

## Fwd: Proposed Term Sheet

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**From:** Jimmy Liu <jimmy@uwecommodities.com>  
**To:** Daryl Maguire <daryl.maguire@parliament.nsw.gov.au>  
**Date:** Wed, 30 Aug 2017 14:30:36 +1000

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Hi Daryl,  
Please find attached the information for your references.  
I will ring you shortly  
Regards  
Jimmy

Sent from my iPhone

Begin forwarded message:

**From:** Freda Feng <[freda@uwecommodities.com](mailto:freda@uwecommodities.com)>  
**Date:** 30 August 2017 at 2:28:31 pm AEST  
**To:** Jimmy Liu <[jimmy@uwecommodities.com](mailto:jimmy@uwecommodities.com)>  
**Subject:** FW: Proposed Term Sheet



## United World Enterprises Pty Ltd – Admission of Convertible Notes Holder

### Proposed Term Sheet

<b>The Subject Matter</b>	United World Enterprises Pty Ltd (“UWE”) (ACN 060 242 515) - an Australian limited liability company established in 1993 in the State of New South Wales with an registered business address at Unit 6, 192 Kingsgrove Road, Kingsgrove, NSW 2208, Australia.
<b>Parties Involved</b>	Jimmy Yang & Freda Feng (“J&F”) – Australian nationals, current owners and majority shareholders of UWE are one party.  A group led by <b>Mr. _____</b> (“ <b>Investor</b> ”), a _____ resident, is the other party.
<b>Term</b>	The whole matter will terminate upon the Investor acquiring an interest in UWE on or before 18 September 2017.
<b>The Offer</b>	To help grow the business, UWE will issue convertible notes of A\$15 million at face value at 10% coupon rate per annum to <b>Investor</b> for a consideration of A\$15 million. These notes if fully converted subsequently by <b>Investor</b> , will represent a 20% equity interest in UWE.
<b>Use of Fund</b>	The capital injection will be used to finance the working capital requirements of UWE.
<b>Expected Closing</b>	The capital amount of A\$15 million has to reach UWE's nominated bank account on or before 18 September 2017. Otherwise, this investment opportunity will expire.
<b>Conditions</b>	<p>(a) The annual interest for the convertible notes should be set at 10% cumulatively based on the face value of <b>Investor's</b> contribution i.e. A\$1.5 million per annum.</p> <p>(b) In the event of liquidation, <b>Investor</b> would be guaranteed with preferential return of their capital contribution together with any accrued interest outstanding.</p>
<b>Time to convert</b>	These notes can be converted into UWE shares by the <b>Investor</b> giving notice to UWE any time within two years of issue of these notes.

	<div>(a) In the event that UWE go public via an IPO, <b>Investor</b> can elect to convert to shares before or after the IPO.</div> <div>(b) Notwithstanding the non-occurrence of the event in (a) above, <b>Investor</b> has the option to remain as a UWE convertible notes holder if he so wishes.</div>
Repayment	The notes will mature at the end of two years. If no conversion takes place then the Investor will be repaid in full with interest at the end of the period.

Signed on this      day of August, 2017 by:-

<div>Signature of Jimmy Yang</div>	← <div>Signature of Investor or its Legal Representative</div>
<div>Signature of Freda Feng</div>	<div>Signature of Investor or its Legal Representative</div>

## Fwd: information

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**From:** Daryl Maguire </o=parl/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=amaguired63">  
**To:** Jimmy Liu <jimmy@uwecommodities.com>, Freda Feng <freda@uwecommodities.com>  
**Date:** Thu, 31 Aug 2017 19:06:12 +1000

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Sent from my iPhone

Begin forwarded message:

**From:** Charlie Cull <[Charlie.Cull@minister.nsw.gov.au](mailto:Charlie.Cull@minister.nsw.gov.au)>  
**Date:** 31 August 2017 at 6:56:49 pm AEST  
**To:** Daryl Maguire <[Daryl.Maguire@parliament.nsw.gov.au](mailto:Daryl.Maguire@parliament.nsw.gov.au)>  
**Subject:** information

Hi Daryl,

As discussed, please see information below as relayed from our Trade team.

Following our discussion I've emailed our trade team - they are now seeking to clarify what the Chinese did or didn't say about the audit process, and whether they believe it to have started or to be underway.

I'll advise you as soon as possible of any outcomes from the Austrade meeting tomorrow morning and any clarification we receive about the above audit matter.

Regards,

Charlie

**From:** Susan Calvert [<mailto:susan.calvert@industry.nsw.gov.au>]  
**Sent:** Thursday, 31 August 2017 12:35 PM  
**To:** Charlie Cull <[Charlie.Cull@minister.nsw.gov.au](mailto:Charlie.Cull@minister.nsw.gov.au)>; Ian Sanders <[ian.sanders@dpi.nsw.gov.au](mailto:ian.sanders@dpi.nsw.gov.au)>; Na-aim Abdie <[na-aim.abdie@industry.nsw.gov.au](mailto:na-aim.abdie@industry.nsw.gov.au)>  
**Subject:**

Hi Charlie,

Tony Zhang our NSW Trade & Investment Commissioner in Shanghai and Cecelia, DPI's Officer in Shanghai contacted Ms HE Ru, Deputy General Manager, Department of Investment, Bright Food Group yesterday afternoon to understand why progress has stalled on Shanghai Dairy groups exit from their Joint Venture with UWE.

Bright Food Group were supportive and offered to encourage Shanghai Dairy Group to work with UWE to move things forward but commented that they were surprised to hear there was any problem.

Ms He noted that Jimmy Liu and his colleague attended the JV 's Board Meeting in Shanghai in June 2017, so believed that communication channels were open and that there has been recent discussions between UWE and SDG.

Ms He checked with SDG and got a copy of the meeting minutes from that June Board Meeting. She reported that the Minutes record UWE agreeing to SDG exiting from the JV and SDG

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agreeing it will go through the relevant process to make that happen. But there are conditions that any outstanding issues revealed from the recent auditing report need to be resolved.

Ms He advised that Bright Food Group is supportive of a new investor buying SDG out and understands that SDG is happy to consider at the right price.

Susan Calvert | Executive Director

NSW Department of Industry | NSW Trade & Investment  
Level 43 MLC Centre, 19 Martin Place | GPO Box 5477 | SYDNEY NSW 2000

[REDACTED] | M: +61 0400 717 204 | [REDACTED]  
W: [industry.nsw.gov.au](http://industry.nsw.gov.au)



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This message is intended for the addressee named and may contain confidential information. If you are not the intended recipient, please delete it and notify the sender. Views expressed in this message are those of the individual sender, and are not necessarily the views of their organisation.

## Re: chat with Daryl

**From:** Maddy McCure <maddy.mccure@premier.nsw.gov.au>  
**To:** Sarah Cruickshank <sarah.cruickshank@premier.nsw.gov.au>  
**Cc:** Charlie Cull <charlie.cull@minister.nsw.gov.au>, Sean O'Connell <sean.o'connell@minister.nsw.gov.au>  
**Date:** Thu, 31 Aug 2017 21:33:49 +1000

Sounds like things are moving in the right direction. We'll discuss further tomorrow. Thanks Charlie

Sent from my iPhone

On 31 Aug 2017, at 7:13 pm, Sarah Cruickshank <[Sarah.Cruickshank@premier.nsw.gov.au](mailto:Sarah.Cruickshank@premier.nsw.gov.au)> wrote:

Thanks Charlie – that's good progress.

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**From:** Charlie Cull  
**Sent:** Thursday, 31 August 2017 6:52 PM  
**To:** Maddy McCure <[Maddy.McCure@premier.nsw.gov.au](mailto:Maddy.McCure@premier.nsw.gov.au)>; Sarah Cruickshank <[Sarah.Cruickshank@premier.nsw.gov.au](mailto:Sarah.Cruickshank@premier.nsw.gov.au)>  
**Cc:** Sean O'Connell <[Sean.O'Connell@minister.nsw.gov.au](mailto:Sean.O'Connell@minister.nsw.gov.au)>  
**Subject:** chat with Daryl

Hi Sarah and Maddy,

I've had a chat with Daryl.

I relayed the contents of the email to him and passed on that Bright Foods were positively disposed towards resolving the matter. I'm also about to email him.

I suggested that he consider not travelling to China next week given the progress we have made and given that the Minister will be in China. He indicated that while he didn't want to travel, he would still do so if he had to, and that he would also consider seeing the National Assets Management Group (high level CCP coordination body).

Before any more action is taken, I would like to have two things clarified tomorrow morning.

1. I've asked the trade team to clarify one element of the information that was relayed back to me – whether or not the Chinese believe that the audit of the joint business in Australia has occurred.
2. Austrade have not been able to confirm the face to face meeting with Bright foods tomorrow morning, but are still trying to have it go ahead. If the meeting goes ahead, it will shed further light on where any issues are and how much progress we have made. This might be enough to dissuade Daryl from travelling.

I recommend that we chat again tomorrow lunch/afternoon once the two things above are clarified to decide further action. However, happy to take any guidance.

Regards,

**Charlie Cull**  
Senior Policy Advisor  
Office of the Minister for Primary Industries  
Minister for Regional Water, and Minister for Trade and Industry  
Deputy Leader of the Government in the Legislative Council

T: +61 2 8574 7173  
[REDACTED]

<image001.png>

 <p>NSW GOVERNMENT</p>	 <p><b>BUILDING</b> a safer Pacific Highway</p>	 <p><b>\$13.9 BILLION</b> agriculture industry</p>	 <p>Fast-tracking the <b>NEW XPT</b> fleet</p>
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## Fwd: Bright Foods Update

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**From:** Daryl Maguire <daryl.maguire@parliament.nsw.gov.au>  
**To:** Jimmy Liu <jimmy@uwecommodities.com>, Freda Feng <freda@uwecommodities.com>  
**Date:** Fri, 01 Sep 2017 15:44:37 +1000

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Sent from my iPhone

Begin forwarded message:

**From:** Charlie Cull <[Charlie.Cull@minister.nsw.gov.au](mailto:Charlie.Cull@minister.nsw.gov.au)>  
**Date:** 1 September 2017 at 3:29:45 pm AEST  
**To:** Daryl Maguire <[Daryl.Maguire@parliament.nsw.gov.au](mailto:Daryl.Maguire@parliament.nsw.gov.au)>  
**Subject:** FW: Bright Foods Update

Hi Daryl,

Please see below the latest update from Susan. As you indicated, the understanding from the Chinese side is that there are matters unresolved from the previous audit that was conducted in Jan/Feb 2017.

As we discussed, this now provides a clear avenue for UWE to continue its conversations with Shanghai Dairy and Bright Foods, with the assistance of Austrade. I look forward to hearing about any progress that UWE make over the weekend.

I will advise if and when I have any update on the below.

Regards,  
Charlie

Hi Charlie,

I spoke to Richard Coote, the Austrade STC in Shanghai last night and he confirmed he has made the request to meet with the Chairman of Bright Foods on this matter and has not yet had a response, he will follow up today.

Ms He advised Tony Zhang that the conditions linked to the exit of SDG from the joint venture with UWE are from an audit previously conducted. She did not mention another audit.

The role of Government here is to assist the two sides to talk directly to progress the exit. Austrade is well positioned to be able to assist in this way which will save Daryl a trip into market.

I suggest a teleconference with Richard once he has met with Bright Foods.

Susan



## Re: Bright Foods Update

**From:** Daryl Maguire <daryl.maguire@parliament.nsw.gov.au>  
**To:** Jimmy Liu <jimmy@uwecommodities.com>  
**Cc:** graham.steer@hillrogers.com.au, Freda Feng <freda@uwecommodities.com>  
**Date:** Sat, 02 Sep 2017 13:27:54 +1000

Hello all , I think Graham needs to word this letter in legal terms , and site the Audit , ie items 1234, 5 outstanding ( land title settled 4 July 17 )see certificate of title attached , 678 9 outstanding (deposit ) reason ect , you know what I mean , Jimmy I wouldn't send what you have written until it's been reworked in Grahames legal accounting speak. I would not start with surprised and disappointed , just a basic introduction

Sent from my iPad

On 2 Sep 2017, at 9:43 am, "Jimmy Liu" <jimmy@uwecommodities.com> wrote:

Hi Guys

Please help to polish some words if there are not right describe. We are going to send it over to them once we're all happy.

Thanks again.

Have a nice weekend.

Best regards

Jimmy

Sent from my iPhone

Begin forwarded message:

**From:** Freda Feng <freda@uwecommodities.com>  
**Date:** 2 September 2017 at 9:13:04 am AEST  
**To:** Jimmy Liu <jimmy@uwecommodities.com>  
**Subject:** Re: Bright Foods Update

We have received Bright Food response which make us so disappointed and surprised. We don't know what's the issues has been still outstanding, In order to clarify more true picture for the case, We need to show several evidence to approve our position at this stage. The story they talked is in the period of Jan and Feb 2017. We feel that all the issue has been completed finished so far. We would like to tell them to ask SDG for more information before they response us. It sounds they have no updated of the case and nobody has to bring us for the attention as below,

1. Property of Land (factory) was settled on the 4 July 2017.
2. Offshore loan against onshore guarantee ( 内保外贷 ) – UWE completed has transferred of AUD [REDACTED] (49% of AUD [REDACTED] ) to SDG account on 31 May 2017.
3. DingNiu deposit for contract J29112016 – Based on international trade payment term, Both of us (DingNiu and UWE Hay) have agreed to issues a LC (letter of Credit), but Buyer (DingNiu) has changed several time for payment term, We final agreed to upon front deposit + DP term due to DingNiu was unable to issue LC. This deposit was then offset against each shipment under the contract. As result of the day, up to Oct 2017, There are still 3,500 metric tonne of oaten hay need to ship. Therefore, We will make the bal [REDACTED] 00mt shipment to offset the rest of deposit. That's why we still have deposit around [REDACTED] today to against the balance of goods.

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If any further information is required then we strong to suggest that they should ask SDG with all the relevant information.

**From:** Daryl Maguire <[Daryl.Maguire@parliament.nsw.gov.au](mailto:Daryl.Maguire@parliament.nsw.gov.au)>  
**Date:** 1 September 2017 at 3:44:37 pm AEST  
**To:** Jimmy Liu <[jimmy@uwecommodities.com](mailto:jimmy@uwecommodities.com)>, Freda Feng <[freda@uwecommodities.com](mailto:freda@uwecommodities.com)>  
**Subject:** Fwd: Bright Foods Update

Sent from my iPhone

Begin forwarded message:

**From:** Charlie Cull <[Charlie.Cull@minister.nsw.gov.au](mailto:Charlie.Cull@minister.nsw.gov.au)>  
**Date:** 1 September 2017 at 3:29:45 pm AEST  
**To:** Daryl Maguire <[Daryl.Maguire@parliament.nsw.gov.au](mailto:Daryl.Maguire@parliament.nsw.gov.au)>  
**Subject:** FW: Bright Foods Update

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As we discussed, this now provides a clear avenue for UWE to continue its conversations with Shanghai Dairy and Bright Foods, with the assistance of Austrade. I look forward to hearing about any progress that UWE make over the weekend.  
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Regards,  
Charlie

Hi Charlie,

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I suggest a teleconference with Richard once he has met with Bright Foods.

Susan

## Re: Bright Foods Update

**From:** Daryl Maguire <daryl.maguire@parliament.nsw.gov.au>  
**To:** Jimmy Liu <jimmy@uwecommodities.com>  
**Date:** Mon, 04 Sep 2017 08:46:08 +1000

G'day looks good , spelling error (form) instead of From , send it to all people in the Conversation , inc Bright , Austrade , Susan , Charlie , on UWE letter head . Ask Sussan and Charlie to get their people in SH to follow up with madam U

Sent from my iPhone

On 4 Sep 2017, at 8:26 am, Jimmy Liu <jimmy@uwecommodities.com> wrote:

Hi Daryl, Good Morning,

I received some change from Graham in weekend, Please comments and what's next step for us to do. Thanks.

Freda, Graham and I have discussed the email form SDG/Bright and we are very surprised to see their response. We understood (and have advised SDG previously) of the actions in relation to the outstanding matters and we are completely at a loss to understand how this information was not made available to Bright. In the interests of getting a speedy settlement of the issues we again advise as follows:

1. Property Title we confirm that the property was settled on the 4 July 2017. SDG are fully aware of the process and status of this settlement.
2. Offshore loan against onshore guarantee ( 内保外贷 )? – UWE completed transfer of AUD [REDACTED] (49% of AUD [REDACTED] – UWE Hay BOC bank loan) to SDG account on 31 May 2017. [REDACTED] have a copy of bank transfer supporting this question.
3. Deposit for contract J29112016 – Originally this contract required an LC but it was later changed by the client to a 10% deposit for the total contract. This agreed deposit required the client to pay a 10% deposit of the total contract up front. This deposit was then offset against the supply of each shipment under the contract. The remaining deposit balance shown on the Balance sheet as at 31<sup>st</sup> December 2016 of approximately AUD [REDACTED] was a liability because we had not supplied the Oaten Hay under the contract. The balance has been subsequently paid back monthly based on the deliveries under the contract. As at todays date 3,500 mt under this contract remains outstanding to be delivered in October. Once this final amount is shipped, the contract will have been fully completed and the deposit all credited to the income account. SDG is fully aware of the agreed terms of this contract.

If any further information is required then we suggest that all the relevant information is with SDG but we are happy to assist should they require further clarification. We need the time schedule to settle the case urgently.

Regards

Jimm Liu

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**From:** Daryl Maguire <Daryl.Maguire@parliament.nsw.gov.au >  
**Date:** 1 September 2017 at 3:44:37 pm AEST  
**To:** Jimmy Liu <jimmy@uwecommodities.com>, Freda Feng <freda@uwecommodities.com>

**Subject: Fwd: Bright Foods Update**

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