Offer Specific Terms set out in the relevant Offer Specific Prospectus.	Base Terms, Offer Specific Prospectus	

	Further information	Page
2.1.1 GENERAL (CONTINUED)		
Key benefits	<ul style="list-style-type: none"> – Issued by Peet – Periodic payments of Interest in cash which are calculated at either a fixed or a variable interest rate (comprised of a reference rate and a fixed margin) as specified in the relevant Offer Specific Prospectus – Interest payments cannot be deferred by Peet <ul style="list-style-type: none"> – they are not discretionary and must be paid on the Interest Payment Dates specified in the Offer Specific Prospectus – Will have a fixed term of up to a maximum of 15 years, as specified in the Offer Specific Prospectus – May be sold by investors on ASX prior to maturity, assuming there is a liquid market – Will rank equally with each other and at least equally with all other unsubordinated and unsecured creditors of Peet. However, they rank behind any creditors preferred by law and any secured creditors – Provide investors with an opportunity to diversify their investment portfolio <p>There are risks associated with investing in Peet and the Bonds. These risks are outlined in Section 4 (“Risks”) of this Base Prospectus. You must read the risk section along with the remainder of this Base Prospectus and the relevant Offer Specific Prospectus in full before deciding whether to invest in Bonds.</p>	
2.1.2 INTEREST		
Interest is payable	The Bonds will pay Interest at either a fixed or floating Interest Rate which will be set out in the Offer Specific Prospectus.	Offer Specific Prospectus
Interest Rate	<p>The Interest Rate for each Interest Period will be a fixed Interest Rate or a floating Interest Rate.</p> <p>If the Bonds have a fixed Interest Rate, the Interest Rate (expressed as a percentage per annum) will be set out in the Offer Specific Terms. The amount of Interest payable on each Interest Payment Date will be set out in the Offer Specific Terms, or will be calculated on the basis set out under the heading “Calculation of Interest payable” below.</p> <p>If the Bonds have a floating Interest Rate, the Interest Rate (expressed as a percentage per annum) for each Interest Period will be calculated according to the following formula:</p> <p style="text-align: center;">Interest Rate = Market Rate + Margin</p> <p>The Market Rate will be the “BBSW Rate” (or such other rate specified in the Offer Specific Terms) and the Margin will be the rate (expressed as a percentage per annum) which is specified in the Offer Specific Terms.</p>	Base Terms (Clause 2), Offer Specific Prospectus

		Further information	Page
2.1.2 INTEREST (CONTINUED)			
BBSW Rate	<p>The BBSW Rate is the average mid-rate for prime bank eligible securities having a tenor closest to the Interest Period on the Reuters BBSW screen page on the first day of each Interest Period.</p> <p>The BBSW Rate is a key benchmark interest rate for the Australian money market. It is currently based on an average of rates for the relevant period obtained from approved trading venues by the Australian Financial Markets Association.</p> <p>The BBSW Rate changes to reflect supply and demand within the cash and currency markets.</p>	Definition of "BBSW Rate" in Section 6 (" Glossary ") of this Base Prospectus	47
Calculation of Interest payable	<p>If the Bonds have a floating Interest Rate or a fixed interest payment amount is not specified in the Offer Specific Prospectus, Interest on each Bond for each Interest Period will be calculated using the following formula:</p> <p>Interest = Interest Rate x Face Value x Day Count Fraction</p> <p>where the Face Value, Interest Rate and Day Count Fraction are set out in the relevant Offer Specific Prospectus.</p> <p>Peet will announce to ASX the applicable Interest Rate and the amount of Interest payable per Bond for each Interest Period.</p> <p>This announcement will be made as soon as practicable after Peet makes its determination of the Interest Rate and the amount of Interest payable, but in any event, no later than the fourth Business Day of each Interest Period.</p>	Base Terms (Clauses 2.5 and 2.7)	
Interest payments are mandatory	Interest payments are not deferrable and are mandatory. Failure to pay interest within 10 Business Days after the due date will constitute an Event of Default.	Base Terms (Clause 2 and 6)	
Interest Payment Date	Interest Payment Dates will be set out in the relevant Offer Specific Prospectus.	Offer Specific Prospectus	
Interaction between the Interest Rate and the yield	<p>If a Series of Bonds pays a fixed interest rate, an increase in market interest rates may cause the trading price of the Bonds to fall more than an equivalent Bond that pays a floating interest rate.</p> <p>If a Series of the Bonds pays a floating interest rate then the interest rate will fluctuate (both increase and decrease) over time with movements in the Market Rate. This may also affect the yield on the Bonds. Holders should refer to the ASX and ASIC guidance (referred to in Section 2.2.1 of this Base Prospectus) which helps explain the measures of return on bonds.</p>	Section 4 of this Base Prospectus	29

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2.1.3 TERM, MATURITY DATE, REDEMPTION AND EVENTS OF DEFAULT			
Term/Maturity Date	The Bonds will have a fixed term of no more than 15 years and the Maturity Date will be specified in the relevant Offer Specific Prospectus.	Offer Specific Prospectus	
Repayment of Face Value on the Maturity Date	On the Maturity Date, Holders will receive: <ul style="list-style-type: none"> – the Face Value; plus – the final payment of Interest for the period from (and including) the preceding Interest Payment Date to (but excluding) the Maturity Date, unless the Bonds are Redeemed early in the circumstances set out below.	Base Terms (Clause 5.1), Offer Specific Prospectus	
Early Redemption rights for Peet	<p>Peet will have the right (but not the obligation) to Redeem all (but not some) of the Bonds prior to the Maturity Date on the occurrence of a Tax Event or a Change of Control Event or if a Clean Up Condition subsists.</p> <p>A “Tax Event” will occur if, as a result of a change in a law or in the application or interpretation of a law, there is a more than insubstantial risk that:</p> <ul style="list-style-type: none"> – any payment to a Holder under a Bond will be subject to an amount of withholding or deduction in respect of any Taxes or other governmental charges for which Peet must pay an Additional Amount; or – payment of Interest will not be allowed as a deduction for the purposes of Peet’s Australian tax. <p>A “Clean Up Condition” will subsist in respect of a Series if less than 10 per cent of the aggregate Face Value of the Bonds of that Series remain on issue.</p> <p>In order to exercise the above Redemption rights, Peet must satisfy certain notification and timing requirements which are set out in Clause 5 of the Base Terms (and may also be specified in the Offer Specific Terms).</p> <p>On Redemption, Holders will be paid the “Redemption Amount”, being the Face Value of each Bond and any accrued Interest up to (but excluding) the Redemption Date.</p> <p>Early Redemption on the occurrence of a Change of Control Event is described below.</p>	Base Terms (Clauses 5.3, 5.4 and 5.5), Offer Specific Prospectus	

2.1.3 TERM, MATURITY DATE, REDEMPTION AND EVENTS OF DEFAULT (CONTINUED)

Early Redemption rights for Holders and Peet on the occurrence of a Change of Control Event

If a Change of Control Event occurs, the Holders may, by passing a Holder Resolution, direct the Trustee to require Peet to redeem all (but not some) of the Bonds of a Series. The Issuer also has an option to Redeem all (but not some) of the Bonds of a Series on the occurrence of a Change of Control Event.

Broadly, a **"Change of Control Event"** will occur if after the Issue Date:

- any person makes a takeover bid (as defined in the Corporations Act) to acquire some or all of the Issuer's Ordinary Shares and the offer is, or becomes, unconditional and (i) the bidder has acquired at any time during the offer period a relevant interest in more than 50% of the Ordinary Shares on issue or (ii) the directors of the Issuer unanimously recommend acceptance of the offer under the takeover bid, and acceptance of that offer would result in the bidder having a relevant interest in 100% of the Ordinary Shares on issue; or
- a court approves a proposed scheme of arrangement under Part 5.1 of the Corporations Act which, when implemented, will result in a person having a relevant interest in 100% of the Ordinary Shares on issue.

Peet must inform Holders and make an announcement to ASX if a Change of Control Event occurs as soon as reasonably practicable after the occurrence.

Clause 5.4 of the Base Terms sets out certain notification and timing requirements which apply in respect of a Redemption on the occurrence of a Change of Control Event. Such information may also be specified in the Offer Specific Terms.

Base Terms (Clause 5.4) and definition of "Holder Resolution" in Section 6 ("Glossary") of this Base Prospectus

Holders should refer to the definitions of **"Change of Control Event"** in Clause 12.4 of the Base Terms for further detail on what constitutes a change of control of Peet

Repayment upon early Redemption

If the Bonds are Redeemed before the Maturity Date, you will receive the Redemption Amount being:

- the Face Value; plus
- the accrued Interest for the period from (and including) the preceding Interest Payment Date to (but excluding) the Redemption Date.

Base Terms (Clauses 5.3, 5.4 and 5.5), Offer Specific Prospectus

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2.1.3 TERM, MATURITY DATE, REDEMPTION AND EVENTS OF DEFAULT (CONTINUED)		
Events of Default	<p>An “Event of Default” will occur in relation to a Series of Bonds if:</p> <ul style="list-style-type: none"> – The Issuer fails to pay within 10 Business Days after the due date any amount payable by it (interest or principal). – The Issuer fails to comply with any of its other material obligations under the terms of the Bonds or the Trust Deed and such failure remains unremedied for a period of 30 Business Days after the Issuer has received written notice from the Trustee in respect of the failure. – Any Financial Indebtedness greater than A\$5 million (or its equivalent in any other currency) of any member of the Peet Group becomes due and payable or can be made due and payable before its stated maturity date due to the occurrence of a default under that Financial Indebtedness. – An Insolvency Event occurs in respect of the Issuer (not any other member of the Group). – The Guarantee is not (or is claimed by a Guarantor not to be) in full force and effect. – All or any rights or obligations of the Issuer, Holders or the Trustee under the Trust Deed or terms of the Bonds are terminated or are or become void, illegal, invalid, unenforceable or of limited force and effect. – It is, at any time unlawful for the Issuer to perform any of its payment obligations under the Bonds. <p>Any further Events of Default will be set out in the relevant Offer Specific Prospectus.</p> <p>If a payment Event of Default (described in the first point above) is subsisting, the Issuer will not declare or pay a dividend or make any distribution on any issued share in the Issuer, or pay any interest or other amounts in respect of any debt security issued which ranks behind the Bonds in priority to payment of Interest in respect of Bonds.</p>	Base Terms (Clause 6.1), Offer Specific Prospectus
Consequences of an Event of Default	<p>If an Event of Default occurs and is continuing in relation to the Bonds of a Series, the Trustee may in its discretion declare the Face Value (together with all accrued but unpaid Interest (if any)) to be immediately due and payable to the Holders.</p> <p>The Trustee is not bound to take the action referred to above unless it is directed by Special Resolution to do so (and has been indemnified as required under the Trust Deed and is not otherwise restricted by law from doing so).</p>	Base Terms (Clause 6.3) and definition of “Special Resolution” in Section 6 (“Glossary”) of this Base Prospectus

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2.1.3 TERM, MATURITY DATE, REDEMPTION AND EVENTS OF DEFAULT (CONTINUED)			
Guarantee	<p>As at the date of this Base Prospectus, the Issuer expects to be able to meet its payment obligations under the Bonds. Such payment obligations have the benefit of a Guarantee given by the Guarantor Group. The Guarantor Group comprises certain wholly-owned Subsidiaries of the Issuer, being each entity which provides a guarantee of any of the Group's indebtedness owing under any syndicated or other term loan arrangement (excluding any loan made by the Issuer to a Guarantor or a Guarantor to the Issuer). The Issuer is required at all times to ensure that the Guarantor Group does in fact include each such entity.</p> <p>Under the terms of the Guarantee, each member of the Guarantor Group has unconditionally and irrevocably, and jointly and severally, guaranteed to the Trustee and to each Holder the due and punctual payment of moneys owing to Holders under the Bonds. This means that, if the Issuer defaults in the due and punctual payment of moneys owing to Holders under the Bonds, the Trustee (on behalf of the Holders) can make a demand for payment from any member of the Guarantor Group. Holders should be aware that the ability of each member of the Guarantor Group to make such payments depends on the financial capacity of all members of the Group (including the Issuer). The Guarantee is not a bank guarantee.</p>	<p>Base Terms (Clauses 3.3 and 4.3) and Trust Deed (Clause 1.6 and Schedule 4)</p>	

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2.1.4 COVENANTS – NEGATIVE PLEDGE AND RESTRICTIONS ON THE INCURRENCE OF INDEBTEDNESS BY PEET		
Negative pledge	<p>The Issuer will not (and will ensure that no other member of the Guarantor Group will) create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its (or a member of the Guarantor Group's) present or future assets or revenues to secure any Relevant Indebtedness or any guarantee relating to any Relevant Indebtedness.</p> <p>The Issuer or a member of the Guarantor Group may create or permit to subsist a Security Interest (which is not a Permitted Security Interest) if, at the same time, either the same Security Interest, an equal ranking security or such other security as is approved by a Special Resolution of the Holders is also granted in favour of the Holders.</p> <p>“Security Interest” is broadly defined and means any mortgage, charge, pledge, lien or other security interest securing any obligation.</p> <p>“Permitted Security Interest” means a Security Interest granted in connection with any Relevant Indebtedness, provided that after giving pro-forma effect to the incurrence of such Relevant Indebtedness and the application of the proceeds thereof, the Peet Secured Gearing Ratio would not be greater than the percentage specified in the Offer Specific Terms.</p> <p>“Relevant Indebtedness” broadly means any indebtedness incurred on or after the Issue Date by the Issuer or a member of the Guarantor Group under debentures or bonds (or other like instruments) which are listed on a stock exchange or traded over-the-counter or a syndicated or bilateral term loan arrangement (except loans made by the Issuer to a member of the Guarantor Group or a member of the Guarantor Group to the Issuer).</p> <p>“Peet Secured Gearing Ratio” means Peet Secured Gearing Ratio Debt divided by Peet Gearing Ratio Assets, expressed as a percentage. Holders should be aware that syndicates which are consolidated pursuant to Australian Accounting Standard AASB 10 are excluded from, and instead treated as equity accounted associates in, the Peet Secured Gearing Ratio, and that the components of the ratio are defined in clause 12.4 of the Base Terms and in the Glossary in Section 6 of this Base Prospectus.</p>	<p>Base Terms (Clause 4.1) and definition of “Special Resolution” in Section 6 (“Glossary”) of this Base Prospectus</p>

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2.1.4 COVENANTS – NEGATIVE PLEDGE AND RESTRICTIONS ON THE INCURRENCE OF INDEBTEDNESS BY PEET (CONTINUED)		
Limitation on debt incurrence covenant	<p>The Issuer will not incur (and will ensure that no member of the Guarantor Group incurs) any Financial Indebtedness on or after the Issue Date if the incurrence of such Financial Indebtedness would result in the Peet Gearing Ratio being greater than the percentage specified in the Offer Specific Terms.</p> <p>“Financial Indebtedness” means any indebtedness, present or future, actual or contingent in relation to money borrowed or raised or any other financing.</p> <p>“Peet Gearing Ratio” means Peet Gearing Ratio Debt divided by Peet Gearing Ratio Assets, expressed as a percentage. Holders should be aware that syndicates which are consolidated pursuant to Australian Accounting Standard AASB 10 are excluded from, and instead treated as equity accounted associates in, the Peet Gearing Ratio, and that the components of the ratio are defined in clause 12.4 of the Base Terms and in the Glossary in Section 6 of this Base Prospectus.</p>	Base Terms (Clause 4.2)

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2.1.5 SECURITY AND RANKING													
Security	The Bonds are unsecured. This means that they are not secured against any asset of the Issuer or any of its Subsidiaries or any other person.	Base Terms (Clause 3), Offer Specific Prospectus											
Ranking on a winding up of Peet	<p>On a winding up of the Issuer, the Bonds of all Series will rank for payment of Face Value and accrued and unpaid Interest equally with each other and at least equally with all other unsubordinated and unsecured obligations of the Issuer (other than any obligations preferred by mandatory provisions of applicable law, including employee entitlements and secured creditors).</p> <p>The table below illustrates how the Bonds would rank on a winding up of the Issuer:</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Illustrative examples¹</th> </tr> </thead> <tbody> <tr> <td>Preferred and secured debt</td> <td>Liabilities preferred by law including employee entitlements, tax-related liabilities and secured creditors</td> </tr> <tr> <td>Unsubordinated and unsecured debt</td> <td>Bonds and notes (including the Bonds), trade and general creditors ←</td> </tr> <tr> <td>Subordinated instruments</td> <td>Any preference shares or other securities expressed to rank behind unsubordinated and unsecured debt</td> </tr> <tr> <td>Equity securities</td> <td>Shareholders' interests in Peet</td> </tr> </tbody> </table>	Type	Illustrative examples ¹	Preferred and secured debt	Liabilities preferred by law including employee entitlements, tax-related liabilities and secured creditors	Unsubordinated and unsecured debt	Bonds and notes (including the Bonds), trade and general creditors ←	Subordinated instruments	Any preference shares or other securities expressed to rank behind unsubordinated and unsecured debt	Equity securities	Shareholders' interests in Peet	Base Terms (Clause 3), Offer Specific Prospectus	
Type	Illustrative examples ¹												
Preferred and secured debt	Liabilities preferred by law including employee entitlements, tax-related liabilities and secured creditors												
Unsubordinated and unsecured debt	Bonds and notes (including the Bonds), trade and general creditors ←												
Subordinated instruments	Any preference shares or other securities expressed to rank behind unsubordinated and unsecured debt												
Equity securities	Shareholders' interests in Peet												
	<p>Peet is a holding company and some of its assets are its investments in other members of the Group. As a holding company, Peet is dependent upon intercompany transfers of funds from other members of the Peet Group to meet its obligations under the Terms.</p> <p>Information on the facility limits and amounts drawn down on Peet's existing financing facilities will be set out in Section 3 of the relevant Offer Specific Prospectus.</p> <p>Peet has secured debt obligations and these obligations would rank ahead of the Bonds in a winding up of Peet.</p>												

¹ This diagram and the descriptions are simplified and illustrative only, and do not include every type of security or obligation that may be issued or entered into by Peet, or every potential claim against Peet in a winding up. Peet will from time to time issue additional securities or incur other obligations that rank ahead of, equally with, or behind, the Bonds.

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2.1.5 SECURITY AND RANKING (CONTINUED)			
Further issues of securities	<p>Peet may, from time to time, issue additional Series of Bonds in accordance with this Base Prospectus and the relevant Offer Specific Prospectus that will be issued at the time of that offering.</p> <p>Peet will use its reasonable endeavours to ensure that each Series of Bonds will be quoted on a stock exchange under a code specified in the relevant Offer Specific Prospectus.</p> <p>Peet also has the right to issue other securities that have the same or different terms and conditions to the Bonds. These securities may rank ahead of, equally with, or behind the Bonds. Such issues may be subject to the negative pledge and limitation on debt incurrence covenant.</p>	Base Terms (Clauses 4.1, 4.2 and 10.4), Offer Specific Prospectus	
2.1.6 FURTHER INFORMATION			
No voting rights of Holders	<p>Holders do not have a right to vote at meetings of shareholders of Peet. However, Holders are entitled to vote on certain matters that affect their rights under the Trust Deed.</p>	Base Terms (Clause 1.10), Trust Deed	
Taxation implications	<p>You should seek professional tax advice that takes into account your particular circumstances before deciding whether to invest in the Bonds.</p>	<p>Section 4.2(i) of Offer Specific Prospectus</p> <p>Section 5.1 of this Base Prospectus</p>	<p>28</p> <p>40</p>
Listing	<p>Expected to be quoted on the ASX.</p>	Offer Specific Prospectus	
Amendment of Terms	<p>Peet may, with the approval of the Trustee, but without the consent of Holders, amend the terms of a Series of Bonds if Peet is of the opinion that the amendment:</p> <ul style="list-style-type: none"> – is of a formal or technical or minor nature – is made to cure any ambiguity or correct any manifest or proven error – is necessary or expedient for the purposes of listing the Bonds, offering the Bonds for subscription or sale or complying with the provisions of any statute or the requirements of any statutory authority or complying with applicable regulation, or – in any other case where such amendment is not materially prejudicial to the interests of Holders of that particular Series as a whole. <p>Other amendments to the terms of a Series of Bonds may be made with consent obtained through a properly convened meeting of Holders of that Series pursuant to the Base Terms and the Trust Deed.</p>	Base Terms (Clause 10.3)	

		Further information	Page
2.1.6 FURTHER INFORMATION (CONTINUED)			
Trust Documents	<p>The terms and conditions of the Bonds are set out in the Trust Deed.</p> <p>The Trust Deed is incorporated by reference into this Base Prospectus and is available from www.peetbonds.com.au.</p>	<p>Section 5.5 of this Base Prospectus</p> <p>Base Terms</p>	45
Trustee	<p>The Trustee for Holders of the Bonds is Australian Executor Trustees Limited ACN 007 869 794.</p> <p>The Trustee holds on trust (for the benefit of Holders) the right to enforce Peet's obligations in respect of the Bonds and the right to enforce the Guarantors' obligations under the Guarantee. The Trustee does not guarantee repayment of the Face Value of the Bonds or the payment of Interest on the Bonds.</p>	<p>Section 5.5 of this Base Prospectus</p> <p>Base Terms</p>	45
Fees and charges	<p>No fees, charges, brokerage, commission or stamp duty is payable by you on your application for the Bonds. You may be required to pay brokerage if you sell your Bonds after the Bonds are quoted on a stock exchange.</p>	Offer Specific Prospectus	
Selling restrictions	<p>The distribution of the Offer Documents, the offer or sale of Bonds may be restricted by laws in certain jurisdictions.</p>	Section 5.3 of this Base Prospectus	43
Governing law	<p>Western Australia.</p>	Section 5.6 of this Base Prospectus, Base Terms (Clause 10.5)	45

2.2 HOW A BOND WORKS

A bond is an agreement between a company and an investor that the investor will lend the company an amount of money, which the company will repay to the investor at the end of an agreed period. The “face value” of a bond represents the principal amount that the company has promised to repay to the investor and is the basis for the calculation of the interest payable on the bond. Generally, the issue price (i.e. the amount that the investor pays the company for the bond) is the same amount as the face value (unless otherwise specified).

While the company is borrowing the money, the company will periodically pay interest to the investor. The amount of interest payable on each bond is equal to the face value multiplied by the agreed interest rate. Interest is payable periodically.

If bonds are listed on a stock exchange and an investor does not wish to hold the bonds for the whole term, the investor can sell them on the stock exchange. However, depending upon the price at which the bonds are trading on the stock exchange, the bonds may be sold for an amount more, less or equal to the face value.

Bonds may be considered as part of a diversified investment plan. In an investment portfolio, bonds may perform a different role to conservative investments such as savings and deposit accounts, as the market value of bonds can go up and down depending on economic conditions and interest rates.

The main risks of investing in bonds include:

- the company issuing the bonds may experience financial difficulty, meaning it may not make interest payments when they are due;
- the company issuing the bonds may go out of business entirely, meaning that investors may not be repaid, including any outstanding interest at that time; and
- investors may not be able to sell their bonds on the ASX or the relevant securities exchange on which the Bonds are listed to exit their investment before their maturity date, or may only be able to do so at a loss.

Refer to Section 4 of this Base Prospectus for further consideration of risks.

2.2.1 OTHER GUIDANCE FROM ASIC AND ASX

ASIC and ASX have published guidance for retail investors who are considering investing in bonds such as the Bonds.

ASIC’s guidance is called “Investing in corporate bonds?” and can be found at www.moneysmart.gov.au. Free copies of this publication can also be obtained by calling ASIC on 1300 300 630 (from Australia) or +61 3 5177 3988 (from outside Australia).

ASX’s guidance is called “Understanding Bonds” and can be found at <http://www.asx.com.au/products/bonds.htm>. Free copies of this publication can also be obtained by calling ASX on 131 279 (within Australia) or +61 2 9338 0000 (outside of Australia).

For a further explanation of how a bond works, please refer to www.moneysmart.gov.au

2.2.2 OTHER GUIDANCE IN THIS BASE PROSPECTUS

Bonds such as the Bonds have certain risks. You should read Section 4 (“**Risks**”) of this Base Prospectus for information about the key risks associated with the Bonds.

SECTION THREE

ABOUT PEET

B

3.1 INFORMATION ABOUT PEET AND THE BONDS

A publicly listed company must release financial reports and continuously disclose information that may have an impact on the price of its listed securities. This information is available publicly on the relevant market exchange. You should consider this information when making an investment decision about bonds. While this information is important, it is not considered part of the disclosure document for the offer of bonds using this Base Prospectus. Copies of documents lodged with ASIC in relation to Peet may be obtained from, or inspected at an ASIC office, and certain of this information is incorporated by reference in the Offer Documents. Copies of documents lodged with ASX can be obtained from www.asx.com.au

In addition, the following information can be obtained from Peet's corporate website (www.peet.com.au):

- Peet's annual and half-year financial reports; and
- Continuous disclosure notices submitted by Peet to ASX.

3.2 BUSINESS DESCRIPTION

3.2.1 OVERVIEW

Peet Limited is the Issuer of the Bonds and a member of the Group. The Group acquires, develops and markets quality residential land estates and has been part of the community for 120 years.

Originally established in Western Australia and historically linked with the development of some of Perth's most prestigious suburbs, Peet expanded into Victoria in 1997 and Queensland in 2002.

In 2004, Peet continued its expansion with the purchase of its first estate in New South Wales and later that same year, listed on the ASX.

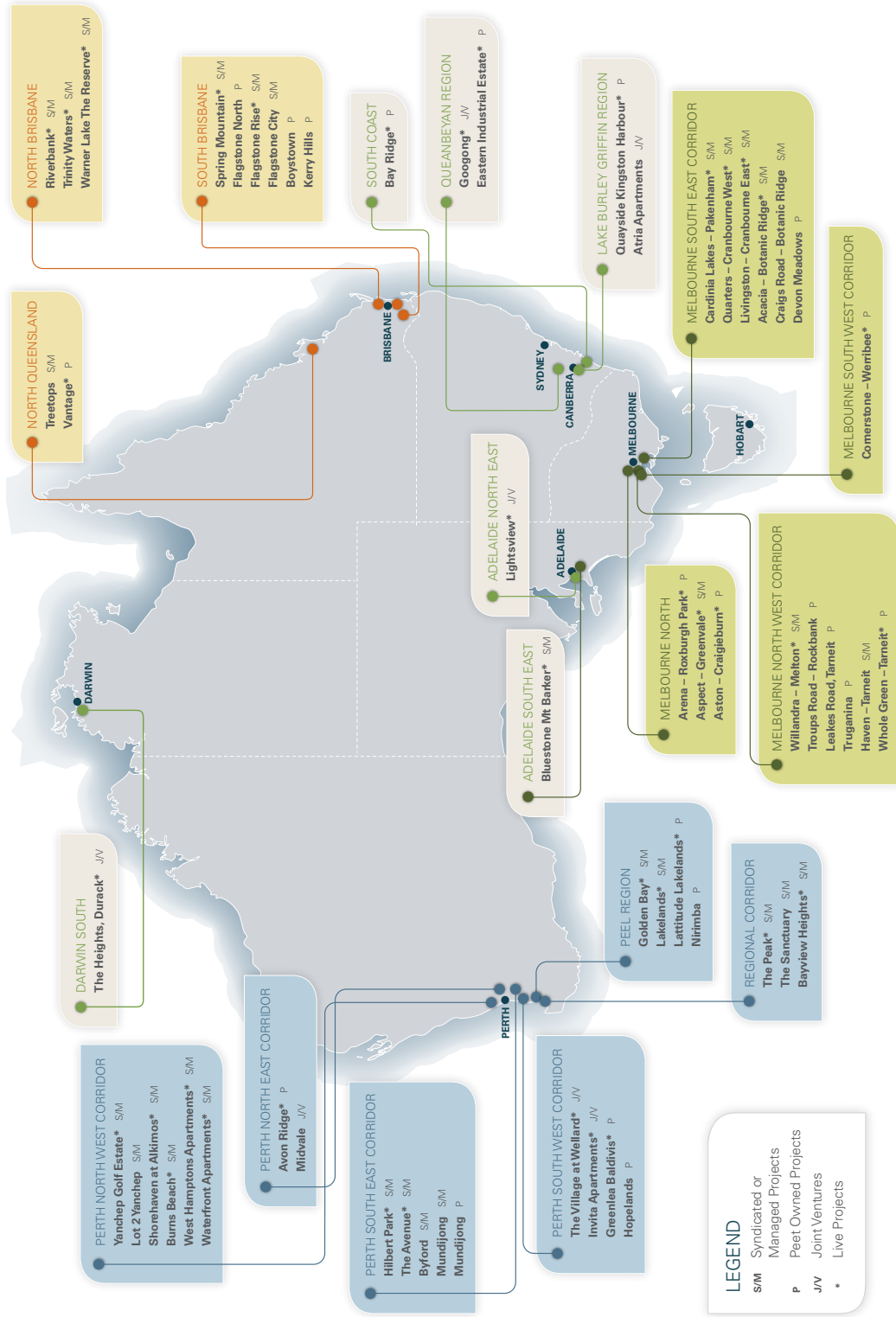
Peet acquired a controlling interest in CIC Australia Limited in 2013 (and 100% of the company in 2015), providing it with projects in every Australian mainland state and territory.

Today, the Group employs approximately 240 staff with offices located in Perth, Melbourne, Brisbane, Canberra, Darwin and Adelaide. Team members are appropriately skilled, with qualifications or experience relevant to the development industry.

Peet ensures that the necessary experts and consultants such as project engineers, surveyors, planners, urban designers, environmental scientists and landscape architects are engaged to facilitate development of its residential land estates.

3.2.2 THE PEET PORTFOLIO

The diagram below displays the location of the projects owned and/or managed by the Group nationally.



The Group acquires, develops and markets residential land estates predominantly under a capital efficient funds management model. The Board of Directors and the executive management group of Peet considers that the Group's business has the following reportable business segments:

3.2.3 DEVELOPMENT BUSINESS

Peet, either itself or via one its wholly-owned Subsidiaries, acquires parcels of land in Australia, primarily for residential development purposes. Certain land holdings will also produce non-residential blocks of land. Revenue is derived predominantly from the settlement of the sale of land and this part of the business seeks to derive development profits.

3.2.4 FUNDS MANAGEMENT BUSINESS

Peet, either itself or via one of its wholly-owned Subsidiaries, enters into asset and funds management agreements with external capital providers. Peet and/or the external capital provider commit equity funds towards the acquisition of land and this is generally supplemented with debt funds either at the time of acquisition or during the development phase of a project.

Peet and/or its wholly-owned Subsidiaries may derive fees from underwriting, capital raising and asset identification services. Ongoing project related fees (project management and selling fees, performance fees and profit shares) are then derived by Peet and/or its wholly-owned Subsidiaries for the duration of a particular project.

3.2.5 JOINT VENTURE BUSINESS

Joint arrangements are entered into with government, statutory authorities and private landowners. The form of these arrangements can vary from project to project but generally involves Peet and/or its wholly-owned Subsidiaries undertaking the development of land on behalf of the landowner.

Peet and/or its wholly-owned Subsidiaries are typically entitled to ongoing fees for management of the development project and also a share of any profits derived from the development project.

3.3 DIRECTORS AND SENIOR MANAGEMENT

3.3.1 BOARD OF DIRECTORS

As at the date of this document, Peet's Board of Directors comprises:

- Anthony Wayne (Tony) Lennon – Non-executive Chairman
- Brendan David Gore – Managing Director and Chief Executive Officer
- Anthony James Lennon – Non-executive Director
- Trevor James Allen – Independent Director
- Vicki Krause – Independent Director
- Robert John McKinnon – Independent Director

Information on Peet's Directors is regularly updated on Peet's website at www.peet.com.au and is updated in each annual report lodged by Peet with ASX.

3.3.2 SENIOR MANAGEMENT

As at the date of this document, Peet's Executive Team (who also form the balance of the key management personnel) comprises:

- Brendan David Gore – Managing Director and Chief Executive Officer
- Peter James Dumas – Chief Investment Officer
- Brett Charles Fullarton – Chief Financial Officer
- Dom Scafetta – Group Company Secretary

Information on Peet's Executive Team is regularly updated on Peet's website at www.peet.com.au and is updated in each annual report lodged by Peet with ASX.

3.4 BUSINESS STRATEGY

Peet's strategy continues to be based around leveraging the diversity of its national land bank; working in partnership with wholesale, institutional and retail investors; and continuing to meet market demand for a mix of residential product in the growth corridors of major Australian cities.

Key elements of Peet's strategy include:

- continuing to deliver high-quality, masterplanned communities, adding value and facilitating additional investment in amenity and services wherever possible;
- managing the Group's land bank of approximately 48,000 lots to achieve optimal shareholder returns;
- continuing to assess opportunities to selectively acquire strategic residential land holdings in a disciplined manner under its funds management platform;
- an ongoing focus on maximising return on capital employed in all its key markets;
- extending opportunities, where appropriate, for wholesale, institutional and retail investors to participate in residential land developments;
- maintaining a focus on cost and debt reduction; and
- continuing to identify and assess growth opportunities in line with our strategic objectives and as appropriate in market conditions.

3.5 GOVERNANCE ARRANGEMENTS

Good corporate governance is a fundamental aspect of Peet's culture and business practices, with the key facets of its Governance Structure outlined in each annual report. A copy of Peet's current Corporate Governance Statement can be accessed at www.peet.com.au

A copy of past annual reports (including for the year ended 30 June 2015) can be obtained from ASX's website (www.asx.com.au) or from Peet's website at www.peet.com.au

3.6 TRUST DEED RELATING TO PEET

The Trust Deed dated 2 May 2016 is the agreement between Peet and the Trustee in relation to the Trustee's role. It has been incorporated by reference and as such forms part of the Offer of the Bonds. It is available at www.peetbonds.com.au

The Trust Deed constitutes the Bonds and the Guarantee of the Bonds. Peet and the Guarantors have undertaken to the Trustee to pay amounts due and payable in respect of each Bond in accordance with the Trust Deed. Peet makes a number of covenants with the Trustee for the benefit of Holders including to comply with its obligations under the Bonds and Chapter 2L of the Corporations Act.

3.7 ROLE OF THE TRUSTEE

The Corporations Act requires that when debt securities, such as the Bonds, are offered and a prospectus is required, an issuer must appoint a trustee to help protect the interests of investors and to facilitate the ongoing monitoring of Peet. An issuer is obliged to report regularly to the trustee, including quarterly reports, information about security interests and half-yearly and annual financial reports.

Peet has appointed Australian Executor Trustees Limited (ACN 007 869 794) as the Trustee for Holders of the Bonds. Under the Trust Deed, the Trustee holds on trust (for the benefit of Holders) the right to enforce Peet's obligations in respect of the Bonds and the Guarantors' obligations in respect of the Guarantee. The Trustee has the power to call meetings of the Holders and provide information to and make recommendations to the Holders. The Trustee is not responsible for monitoring any breach of the Trust Deed, the occurrence of any Event of Default under the Terms, Peet's compliance with the Trust Deed or Peet's businesses except as required by law. In this regard, the Trustee has a statutory duty to exercise reasonable diligence to ascertain:

- (a) whether the property of Peet and the Guarantor Group that is or should be available (whether by way of security or otherwise) will be sufficient to repay the amount deposited or lent when it becomes due; and
- (b) whether Peet has committed any breach of the Terms, the provisions of the Trust Deed or Chapter 2L of the Corporations Act.

3.8 FINANCIAL INFORMATION

3.8.1 FINANCIAL STATEMENTS

Peet's annual reports contain the consolidated statement of comprehensive income and consolidated balance sheet for the relevant financial year-end and comparable period. Peet's annual reports and half-year reports are available from Peet's website at www.peet.com.au and from the ASX's website at www.asx.com.au

3.8.2 KEY FINANCIAL RATIOS

The Corporations Act requires Peet to disclose certain Key Financial Ratios, calculated in accordance with regulation 6D.2.06 of the Corporations Regulation, that are relevant to Peet. These are a Gearing Ratio, a Working Capital Ratio and an Interest Cover Ratio, in each case for Peet on a consolidated basis.

The Key Financial Ratios are not used as the basis for the covenants which are included in the Base Terms (described in Clauses 4.1 and 4.2), so any change in the Key Financial Ratios does not affect the rights of Holders.

Gearing Ratio

The Gearing Ratio is calculated in accordance with regulation 6D.2.06(3) of the Corporations Regulations. It indicates the liabilities of Peet on a consolidated basis in proportion to its equity on a consolidated basis. The higher the Gearing Ratio, the higher the level of debt being carried by an issuer as a proportion of its capital base. The table below shows how the Gearing Ratio is calculated for the Group:

Gearing Ratio	
Basis	Calculated in accordance with regulation 6D.2.06(3) of the Corporations Regulations
Formula	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Ratio as at 31 December 2015	97%
Calculation (numerator)	Total Liabilities
Calculation (denominator)	Total Equity

3.8.2 KEY FINANCIAL RATIOS (CONTINUED)

Working Capital Ratio

The Working Capital Ratio is calculated in accordance with regulation 6D.2.06(4) of the Corporations Regulations, as follows:

$$\text{Working Capital ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

The Group's Working Capital Ratio as at 31 December 2015 was 1.09 times.

The Working Capital Ratio indicates whether an issuer has sufficient short term assets to meet its short term liabilities. Generally, a higher ratio indicates a greater ability to meet liabilities over the short term, including unexpected liabilities.

In the Group's case approximately 43% of its current assets at 31 December 2015 comprised land inventory which is recorded at the lower of cost and net realisable value (in accordance with Australian Accounting Standards Board AASB 102 Inventory). The inventory does not take into account any uplift in value over and above the costs incurred in achieving relevant planning and development approvals or in development costs incurred. If the current inventory was adjusted for market value as at 31 December 2015, the Working Capital Ratio at that date would be higher.

Interest Cover Ratio

The Interest Cover Ratio is calculated in accordance with regulation 6D.2.06(5) of the Corporations Regulations. The Interest Cover Ratio provides an indication of an issuer's ability to meet its interest payments from earnings. Generally, a low Interest Cover Ratio may indicate an issuer could face difficulties in servicing its debt if earnings decrease or interest rates increase.

A decrease in the Interest Cover Ratio may also indicate that the ability of an issuer of bonds such as the Bonds to make interest payments under the bonds has diminished (because of a decrease in its interest coverage position).

The table below shows how the Interest Cover Ratio is calculated for the Group.

Interest Cover Ratio	
Basis	Calculated in accordance with regulation 6D.2.06(5) of the Corporations Regulations
Formula	$\frac{\text{EBITDA}}{\text{Net Interest Expense}}$
Ratio as at 31 December 2015	3.4 times
Calculation (numerator)	Net profit before tax Add: Depreciation, net interest and amortisation Equals: EBITDA
Calculation (denominator)	Net Interest Expense

3.8.3 OTHER RELEVANT FINANCIAL RATIOS

In overseeing the capital management aspect of its business, Peet focusses on other relevant financial ratios, which include the Peet Gearing Ratio and the Peet Interest Cover ratio.

In addition to an ongoing internal focus on these other relevant financial ratios, Peet has historically reported on these ratios to the market as part of its annual and half-yearly reporting.

The calculations of the Peet Gearing Ratio, which is used in the limitation on debt incurrence covenant contained in clause 4.2 of the Base Terms, and the Peet Interest Cover Ratio are shown in the table below.

These other relevant financial ratios are based on the Peet Group's financial information which are derived from the Group's consolidated financial statements. Holders should be aware that syndicates which are consolidated pursuant to Australian Accounting Standard AASB 10 are excluded from, and instead treated as equity accounted associates in, the Peet Gearing Ratio and the Peet Interest Cover Ratio.

	Peet Gearing Ratio	Peet Interest Cover Ratio
Basis	Calculated in accordance with the definition of "Peet Gearing Ratio" in the Base Terms	Calculated in accordance with the definition of "Peet Interest Cover Ratio" in secured bank debt terms
Formula	$\frac{\text{Peet Gearing Ratio Debt}}{\text{Peet Gearing Ratio Assets}}$	$\frac{\text{Adjusted EBIT}}{\text{Adjusted Interest Expense}}$
Ratio as at 31 December 2015	31%	4.4 times
Calculation (numerator)	Peet Gearing Ratio Debt: Peet Group Interest Bearing Liabilities (together with Peet Land Vendor Liabilities) less Peet Group Cash (see Clause 12.4 of Base Terms for definitions)	Net profit before tax Add: Amortised interest and finance expenses Finance costs (net of capitalised interest) Equals: Adjusted EBIT (calculated on a rolling 12 months basis)
Calculation (denominator)	Peet Gearing Ratio Assets: Peet Group Assets less Peet Group Cash and Peet Group Intangible Assets (see Clause 12.4 of Base Terms for definitions)	Net Interest Expense Add: Capitalised interest Equals: Adjusted Interest Expense (calculated on a rolling 12 months basis)

The definitions of the components in the calculation of these other relevant ratios can be found in Clause 12.4 of the Base Terms and in the Glossary of this Base Prospectus.

These other relevant ratios, and the adjustments thereto in comparison to the Key Financial Ratios, allow the Peet Group to monitor its capital management requirements in line with the Peet business model and its stated strategies as described in Sections 3.2 and 3.4, respectively, of this Base Prospectus.

Other than adjustment associated with the accounting for syndicates pursuant to Australian Accounting Standard AASB 10, mentioned previously, the following difference to the Key Financial Ratios is highlighted in respect to the Peet Gearing Ratio.

The assets included in the denominator for the calculation of the Peet Gearing Ratio include an adjustment for the market value of inventory. Inventory is measured at the lower of cost and net realisable value pursuant to Australian Accounting Standard AASB 2 Inventory. Accordingly, inventory does not take into account any uplift in value over and above the costs incurred in achieving relevant planning and development approvals or in development costs incurred. The adjustment made to assets in the Peet Gearing Ratio calculation more accurately reflects the asset base of the Peet Group.

SECTION FOUR

RISKS

B

4.1 INTRODUCTION

Before investing in the Bonds, you should consider whether the Bonds are a suitable investment for you. The MoneySmart website (www.moneysmart.gov.au) is run by ASIC to help people make smart choices about their personal finances. In particular, it includes guidance for retail investors who are considering investing in bonds.

You should be aware that there are risks associated with the Peet business and an investment in Peet generally. Peet's business and financial performance may affect its ability to fulfil its obligations under, or in respect of, the Terms, the credit quality of Peet, and hence the Bonds themselves. General economic factors may also affect an investment in Peet or the performance of Peet.

Many of these risks are outside the control of the Directors and Peet, including some of the risk factors set out in this Section and other matters mentioned in the Offer Documents. This Section 4 is not intended to list every risk that may be associated with an investment in Peet and the Bonds. You should seek your own professional advice on such matters.

4.2 MAIN RISKS ASSOCIATED WITH THE BONDS

The main risks of investing in the Bonds are:

- Peet may experience financial difficulty, such that it cannot make interest payments when they are due;
- Peet may go out of business entirely, in which case investors will not be repaid, including any outstanding interest at that time; and
- investors may not be able to sell the Bonds on the ASX or the relevant securities exchange on which the Bonds are listed to exit their investment before their maturity date, or may only be able to do so at a loss.

4.2.1 MARKET PRICE OF THE BONDS

The market price of the Bonds may fluctuate due to various factors including general movements in interest rates, credit margins, the Australian and international investment markets, international economic conditions, changes in inflation rates and inflationary expectations, the market price of any other Peet debt, factors that affect Peet's financial position and performance or credit worthiness, global geo-political events and hostilities, investor perceptions and other factors beyond the control of Peet and its Directors.

It is possible that the Bonds may trade at a market price below their Face Value. If the Bonds trade at a market price below the amount at which you acquired them, there is a risk that if you sell them prior to the Maturity Date, you may lose some of the money you invested.

4.2.2 LIQUIDITY OF THE BONDS

Peet has applied for the Bonds to be listed on ASX. However, the Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may be less liquid than the market for other securities. If Holders wish to sell their Bonds, they may be unable to do so easily or at an acceptable market price, or at all if insufficient liquidity exists in the market for the Bonds.

4.2.3 CHANGES IN THE INTEREST RATE PAYABLE

For any Series of Bonds issued with a floating interest rate, the Interest Rate for each Interest Period will be calculated on the first Business Day of that Interest Period by reference to a Market Rate, which will be influenced by a number of factors and varies over time. The Interest Rate will fluctuate (both increase and decrease) over time with movement in the Market Rate.

If a Series of Bonds is issued with a fixed interest rate, the Interest Rate for each Interest Period will be fixed and not vary over time. As the Market Rate fluctuates, there is a risk that the Interest Rate may become less attractive when compared to the rates of return available on other securities, which could decrease the trading price of fixed rate bonds.

4.2.4 PEET MAY DEFAULT ON PAYMENT OF FACE VALUE OR INTEREST

Depending upon its performance and financial position, Peet's cash flows and capital resources may not be sufficient to pay some or all of the Face Value or Interest due on Bonds as and when payable under their terms.

4.2.5 RESTRICTIONS ON HOLDERS RIGHTS AND RANKING IN A WINDING-UP

Each series of Bonds will be unsecured and unsubordinated. In the event of a winding-up of Peet, assuming the Bonds have not been previously Redeemed, Holders will be entitled to be paid the Redemption Amount for each outstanding Bond.

The claim for this amount ranks behind any secured creditors of Peet and any other creditors preferred by law, such as employees. It ranks ahead of obligations which by their terms or at law rank behind the Bonds (including subordinated instruments and shareholders' interests in Peet), and equally with other Bonds and any other obligations of Peet which by their terms or at law rank equally with the Bonds (such as general and trade creditors of Peet).

Subject to the relevant gearing ratio limits specified in the Offer Specific Prospectus, Peet may incur additional obligations that may rank ahead of the Bonds. These additional obligations may be secured, subject to the provisions of the negative pledge condition in the Bonds. The negative pledge condition in the Bonds permits Peet to secure other Bonds, syndicated loans and term loan arrangements without having to accord security to the Bonds or equal ranking with the Bonds, subject to meeting the relevant gearing ratio limits specified in the Offer Specific Prospectus.

If there is a shortfall of funds on a winding-up to pay the amounts above, there is a risk that Holders will not receive the full payment (or any part thereof) to which they are otherwise entitled.

The majority of Peet's assets are held via its wholly-owned Subsidiaries and Peet is dependent on intercompany transfers to meet its obligations under the terms of the Bonds.

4.2.6 UNLESS SPECIFIED IN THE RELEVANT OFFER SPECIFIC PROSPECTUS, THERE IS A RISK OF EARLY REDEMPTION

The Bonds may be Redeemed early in certain circumstances, including following certain changes in taxation law (a "**Tax Event**"), a Change of Control Event, or where less than 10 per cent of the Series of Bonds remain on issue (this is a "**Clean Up Condition**"). In the event of an early Redemption of the Bonds, you may not receive the returns you expected to receive on the Bonds (if held until maturity) by investing the proceeds in alternative investment opportunities at that time.

Refer to Section 2 ("**About the Bonds**") of this Base Prospectus and Clause 5 of the Base Terms for information relating to the events that may trigger an early redemption of the Bonds.

4.2.7 UNLESS SPECIFIED IN THE RELEVANT OFFER SPECIFIC PROSPECTUS, HOLDERS MAY ONLY COLLECTIVELY REQUEST EARLY REDEMPTION FOLLOWING A CHANGE OF CONTROL EVENT

Holders of the Bonds have the option to require Peet to Redeem their Bonds prior to the Maturity Date upon the occurrence of a Change of Control Event, but only if they pass a Holder Resolution in favour of exercising that option. Individual Holders have no right to require Redemption of Bonds in any circumstances.

To realise your investment prior to Redemption or the Maturity Date, you can sell your Bonds on the ASX, or the relevant securities exchange on which the Bonds are listed, at the prevailing market price. However, depending on market conditions at the time, the Bonds may be trading at a market price below the Face Value for that particular Series, and/or the market for the Bonds may not be liquid and you may not be able to sell your Bonds.

4.2.8 FUTURE ISSUES OF SECURITIES BY PEET

Peet has the right to create and issue any class of debt securities, including an additional Series of Bonds, without the approval of Holders. Any such future debt securities issuance by Peet is subject to the relevant gearing ratio limits specified in the Offer Specific Prospectus.

An investment in Bonds carries no right to participate in any future issue of debt securities by Peet.

No prediction can be made as to the effect, if any, of any future issuance of debt securities by Peet on the market price or liquidity of the Bonds.

4.2.9 CORPORATE ACTIONS

The Terms do not provide Holders with any rights in the event that Peet undertakes any transactions that may involve the restructure of the Group, such as asset disposals or acquisitions, or other corporate transactions. Any such transactions would only give rise to rights for Holders if they constituted a Change of Control Event. Any such transactions by Peet may be subject to the relevant gearing ratio limits specified in the Offer Specific Prospectus.

4.2.10 TAXATION CONSIDERATIONS

Holders should be aware that future changes in taxation law, including changes in interpretation or application of the law by the courts or taxation authorities, may affect the taxation treatment of an investment in Bonds, or the holding and disposal of Bonds.

In addition, if any changes in taxation law or the interpretation or application of law by the courts or taxation authorities result in any payment to a Holder being subject to an amount of withholding or deduction in respect of any taxes or governmental charges or in the payment of interest on the Bonds not being allowed as a deduction to Peet, then Peet is entitled to Redeem the Bonds.

4.3 KEY BUSINESS RISKS ASSOCIATED WITH PEET AND THE GROUP

Key risks relating to Peet are set out below. It is not, however, possible to describe all the risks to which Peet and its business may become subject and which may impact adversely on Peet's prospects and performance. Specific risk factors which may have a significant impact on the future performance of Peet include the following:

4.3.1 RESIDENTIAL PROPERTY MARKET CONDITIONS

Peet derives earnings from its development business, funds management business and joint venture business based on the future value and sale of residential lots. Should the future market value and/or sales volumes be lower than expected, as a result of negative market conditions, Peet's earnings and returns to investors could be negatively impacted.

General and specific market conditions also have an impact on the rate of fall overs (sales cancellations) of lots already under contract. A significant number of contracts for the sale of residential lots are signed up on a 'conditional' basis (e.g. subject to finance or subject to sale). As market conditions deteriorate, the level of fall overs may increase.

Property market conditions have a significant impact on the ability of investor buyers, both domestically and internationally, to settle on sales contracts. The Group does not have a direct sales channel into foreign markets. Its sales exposure is predominantly across first home buyers, second and third home buyers, builders, domestic investors and domestic investor groups.

4.3.2 PROPERTY VALUES

Unanticipated factors can influence the realisable value of the Group's property and property-related assets. These include:

- the profit and risk factors, including discount rates applied, that are considered appropriate by professional valuers, for any properties held by Peet, in response to changes in market conditions;
- changes in the conditions of town planning consents applicable to Peet's projects, as a consequence of changes to council policies;
- development cost increases including, but not limited to, construction, consultants, imposition of taxes and increases to State and Local Government charges will reduce the profitability of Peet;
- the presence of previously unidentified threatened flora and fauna species, which may influence the amount of developable land on major projects;
- the activities of lobby groups;
- general cost increases;
- archaeological or ethnographic claims, including native title claims; and
- land resumptions for roads and major infrastructure, which cannot be adequately offset by the amount of compensation eventually paid, if any.

4.3.3 REZONING AND PLANNING APPROVAL DELAYS

The sale of lots in Peet's residential projects depends on obtaining rezoning and planning approvals. If these approvals take longer than expected, or are not obtained, Peet's sales volumes and profitability could be negatively impacted.

4.3.4 INTEREST RATES AND BANK LENDING CRITERIA

Increases in interest rates and/or the tightening of lending criteria for the provision of mortgage financing could have the effect of reducing the affordability and availability of properties for purchasers, therefore reducing demand and the number of lot sales made by Peet and its managed projects. Interest rates also impact on Peet's costs of funds.

4.3.5 REGULATORY REVIEW OF BANKS

Recent calls for formal regulatory reviews of banks (whether by Government or ASIC) coupled with increased APRA focus may result in banks tightening lending criteria and or increasing the costs of funding.

4.3.6 APARTMENT MARKET

There is a risk that at any point in time there may be an over-supply of apartment product across Australian markets. As at 31 December 2015, Peet's exposure to medium density/apartment product represented a very minor proportion of its landbank. Peet's exposure to apartments is currently limited to low and medium-rise product with no exposure to high-rise towers. Peet does not currently have a direct sales channel into foreign markets to sell its medium density/apartment product.

4.3.7 SALES PRICES

Lower than expected sales prices across Peet's portfolio of projects would generally result in lower profits by reducing the settlement revenue from the Development business and the fee income from the funds management and joint venture businesses.

4.3.8 INFLATION AND CONSTRUCTION COSTS

Higher than expected inflation rates generally, or specific to the broadacre, residential development industry, could be expected to increase operating costs and development costs and potentially reduce the value of the Group's land. These cost increases may be offset by increased selling prices, although there can be no certainty that increased selling prices will be achieved.

4.3.9 AVAILABILITY OF FUNDING AND REFINANCING RISK

Peet's business is capital intensive. Peet's ability to raise funds on favourable terms for future refinancing, development and acquisitions depends on a number of factors including general economic conditions, political, capital and credit market conditions and the reputation, performance and financial strength of Peet's business. These factors could increase the cost of funding, or reduce the availability of funding, as well as increase Peet's refinancing risk for maturing debt facilities.

Peet's ability to refinance its debt facilities as they fall due, and on terms and conditions that are suitable to it and allow it to seek to implement its strategies, will depend upon market conditions, Peet's operating performance and the policies of its financiers. If the debt facilities are not refinanced and need to be repaid, it is possible that Peet will need to realise assets for less than their fair value, which would impact future cash flows and profits. If debt facilities are refinanced on terms that are not conducive to Peet implementing its strategies, Peet may be required to amend, or hold off on the implementation of, its strategies in the short-term until suitable debt facility terms and conditions can be sourced.

4.3.10 CHANGES IN GOVERNMENT POLICY

Changes in government policy (including fiscal, monetary and regulatory policies at federal, state and local levels), including policies on government land development, public housing, immigration and first homebuyer assistance and delays in the granting of approvals or the registration of subdivision plans may affect the amount and timing of Peet's future profits. State government and/or council development contributions may be introduced or increased in jurisdictions, impacting land values and the profitability of projects.

4.3.11 BREACH OF FINANCIAL COVENANTS

As at the date of this Prospectus, Peet was in compliance with all covenants (or has in place any necessary waivers) under its debt facilities. Proceeds from the Bond, together with other capital management initiatives will strengthen Peet's balance sheet.

The financial covenants in Peet's debt facilities relate to Peet's earnings, cash flow and asset values, and a material movement in any of these may cause covenants under Peet's debt facilities to be breached. If a breach occurs, this is likely to have negative consequences for Peet, including the possibility of early repayment of drawn debt.

Property assets are by their nature illiquid investments. This may make it difficult to sell assets quickly to repay debt.

4.3.12 INABILITY TO LAUNCH FURTHER RETAIL SYNDICATES AND INSTITUTIONAL JOINT VENTURES

Peet's business model depends on the ability to successfully raise money from retail and institutional investors. An inability to launch further syndicates and joint ventures may result in a reduction of earnings from the funds management/joint ventures segments of the business. The inability to sell down inventory from Peet's balance sheet into new syndicates or joint ventures over time may require Peet to obtain funding from other sources which may be expensive or difficult to obtain.

4.3.13 PERFORMANCE OF EXISTING SYNDICATES AND JOINT VENTURES

Peet generally derives a combination of project management, marketing and selling fees, performance fees and profit shares from Peet Syndicates and joint ventures. Poor performance by any or a number of these Peet Syndicates and joint ventures may impact negatively on the revenues and profitability of Peet. Peet may also elect to provide loans to some of its Peet Syndicates and joint ventures which will reduce capital available to Peet.

4.3.14 MAJOR SUPPLIERS' RISK

Peet may face the risk of a civil contractor or other major service provider encountering financial difficulty and being unable to complete contracted works either in a timely fashion or at all.

In the event of a civil contractor or other major service provider being unable to complete its work in a timely manner, the timing of settlement of lots may be delayed resulting in a greater risk of lots under contract falling over, additional holding costs and/or a delay in the receipt of settlements proceeds or fees.

In addition to the above, if a major civil contractor or other major service provider is unable to complete its work, (for example, because it becomes insolvent or is otherwise unable to perform its contractual obligations) requiring Peet to appoint an alternative service provider to complete outstanding works, Peet may have to incur additional expenses than would otherwise have been the case. Insurance may not be available to cover such additional expenses (for example, Peet's insurance may not cover those events or insurance held by that civil contractor or other service provider may not cover those events or entitle Peet to recover under such policy).

4.3.15 INCREASE IN UNEMPLOYMENT RATE

Sales of lots in Peet's residential projects may be negatively impacted by a sustained increase in the unemployment rate in Australia, particularly in key markets where Peet has residential projects. This impact could be through a reduction in the number of lots sold and/or in the value of lots sold and profit achieved.

4.3.16 INVENTORY WRITE DOWNS

Unanticipated factors affecting the value of land or development costs, including environmental issues, native title claims, land resumptions, failure to obtain rezoning, market conditions and major infrastructure charges might impact future earnings through a write down in property values.

4.3.17 DEPENDENCE ON KEY PERSONNEL

Peet is reliant on a number of key personnel employed by Peet. Loss of such personnel, or inability to attract suitably qualified personnel, may have a materially adverse impact on Peet's business and financial performance. Peet's efforts to retain and develop key personnel may also result in additional expenses which could adversely affect its profitability.

4.3.18 ACQUISITIONS AND JOINT VENTURES

Peet may make strategic acquisitions of businesses and joint ventures as part of its growth strategies. Peet is also required to replenish its landbank. There can be no assurance that Peet will be able to successfully identify, acquire or integrate such acquisitions or joint ventures. Peet may also elect to fund acquisitions using existing or new bank facilities. The Directors will adopt prudent financial practices in assessing the appropriate funding mix.

Whilst it is Peet's policy to conduct a thorough due diligence process in relation to any such acquisition, risks remain that are inherent in such acquisitions, such as the reliance on advice from consultants and assumptions made, which may prove to be incorrect.

Subject to relevant joint venture agreements, Peet may be unable to control the actions of its joint venture partners and therefore cannot guarantee that the joint ventures will be operated or managed in accordance with Peet's preferred direction or strategy. Joint venture partners and/or co-investment partners may change their internal investment strategies requiring them to exit existing arrangements with Peet or which prevents them from entering into future potential transactions with Peet.

4.3.19 ENVIRONMENTAL AND CULTURAL HERITAGE MATTERS

The discovery of, or incorrect assessment of costs associated with, environmental matters, cultural heritage or contamination on any of Peet's projects could have an adverse effect on the profitability and timing of receipt of revenue from that project. Peet's policy is to endeavour to undertake environmental and cultural heritage due diligence on any property before acquisition, subject to time constraints and in the absence of indicative environmental concerns.

There is a risk that a property development may be contaminated now or in the future. Government regulatory authorities may require such contamination to be remediated. There is a risk that Peet may be required to undertake any such remediation at its own cost. Further, environmental laws impose penalties for environmental damage and contamination, which can be material in size. Such events could adversely affect Peet's financial performance or financial condition.

4.3.20 AUSTRALIAN FINANCIAL SERVICES LICENCE

Peet, via one of its wholly-owned Subsidiaries, holds an Australian Financial Services Licence ("AFSL") that entitles it to conduct a financial services business as part of its funds management business. Earnings from Peet's funds management business are significant and failure to comply with the requirements of the AFSL may have a significant impact on Peet's earnings and cash flows.

4.3.21 CAPITAL EXPENDITURE

The risk of unforeseen capital or other expenditure requirements for Peet may impact returns to investors.

4.3.22 INSURANCE

Peet carries a range of insurance products for (amongst other things) workers compensation, public liability, professional indemnity, industrial special risks and directors & officers. However, Peet's insurance will not cover every potential risk associated with its operations.

The occurrence of a significant adverse event, the risks of which are not fully covered by insurance, could have a material adverse effect on Peet's financial condition and financial performance. Dependent on the type of coverage, Peet may have to incur an excess prior to any payment by the insurer or pay for any difference between the full replacement cost and insured amount. Peet may also incur increases to its insurance premium applicable to other areas of cover as a result of the event.

Peet may not be able to recover under its insurance if the company or companies providing the insurance (or any reinsurance) are under financial distress or fail.

4.3.23 OCCUPATIONAL HEALTH AND SAFETY

Peet may face the risk of workplace injuries, which may result in production or industrial stoppages, workers' compensation claims, related common law claims and potential work health and safety prosecutions. Peet has in place a range of practices and policies which seek to provide a safe working environment for its employees, customers and visitors.

4.3.24 COMPETITION RISK

Peet may face the risk of loss of market share in the various residential corridors in which it operates as a result of the launch of competitors' residential estates. Such competition may result in the reduction of sales of residential lots or reduction in sales prices of residential lots or both. This may negatively impact on profits and cash flows and the ability of Peet to meet its interest paying and debt repayment obligations.

4.4 GENERAL RISKS

4.4.1 GENERAL ECONOMIC AND FINANCIAL MARKET CONDITIONS

General economic conditions (both domestic and international), long-term inflation rates, exchange rate movements, interest rate movements and movements in the general market for ASX and internationally listed securities, changes in domestic or international fiscal, monetary, regulatory and other government policies, changes in investor sentiment and perceptions, geo-political conditions such as acts or threats of terrorism, military conflicts or international hostilities may have a significant impact on the performance of the Group and adversely impact Peet's ability to pay interest and repay the Face Value and may affect the price of the Bonds. As a result of the above mentioned factors, Peet is unable to forecast the market price for the Bonds and they may trade on the ASX at a price that is below Face Value.

4.4.2 MARKET RISKS

Market risk is the risk of an adverse event in the financial markets that may result in a loss of earnings for entities in the Group.

Market risk includes exposures to funding risk (that is, being unable to meet financial obligations as they fall due or over-reliance on a funding source whereby market or environmental changes limit access to that funding source and thereby increase overall funding costs or cause difficulty in raising funds).

4.4.3 REPUTATIONAL RISK

Issues of a varying nature may arise that would give rise to reputational risk and cause harm to the Group's business dealings and prospects. These issues include appropriately dealing with potential conflicts of interest, legal and regulatory requirements, issues of ethics, money laundering laws, trade sanctions legislation, privacy, information security policies, sales and trading practices and conduct by companies in which the Group holds strategic interests. Failure to address these issues appropriately could give rise to additional legal risk, subject entities within the Group to regulatory actions, fines and penalties, or harm the reputation of Peet or the Group among its shareholders, customers and investors including its co-investors and joint venture partners in the marketplace.

The material failure of a Peet Syndicate may also have a material negative impact on the reputation of Peet, making it more difficult to launch new Peet Syndicates (refer to Sections 4.3.12 and 4.3.13 for further information).

4.4.4 LITIGATION, CLAIMS AND DISPUTES

From time to time, the Group may be exposed to the risk of litigation or disputes with various parties arising from the conduct of its business, including contractual counterparties, shareholders, Peet syndicate investors, past and present employees, regulators, co-investment partners, competitors, suppliers and customers. As well as the risk of financial damage, such claims also carry a risk of damage to the reputation of Peet and the Group. Although the Group holds liability insurance, this insurance may not cover all potential claims or may not be adequate to indemnify Peet for all liability that may be incurred or loss which may be suffered.

Losses, liability or legal expenses as a result of litigation proceedings could have a material adverse effect on the Group's business and the financial performance of Peet. Whilst entities within the Group may from time to time make certain provisions against the possibility of adverse outcomes, there is no guarantee that the provisioned amounts (if any) will adequately cover any such loss suffered or liability incurred.

It is possible a material and costly claim, whether successful or not, could distract management from its core business and impact the value of the assets, income and dividends of Peet.

4.4.5 TAXATION

The Group is subject to taxation legislation in the various jurisdictions in which it has operations and conducts business. Any significant change in taxation law or its interpretation and application by an administrative body could have an adverse effect on the results of its operations. Peet manages taxation risk, in relation to specific transactions, generally by obtaining opinions from taxation specialists but may also seek rulings from revenue authorities. Peet employs a proactive approach to managing potential disputes with revenue authorities.

4.4.6 CHANGES IN AUSTRALIAN ACCOUNTING STANDARDS

Peet is subject to the usual business risks that there may be changes in Australian accounting standards which have an adverse financial impact on Peet or members of the Group. Holders should be aware that the Key Financial Ratios and the ratios used by Peet (disclosed in Section 3.8.2 and Section 3.8.3) are calculated by reference to figures from the accounts of Peet prepared on the basis of the Australian accounting standards in place as at the date of issuance of the Bonds. The Issuer has the right under the Terms to notify Holders and the Trustee that components of the ratios will instead be determined in accordance with Australian accounting standards in force at the time of making the determination.

4.4.7 GENERAL OPERATIONAL RISKS

Peet is subject to various operational type risks which may have an impact on its business. These may include risks related to technology, processes and procedures, systems and employee-related risks.

4.5 OTHER RISKS

The above risks are not exhaustive of the risks faced by potential investors in the Bonds. The risks outlined above and other risks may materially affect the future value and performance of the Bonds. Accordingly, no assurances or guarantees of future performance, profitability, Interest or return of the Face Value are given by Peet in respect of the Bonds. You should consult your financial or professional adviser in light of your own particular investment objectives, financial circumstances and particular needs before deciding whether to apply for the Bonds.

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5.1 SUMMARY OF INFORMATION ON TAX CONSEQUENCES OF INVESTING IN THE BONDS

The following is a summary of the Australian withholding tax treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, "**Australian Tax Act**") and the Tax Administration Act 1953 of Australia ("**TAA**"), of payments of interest (as defined under Australian Tax Act) by the Issuer on the Bonds and certain other Australian tax matters.

This summary applies to Holders that are residents of Australia and certain entities that are not residents of Australia. This summary is not exhaustive and you should seek advice from your tax adviser or other professional adviser before deciding to invest in Bonds. In particular, the advice does not deal with Holders who acquire or hold their Bonds outside their country of tax residence (for example through a permanent establishment) or Holders who hold the Bonds on behalf of other persons. In addition, this summary does not deal with the position of certain classes of Holders including, without limitation, dealers in securities, custodians or Holders who otherwise hold Bonds as assets used in carrying on a business of securities' trading, banking or investment.

This summary is not intended to be, nor should it be construed as being, investment, legal or tax advice to any particular Holder.

This summary is based on Australian tax laws and regulations, interpretations of such laws and regulations, and administrative practice as at the date of this Base Prospectus. Prospective Holders of the Bonds should also be aware that particular terms of issue of any Series of Bonds may affect the tax treatment of that Series of Bonds. Information regarding taxes in respect of the Bonds may also be set out in an Offer Specific Prospectus. More information on the tax implications associated with investing in bonds can be found on the Australian Taxation Office's website www.ato.gov.au

5.1.1 INTEREST

The Australian Tax Act characterises securities as either "debt interests" (for all entities) or "equity interests" (for companies), including for the purposes of interest withholding tax ("**IWT**") imposed under Division 11A of Part III of the Australian Tax Act. For Australian IWT purposes, "interest" is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts. The Issuer intends that the Bonds will be characterised as "debt interests" for the purposes of the tests contained in Division 974 and that the returns paid on the Bonds be "interest" for the purpose of section 128F of the Australian Tax Act.

a. Resident Holders

Australian residents are generally required to include any Interest in their assessable income each year. Whether these amounts should be recognised as assessable income on a cash receipts or accruals basis (including whether they are subject to Division 230 – see the summary below) will depend on the individual circumstances of the Holder. Australian residents holding their Bonds and receiving payments of Interest in Australia should not be subject to IWT.

b. Non-resident Holders

Non-resident Holders will generally be subject to IWT at the rate of 10 per cent on any Interest they receive. IWT is a final tax and non-resident Holders should not be subject to any other Australian tax such as income tax.

Peet intends to issue the Bonds in a manner which will satisfy the requirements of section 128F of the Australian Tax Act. If Peet satisfies the requirements of section 128F, then payments of Interest to non-resident Holders (that are not "Offshore Associates" of Peet) should not be subject to IWT and should not be subject to any other tax such as income tax in Australia.

5.1.2 DISPOSAL OF THE BONDS

a. Australian resident Holders

The Bonds are intended to be "traditional securities" for the purposes of the Australian Tax Act. In relation to a traditional security, Australian resident Holders that are not subject to Division 230 are generally required to include any gain in their assessable income in the income tax year in which a disposal occurs. Such a gain will be equal to the difference between the consideration for the acquisition and disposal of the traditional security plus any relevant costs associated with the acquisition or disposal. Losses may be included as an allowable deduction in respect of taxable income in the income tax year in which the disposal occurs.

If a capital gains tax event should also occur on the disposal of a traditional security, any such capital gain or capital loss will be disregarded to the extent to which that gain or loss is included either as assessable income or an allowable deduction.

5.1.2 DISPOSAL OF THE BONDS (CONTINUED)

b. Non-Australian resident Holders

Non-resident Holders may be subject to Australian income tax on any gain realised on the disposal of their Bonds (depending upon whether or not that gain has an Australian source). However, a non-resident Holder may be eligible for relief from Australian income tax if that Holder is entitled to the benefit of a double tax agreement between Australia and the non-resident Holder's country of residence (for tax purposes).

5.1.3 APPLICATION OF DIVISION 230

Division 230 of the Australian Tax Act contains tax-timing rules for certain taxpayers for bringing to account gains and losses from certain "financial arrangements". However, Division 230 does not apply in relation to traditional securities to certain taxpayers, including individuals and certain other entities (e.g. certain superannuation entities and managed investment schemes) which satisfy various turnover or asset threshold tests, unless they make an election that Division 230 applies to all of their "financial arrangements".

If payments of Interest are exempt from IWT under section 128F of the Tax Act 1936, Division 230 will not operate to override this exemption.

5.1.4 PAYMENT OF ADDITIONAL AMOUNTS

As set out in more detail in the Base Terms for the Bonds, and unless expressly provided to the contrary in the relevant Offer Specific Terms, if the Issuer is at any time required by law to withhold or deduct an amount in respect of Taxes imposed in Australia in respect of the Bonds, the Issuer must, subject to certain exceptions, pay Additional Amounts so that after making the deduction and further deductions applicable, the Holder is entitled to receive (at the time the payment is due) the amount it would have received if no withholdings or deductions had been required to be made. If the Issuer is compelled by law in relation to any Bonds to withhold or deduct an amount in respect of which Additional Amounts must be paid, the Issuer will have the option to redeem the Bonds in accordance with the Base Terms.

5.1.5 DEATH DUTIES

No Bonds will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death.

5.1.6 ADDITIONAL WITHHOLDINGS FROM CERTAIN PAYMENTS TO NON-RESIDENTS

The Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The possible application of any future regulations to the proceeds of any sale of the Bonds will need to be monitored.

5.1.7 SUPPLY WITHHOLDING TAX

Payments in respect of the Bonds can be made free and clear of any "supply withholding tax".

5.1.8 PROVISION OF TFN AND/OR ABN

The TAA can impose withholding tax (currently at the rate of 49 per cent) on the payment of interest on certain types of registered securities, such as the Bonds.

However, where a Holder has provided Peet with their TFN or, in certain circumstances, their ABN, or has notified Peet that they are exempt from providing this information, Peet is not required to withhold any amount on account of tax from payments of interest to the Holder.

A Holder may choose not to provide his or her TFN or ABN to Peet.

If payments of interest are exempt from IWT under section 128F of the Australian Tax Act or otherwise subject to IWT, then non-resident Holders should not be subject to any withholding tax under these rules.

5.1.9 GARNISHEE DIRECTIONS

The Australian Commissioner of Taxation may give a direction requiring the Issuer to deduct from any payment to a Holder of the Bonds any amount in respect of Australian tax payable by a Holder. If the Issuer is served with such a direction, then the Issuer will comply with that direction and make any deduction required by that direction.

5.1.10 GST

GST is not payable on the issue, receipt, disposal or redemption of the Bonds.

GST is not payable in relation to the payment of Face Value or Interest by Peet.

5.1.11 STAMP DUTY

No stamp duty should be payable on the issue, receipt, disposal or redemption of the Bonds.

5.1.12 FATCA

The Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 ("**FATCA**") establish a new due diligence, reporting and withholding regime. FATCA aims to detect U.S. taxpayers who use accounts with "foreign financial institutions" ("**FFIs**") to conceal income and assets from the U.S. Internal Revenue Service ("**IRS**").

Under FATCA, a 30 per cent withholding may be imposed (i) in respect of certain U.S. source payments, (ii) from 1 January 2017 in respect of gross proceeds from the sale of assets that give rise to U.S. source interest or dividends and (iii) from 1 January 2017, at the earliest, in respect of "foreign passthru payments" (a term which is not yet defined under FATCA), which are, in each case, paid to or in respect of entities that fail to meet certain certification or reporting requirements ("**FATCA withholding**").

Financial institutions through which payments on the Bonds are made may be required to withhold on account of FATCA. A withholding may be required if (i) an investor does not provide information sufficient for the Issuer or the relevant financial institution to determine whether the investor is subject to FATCA withholding or (ii) an FFI to or through which payments on the Bonds are made is a "non-participating FFI".

FATCA withholding is not expected to apply if the Bonds are treated as debt for U.S. federal income tax purposes and the grandfathering provisions from withholding under FATCA are applicable. The grandfathering provisions require, amongst other things, that the Bonds are issued on or before the date that is six months after the date on which final regulations defining the term "foreign passthru payment" are filed with the U.S. Federal Register.

Further, Australia and the United States signed an intergovernmental agreement ("**Australian IGA**") in respect of FATCA on 28 April 2014. The Australian Government has enacted legislation amending, among other things, the TAA to give effect to the Australian IGA ("**Australian Amendments**"). Under the Australian Amendments, Australian FFIs will generally be able to be treated as "deemed compliant" with FATCA. Depending on the nature of the relevant FFI, FATCA withholding may not be required from payments made with respect to the Bonds other than in certain prescribed circumstances. Under the Australian Amendments, an FFI may be required to provide the Australian Taxation Office with information on financial accounts (for example, the Bonds) held by U.S. persons and recalcitrant account holders and on payments made to non-participating FFIs. The Australian Taxation Office is required to provide that information to the IRS.

In the event that any amount is required to be withheld or deducted from a payment on the Bonds as a result of FATCA, pursuant to the terms and conditions of the Bonds, no additional amounts will be paid by the Issuer as a result of the deduction or withholding.

FATCA is particularly complex legislation. The above description is based in part on U.S. Treasury regulations published on 28 January 2013 and 6 March 2014, official guidance and the Australian Amendments, all of which are subject to change.

Investors should consult their own tax advisers to determine how these rules may apply to them under the Bonds.

5.2 PRIVACY

5.2.1 GENERAL

If you lodge an Application, Peet will collect information about you. Peet will use this information to process your Application, administer your Bonds and keep in touch with you in relation to your Bonds. Your information may also be shared within the Group so that you can be told about products, facilities or services offered or distributed by the Group or other matters concerning the Group that Peet thinks may be of interest to you.

Peet may disclose this information for these purposes to its Subsidiaries and to Peet Syndicates and joint venture entities on a confidential basis, as well as to agents, contractors and third party service providers that provide services on its or their behalf (e.g. the Registry and a printing firm or mail house engaged to print and mail statements to you). Some of these parties may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law.

If you used a financial adviser who recommended your investment in the Bonds (as indicated on your Application Form), Peet may disclose details of your holding to that adviser.

Peet will also disclose this information if required or permitted to do so by law or if you consent to or request the disclosure.

If you think Peet's records of your personal information are incorrect or out of date, you can contact Peet and request that your personal information be corrected. Subject to certain exceptions, you may access your personal information at any time by contacting the Registry in writing. Peet is permitted to charge a fee for such access.

You may choose not to provide your personal information or to limit the information you provide, in which case Peet may not be able to process your Application, administer your Bonds, or make payments to you.

5.3 SELLING RESTRICTIONS

The distribution of the Offer Documents (including electronic copies) in jurisdictions outside Australia may be restricted by law. If you come into possession of the Offer Documents in a jurisdiction outside Australia, you should seek advice on, and observe any such restrictions. If you fail to comply with such restrictions, that failure may constitute a violation of applicable securities law. Peet disclaims all liabilities to such persons. The Offer Documents and the Bonds have not been and will not be, registered in any jurisdiction other than Australia. In particular, the Bonds have not been and will not be registered under the United States Securities Act of 1933 ("**US Securities Act**"), as amended or the securities laws of any state of the United States and may not be offered or re-sold in the United States or to or for the account or benefit of US Persons except in transactions exempt from the registration requirements of the US Securities Act. The Offers and the possession or distribution of the Offer Documents may be further subject to the specific restrictions set out in the relevant Offer Specific Prospectus.

Hong Kong

WARNING: The Offer Documents have not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor have they been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "**SFO**"). No action has been taken in Hong Kong to authorise or register the Offer Documents or to permit the distribution of the Offer Documents or any documents issued in connection with it. Accordingly, the Bonds have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the Bonds has been or will be issued or has been or will be in the possession of any person for the purpose of issue in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Bonds may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of the Offer Documents have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of the Offer Documents, you should obtain independent professional advice.

5.3 SELLING RESTRICTIONS (CONTINUED)

New Zealand

The Offer Documents have not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMC Act**"). The Bonds are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

The Offer Documents and any other materials relating to the Bonds have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, the Offer Documents and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Bonds, may not be issued, circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

The Offer Documents have been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return the Offer Documents immediately. You may not forward or circulate the Offer Documents to any other person in Singapore.

Any offer is not made to you with a view to the Bonds being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Bonds. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

5.4 DEALINGS IN PEET BONDS

Peet or any member of the Group may purchase or resell the Bonds or cancel repurchased Bonds from time to time.

5.5 MATERIALS INCORPORATED BY REFERENCE

The following is a list of material referred to, but not set out in full, in this Base Prospectus. However, the material (or relevant extracts of the material) is incorporated by reference and, as such, forms part of the offer of Bonds covered by this Base Prospectus.

The following materials are available from Peet's website www.peetbonds.com.au and a copy of each document can be obtained free of charge by calling the Peet Bonds Information Line on 1300 783 261 (within Australia) or +61 3 9415 4232 (outside Australia) Monday to Friday 9.00 am to 5.00 pm (Melbourne time) during each Offer Period:

- Information on Peet's Directors, which is set out in paragraph "1. Directors" contained in the section titled "Director's Report" of Peet's annual report for 2015 which was filed with ASX on 23 October 2015;
- Information on Peet's Senior Management, which is set out in paragraph "13. Remuneration Report (Audited)" contained in the section titled "Director's Report" of Peet's annual report for 2015 which was filed with ASX on 23 October 2015;
- Information on Peet's Corporate Governance Arrangements, which is set out in the Appendix 4G ("Key to Disclosures – Corporate Governance Council Principles and Recommendations") which was filed with ASX on 23 October 2015;
- Trust Deed, which was filed with ASIC on 2 May 2016. The Bonds will be constituted under the Trust Deed, which also contains the agreement between the Issuer and the Trustee in relation to the Trustee's role, and the circumstances in which the Trustee can or must act in the interests of Holders; and
- The Base Terms (which are included as a schedule to the Trust Deed) were filed with ASIC on 2 May 2016. The Base Terms are the terms and conditions of the Bonds as referred to in the Base Prospectus. The Base Terms will be supplemented, amended, modified or replaced by the Offer Specific Terms published in the relevant Offer Specific Prospectus.

5.6 GOVERNING LAW

This Base Prospectus, any Offer Specific Prospectus and the contracts that arise from the acceptance of Applications are governed by the law applicable in Western Australia, Australia and each Applicant submits to the exclusive jurisdiction of the courts of Western Australia, Australia.

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SECTION SIX

GLOSSARY

B

Term	Meaning
\$, A\$, AUD or dollars	Australian dollar currency
AASB	The Australian Accounting Standards Board
AASB 9	AASB 9 Financial Instruments, means the Australian accounting standard dealing with financial instruments as issued by the AASB
AASB 10	AASB 10 Consolidated Financial Statements, means the Australian accounting standard dealing with consolidated financial statements as issued by the AASB
ABN	Australian Business Number
Actual/365 (Fixed)	The meaning given in the definition of "Day Count Fraction" Clause 12.4 of the Base Terms.
Additional Amount	An additional amount payable by the Issuer under Clause 9.2 ("Withholding tax gross up") of the Base Terms
Adjusted EBIT	The adjusted earnings before interest and tax and is the numerator in the calculation of the Peet Interest Cover Ratio as shown in Section 3.8.3
Adjusted Interest Expense	The adjusted interest expense and is the denominator in the calculation of the Peet Interest Cover Ratio as shown in Section 3.8.3
Allocation	The number of Bonds allocated under the offer for each Tranche of Bonds to Applicants under each Offer tranche (as specified in the relevant Offer Specific Prospectus). Allocate has a corresponding meaning
Applicant	A person who lodges an Application Form in accordance with the relevant Offer Specific Prospectus
Application	A valid application for a particular Tranche of Bonds, as specified in the Offer Specific Prospectus, made through a completed Application Form in accordance with the relevant Offer Specific Prospectus
Application Form	A paper or electronic form (as the context requires) attached to, or accompanying, an Offer Specific Prospectus upon which an Application for Bonds may be made
Application Monies	The amount payable on each Application, being the Face Value multiplied by the number of Bonds applied for
Arrangers	Refer to the front cover of the relevant Offer Specific Prospectus
ASIC	Australian Securities and Investments Commission
ASIC Guide	The guide published by ASIC entitled 'Investing in corporate bonds?'
ASX	ASX Limited ABN 98 008 624 691 or the securities market operated by it (as the context requires)
ASX Listing Rules	The listing rules of ASX, with any modification or waivers which ASX may grant (as the context requires)
Australian Tax Act	Both the Income Tax Assessment Acts of 1936 and 1997 of Australia
Base Prospectus	This base prospectus which was lodged with ASIC on 2 May 2016
Base Terms	The base terms of the Bonds as incorporated by reference in this Base Prospectus and available on the Peet website www.peetbonds.com.au
BBSW Rate	For an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the "AVG MID" on the Reuters BBSW screen page at approximately 10.10am on the first day of the Interest Period. However, if such rate does not appear, or if it does appear but the Issuer determines that there is an obvious error in that rate, "BBSW Rate" means the rate for that day will be the rate determined by the Issuer having regard to comparable indices then available
Board	The board of directors of Peet acting as a board
Bookbuild	The process through which Syndicate Brokers and Institutional Investors bid for a firm Allocation of a particular Series of Bonds

Term	Meaning
Bonds	“Simple corporate bonds” to be offered by the Issuer under this Base Prospectus and the relevant Offer Specific Prospectus pursuant to sections 713A-713E of the Corporations Act, defined as “Peet Bonds” in the Base Terms
Broker Firm Allocation	The Allocation allocated to a Syndicate Broker through the Bookbuild process
Broker Firm Offer	The offer as in the relevant Offer Specific Prospectus
Business Day	A day which is a Business Day within the meaning of the ASX Listing Rules
Business Day Convention	The meaning given in Clause 12.4 of the Base Terms
Cash	Means cash as calculated under Australian accounting standards issued by the AASB
Change of Control Event	The meaning given in Clause 12.4 of the Base Terms
CHESS	Clearing House Electronic Subregister System
Clean Up Condition	Has the meaning given in Clause 12.4 of the Base Terms
Closing Date	Refer to the “Key dates” Section of the relevant Offer Specific Prospectus
Co-Managers	Refer to the front cover of the relevant Offer Specific Prospectus
Corporations Act	Corporations Act 2001 (Cth)
Corporations Regulations	Corporations Regulations 2001 (Cth)
Covered Period	From 2 May 2016 to 2 May 2019
Day Count Fraction	Refer to the relevant Offer Specific Prospectus
Director	Director of Peet
EBIT	Earnings before Net Interest Expense and taxes
EBITDA	Earnings before Net Interest Expense, taxes, depreciation and amortisation, for the relevant reporting period
Eligible Director	The meaning given in the relevant Offer Specific Prospectus
Eligible Employee	The meaning given in the relevant Offer Specific Prospectus
Eligible Shareholder	The meaning given in the relevant Offer Specific Prospectus
Event of Default	The happening of any of the events set out in Clause 6.1 of the Base Terms
Face Value	Refer to the relevant Offer Specific Prospectus
FATCA	Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010
FFIs	Foreign financial institutions
Financial Indebtedness	Any indebtedness, present or future, actual or contingent in relation to money borrowed or raised or any other financing
Following Business Day Convention	The date is postponed to the first following day that is a Business Day
Gearing Ratio	The meaning given in regulation 6D.2.06 of the Corporations Regulations and as described in Section 3.8.2
Group	The Issuer, its Subsidiaries from time to time and any syndicate consolidated into the Group pursuant to AASB 10 issued by the Australian Accounting Standards Board
GST	The goods and services tax as defined in the A New Tax System (Goods and Services Tax) Act 1999
Guarantee	The guarantee of the Bonds set out in Schedule 4 to the Trust Deed

Term	Meaning
Guarantor Group	All entities party to the Trust Deed as “Guarantors”, all of whom are wholly-owned Subsidiaries of Peet, and each other entity that has provided a Guarantee
HIN	Holder Identification Number
Holder	A registered holder of Bonds
Holder Resolution	Either: <ul style="list-style-type: none"> • a resolution passed at a meeting of Holders duly called and held under the Meeting Provisions: <ul style="list-style-type: none"> – by more than 50 per cent. of the persons voting on a show of hands (unless sub-paragraph (ii) below applies); or – if a poll is duly demanded, then by a majority consisting of more than 50 per cent. of the votes cast; or • a resolution passed by postal ballot or written resolution by Holders representing (in aggregate) more than 50 per cent. of the Face Value of all of the outstanding Bonds in the series
Holding Statement	A statement issued to Holders by the Registry which sets out the number of Bonds issued to that Holder
Insolvency Event	Will occur in relation to a body corporate if: <ul style="list-style-type: none"> • it is (or states that it is) insolvent (as defined in the Corporations Act) or • it is in liquidation, in provisional liquidation, under administration (other than in circumstances where the appointment of the administrator or liquidator is stayed, withdrawn, dismissed or terminated within 30 Business Days) or wound up (each as defined in the Corporations Act)
Institutional Investor	An investor to whom the Bonds are able to be offered under applicable laws without the need for any prospectus, registration or other formality (other than a registration or formality which Peet is willing to comply with) and who has been invited by the Lead Manager(s) to bid for the Bonds
Institutional Offer	The offer as described in the relevant Offer Specific Prospectus
Intangible Assets	Means intangible assets as calculated under Australian accounting standards issued by the AASB
Interest	Interest payable on each Bond in accordance with clause 2 of the Base Terms
Interest Cover Ratio	The meaning given in regulation 6D.2.06 of the Corporations Regulations and as described in Section 3.8.2
Interest Payment Dates	Refer to the relevant Offer Specific Prospectus
Interest Period	Each period commencing on (and including) the previous Interest Payment Date to (but excluding) the next Interest Payment Date. However: <ol style="list-style-type: none"> a. the first Interest Period commences on (and includes) the Issue Date or any other date specified in the Offer Specific Terms; and b. the final Interest Period ends on (but excludes) the Maturity Date or a Redemption Date
Interest Rate	Refer to the relevant Offer Specific Prospectus
Inventories	Means inventories as calculated under Australian accounting standards issued by the AASB
IRS	U.S. Internal Revenue Service
Issue	The process of issuing Bonds of a particular Series to Holders. Issue and Issued have corresponding meanings
Issuer	Peet Limited (ABN 56 008 665 834)
Issue Date	In respect of a Bond, the date specified in the Offer Specific Terms as the date on which the Bond is, or is to be, Issued
Issue Price	The price at which a Tranche of Bonds is issued

Term	Meaning
IWT	Interest withholding tax
Key Financial Ratios	The Gearing Ratio, the Working Capital Ratio and the Interest Cover Ratio. Refer to Section 3.8.2
Lead Manager(s)	Refer to the front cover of the relevant Offer Specific Prospectus
Margin	Refer to the relevant Offer Specific Prospectus
Market Rate	The meaning given in Clause 2.4(a) of the Base Terms
Maturity Date	Refer to the relevant Offer Specific Prospectus
Meeting Provisions	The provisions for meetings of the Holders set out in schedule 6 of the Trust Deed
Modified Following Business Day Convention	The date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day
Net Interest Expense	For the relevant reporting period means, finance costs as disclosed on the face of Peet's consolidated statement of profit or loss, plus interest and finance costs expensed through cost of sales. This figure is disclosed in Peet's segment reporting for the full-year ended 30 June and half-year ended 31 December.
Offer	The offer made by Peet under this Base Prospectus and the relevant Offer Specific Prospectus of a particular Tranche of Bonds to raise the amount stated in the relevant Offer Specific Prospectus
Offer Documents	The Base Prospectus and the relevant Offer Specific Prospectus
Offer Manager Agreement	Offer management agreement entered into between Peet and the Lead Manager(s) relating to the relevant Offer
Offer Period	The period from the Opening Date to the Closing Date
Offer Specific Prospectus	The Offer Specific Prospectus relating to an Offer of a Tranche of Bonds
Offer Specific Terms	The offer specific terms of a tranche of Bonds contained in the relevant Offer Specific Prospectus
Offshore Associate	An associate (as defined in section 128F of the Australian Tax Act) of the Issuer that is either: <ul style="list-style-type: none"> a. a non-resident of Australia which does not acquire the Bonds in carrying on a business at or through a permanent establishment in Australia; or b. a resident of Australia that acquires the Bonds in carrying on a business at or through a permanent establishment outside Australia.
Opening Date	Refer to the "Key dates" Section of the relevant Offer Specific Prospectus
Ordinary Shares	Ordinary shares on issue in the Issuer
Participating Brokers	Any participating organisation of ASX invited by the Lead Manager to participate in the Bookbuild
Peet	Peet Limited (ABN 56 008 665 834)
Peet Convertible Notes	Peet Convertible Notes issued by Peet in 2011
Peet Gearing Ratio	Peet Gearing Ratio Debt divided by Peet Gearing Ratio Assets, expressed as a percentage
Peet Gearing Ratio Assets	Peet Group Assets less Peet Group Cash and Peet Group Intangible Assets
Peet Gearing Ratio Debt	Peet Group Interest Bearing Liabilities together with Peet Land Vendor Liabilities less Peet Group Cash
Peet Group	The Group, excluding any syndicate consolidated into the Group pursuant to AASB10 of the Australian Accounting Standards Board. These syndicates are instead treated as equity accounted associates

Term	Meaning
Peet Group Assets	The total assets of the Peet Group as set out in the Peet Group Financial Statements (adjusted for the market value of inventory)
Peet Group Cash	Cash and cash equivalents held by the Peet Group, less any cash and cash equivalents subject to a Security Interest including Security Interests held in trust for third parties, as at the date of the Peet Group Financial Statements. "Cash" and "cash equivalents" have the meanings given in the Applicable Accounting Standards
Peet Group Financial Statements	The annual or half year financial statements of the Peet Group derived from the most recent published annual or half year financial statements of the Group prepared in accordance with applicable law and Applicable Accounting Standards
Peet Group Intangible Assets	The intangible assets of the Peet Group as set out in the Peet Group Financial Statements
Peet Group Interest Bearing Liabilities	The total secured and unsecured borrowings of the Peet Group as set out in the Peet Group Financial Statements
Peet Group Secured Interest Bearing Liabilities	The total secured borrowings of the Peet Group as set out in the Peet Group Financial Statements
Peet Interest Cover Ratio	The meaning given in Section 3.8.3 of this Base Prospectus
Peet Land Vendor Liabilities	The total land vendor liabilities of the Peet Group as set out in the Peet Group Financial Statements
Peet Offer	The Offer as described in the Offer Specific Prospectus
Peet Secured Gearing Ratio	Peet Secured Gearing Ratio Debt divided by Peet Gearing Ratio Assets, expressed as a percentage
Peet Secured Gearing Ratio Debt	Peet Group Secured Interest Bearing Liabilities (excluding Peet Land Vendor Liabilities) less Peet Group Cash
Peet Syndicates	Companies or trusts established by Peet using external equity capital, including such entities where Peet and/or one of its wholly-owned Subsidiaries co-invests with external equity capital providers
Permitted Security Interest	A Security Interest granted in connection with any Relevant Indebtedness, provided that after giving pro-forma effect to the incurrence of such Relevant Indebtedness based on the Peet Group Financial Statements and the application of the proceeds thereof, the Peet Secured Gearing Ratio would not be greater than the percentage specified in the Offer Specific Terms
Programme	A programme for the issuance of Bonds
Redemption	In relation to a Bond, to redeem that Bond in accordance with Clause 5 of the Base Terms. "Redeem" and "Redeemed" have corresponding meanings
Redemption Amount	In respect of a Bond, the Face Value plus the accrued Interest for the period from (and including) the preceding Interest Payment Date to (but excluding) the Redemption Date
Redemption Date	In respect of a Bond, the Maturity Date or any earlier date specified by the Issue as the Redemption Date in accordance with the Terms
Register	The register of Bonds maintained by the Registry on Peet's behalf and including any sub-register established and maintained in CHES
Registry	Computershare Investor Services Pty Limited or such other person as may be appointed registrar of the Bonds from time to time
Reinvestment Offer	The offer to holders of Peet Convertible Notes to subscribe for Bonds using proceeds from the Peet Convertible Notes

Term	Meaning
Relevant Indebtedness	Means: <ul style="list-style-type: none"> notes, bonds, debentures, loan stock, bearer participation certificates, depositary receipts, certificates of deposit or other similar securities or instruments (including Bonds of another Series, but not including the Bonds of the relevant Series) evidencing indebtedness of the Issuer or a Guarantor which are for the time being, or are intended to be or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or on any other public securities market (whether or not initially distributed by way of private placement); and any indebtedness of the Issuer or a Guarantor owing under syndicated or term loan arrangements (excluding any loan made by the Issuer to a Guarantor or a Guarantor to the Issuer) in each case, which is incurred on or after the Issue Date
Security Interest	A mortgage, charge, pledge, lien or other security interest securing any obligation
Series	An issue of Peet Bonds made up of one or more Tranches, all of which are expressed to be consolidated and form a single series and are issued on the same Terms, except that the Issue Date and interest commencement date may be different in respect of different Tranches of a Series.
SFA	Securities and Futures Act of Singapore
SFO	Securities and Futures Ordinance (cap. 571) of the Laws of Hong Kong
Special Resolution	Either: <ul style="list-style-type: none"> a resolution passed at a meeting of Holders duly called and held under the Meeting Provisions: <ul style="list-style-type: none"> by more than 75 per cent. of the persons voting on a show of hands (unless sub-paragraph (ii) below applies); or if a poll is duly demanded, then by a majority consisting of more than 75 per cent. of the votes cast; or a resolution passed by postal ballot or written resolution by Holders representing (in aggregate) more than 75 per cent. of the Face Value of all of the outstanding Bonds in the series
SRN	Securityholder Reference Number
Subsidiary	The meaning given to that term in Division 6 of Part 1.2 of the Corporations Act
Syndicate Broker	Any of the Lead Manager(s), Co-Managers and Participating Brokers
TAA	Tax Administration Act 1953 of Australia
Tax	Any tax, levy, impost, charge or duty (including stamp and transaction duties) imposed by any authority and any related interest, penalty, fine or expense in connection with it, except if imposed on, or calculated having regard to, the net income of the Holder
Tax Act 1936	Income Tax Assessment Act, 1936 (Cth)
Tax Act 1997	Income Tax Assessment Act, 1997 (Cth)
Tax Event	The meaning given in Clause 12.4 of the Base Terms
Terms	The full terms of each Series of Bonds as set out in the Base Terms as supplemented, amended, replaced or as modified by the terms of a particular Tranche of Bonds set out in the relevant Offer Specific Prospectus
TFN	Tax File Number
Total Assets	Total assets as calculated under Australian accounting standards issued by the AASB
Tranche	An Offer of Bonds specified as such in the applicable Offer Specific Prospectus

Term	Meaning
Trust Deed	The trust deed dated 2 May 2016 between Peet and the Trustee, pursuant to which the Bonds may be issued (as amended or supplemented from time to time)
Trustee	Australian Executor Trustees Limited (ACN 007 869 794) or such other trustee as may hold office as trustee under the Trust Deed from time to time.
Working Capital Ratio	The meaning given in regulation 6D.2.06 of the Corporations Regulations and as described in Section 3.8.2

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