

This is the 5th in our series of newsletters to keep the community up to date with developments concerning your local fuel outlet.

1st Goal Achieved: We Have a Planning Permit ...

YCDCo. has recently reached an agreement with the objectors to our planning application to establish a new community-owned service station on the IWS depot site in Railway Ave. An appeal against the Indigo Shire's decision to grant a permit which was lodged with VCAT has now been withdrawn. This follows an agreement between ourselves and the objectors' which have allayed their concerns about the development.

This is cause for some celebration but it is still only the first step

Break-even sales - a cause for optimism ...

During the month of October, our sales at the High street site continued at a rate of over 72,000 litres per month. This means YCDCo. has broken even for the first time in some 8 months of trading.

This is real **cause for optimism** for us all. It means our sales forecasts for the new site are more than realistic and arguably too conservative. It means that we can all be confident that a viable and profitable fuel station in Yackandandah is achievable and realistic.

But break-even is still short of profitable and your **continued support** is therefore vitally important to us.

Thankyou to everyone for your patience!

A Community-Owned Service Station - The Next Steps?

The next stages of the plan to secure Yackandandah's fuel supply are crucial. It is the fund raising stage for the project.

As stated previously, we propose to establish a new facility in Railway Ave. as a truly '**Community-Owned Service Station**'. By doing this, it will be the Yackandandah community itself which owns and operates the service station. This enables us to raise the necessary funds for the project (by selling shares in YCDCo.) and effectively underwrites our customer base for longer-term success.

There are still a number of steps we need to go through to achieve this which are illustrated in detail over the page. First, we need to convert YCDCo. into an **unlisted public company** (it is presently a private company) to enable us to sell shares to the community at large. Then there are a number of procedural steps we need to go through. The most significant of these is we need to get an exemption from the **Australian Securities and Investments Commission** (ASIC) from the prospectus provisions of the Corporations Act.

We will then invite the community to become shareholders/owners in YCDCo. We will issue a formal OFFER DOCUMENT and hold a public meeting to explain the proposal in detail.

We are presently finalising the Constitution for YCDCo. Key features will be:

- A commitment to return **50% of all profits back to community causes** or projects (to be defined);
- Share sale/transfer mechanisms which will prevent speculation, protect local ownership and ensure broad-based community ownership.

An 'Investment' ... NOT a donation!

From the outset in dealing with this problem, it became very clear that a long-term solution to Yackandandah's fuel supply could not be achieved through donations, subsidies or volunteerism.

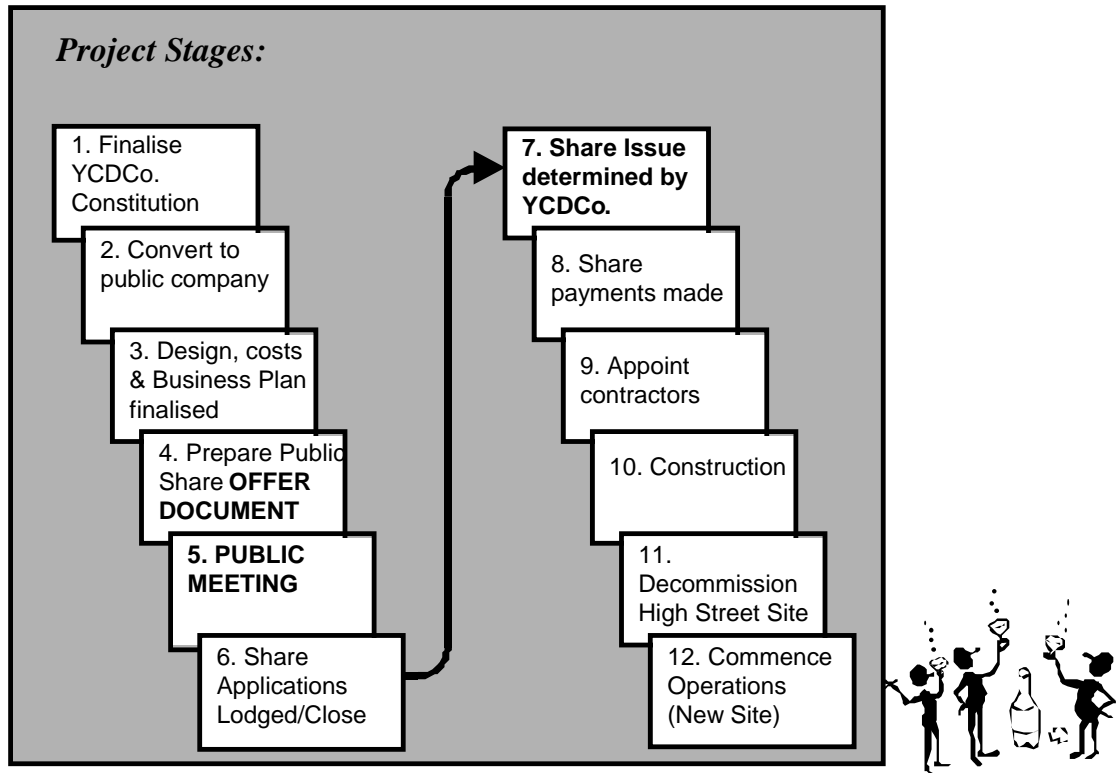
It was clear we need to develop a solution which is **financially viable as a business** and stands up as a **solid investment** in its own right. The proposed share offer will achieve this.

If and when you apply to buy shares in YCDCo. (which we hope you will) it can be regarded as a **sound financial investment** IT IS **NOT** A DONATION. It can be compared to buying shares in other public companies (ie; banks, retailers, telecommunications etc.) in that you will get a return on your investment and you will have an asset of value.

It will offer you a **competitive** financial return on your investment. In addition, you will have the knowledge that you are doing something positive for the community (through the 50% community commitment) which is something other public companies can't claim. Your shares will also be a **real asset** which can be held, used as security or sold if necessary (ie; if you leave town), albeit under a controlled process which will be explained.

When Will it Happen?

All this takes time. We plan to hold the public meeting in late February 2003. Plenty of warning and publicity will be given. This will enable the commencement of operations on a new site by about April/May 2003.



In the meantime, thank you for buying locally. Your ongoing support **REMAINS VITAL**.

And remember

The choice is yours

use it ...or lose it!