



Information Memorandum

Emu Plains Property Trust

Underwritten Pro Rata Entitlement Offer of Units to partially fund the acquisition of 13 Ferndell Street, South Granville, NSW.

20 November 2018

Important Notice to Investors

This Information Memorandum is provided by Pipeclay Lawson Ltd as trustee for the Emu Plains Property Trust.

Definitions

In this Information Memorandum, unless otherwise defined or the context otherwise requires, capitalised terms have the meaning given to them below:

"AFSL" means an Australian financial services licence issued by ASIC under the Corporations Act.

"ASIC" means the Australian Securities and Investments Commission.

"Bank" means the financial institution selected by the Trustee to provide the Bank Loan to the Trust.

"Bank Loan" means funding to be provided by the Bank to the Trustee as trustee for the Trust to refinance the existing debt facilities and or to assist with the acquisition of the Granville Property, which will be secured by a first-ranking mortgage registered over all of the assets of the Trust including the Emu Plains Property and the Granville Property.

"Bank Loan Facility" means the facility under which the Bank Loan is drawn down.

"BlueScope" means BlueScope Steel Ltd ACN 000 011 058 and or BlueScope Distribution Pty Ltd ACN 096 380 068 as the context requires.

"CBA" means the Commonwealth Bank of Australia.

"Constitution" means the constitution of the Trust.

"Corporations Act" means the *Corporations Act 2001 (Cth)*.

"Emu Plains Property" means land and improvements at 128 Russell Street, Emu Plains, New South Wales.

"Granville Property" means land and improvements at 13 Ferndell Street, South Granville, New South Wales.

"Hurdle IRR" means a pre-tax IRR of 10.00% p.a. calculated on monthly rests on all cash flow between the Unit Holder and the Trust in relation to a Unit.

"IM" means this Information Memorandum.

"Investment" means any investment in Units in the Emu Plains Property Trust.

"Investment Manager" means Pipeclay Property Management Pty Ltd as trustee for the Pipeclay Property Management Trust.

"Investment Model" means the financial model, incorporating various assumptions referred to in this IM that has been used to calculate targeted returns to Investors.

"IRR" means the annualised return on equity on a compounding monthly basis according to established finance conventions, which results in the net present value of future cash flows having a value of zero.

"LVR" means the ratio of the Bank Loan to Property Value.

"Offer" means the offer of Units in the Emu Plains Property Trust which is the subject of this IM.

"Pipeclay" or "Trustee" means Pipeclay Lawson Ltd, ACN 163 013 732, holder of ASFL number 437838.

"Pipeclay Investments Trust" means the FPG Pipeclay Investments Trust the trustee of which is FPG Pipeclay Investments Pty Ltd (a company owned by interests associated with David Libling and Emil Pahljina).

"Property" or "Properties" means the Emu Plains Property and or the Granville Property as the context requires.

"Property Value" means the market value of each or all of the Properties owned by the Trust as determined by an independent valuer appointed by either a Bank or the Trust.

"sqm" means square metres.

"Trust" means the Emu Plains Property Trust.

"Unit" means a unit in the Trust.

"Unit Holder" or "Investor" means, as the context requires, a holder of Units or an investor applying for Units in the Trust.

Purpose of Information

This Information Memorandum ("**IM**") is dated 20 November 2018. This IM does not relate to, and is not relevant for, any purpose other than to assist Investors to decide whether to proceed with a further investigation of an Investment. This IM is for an offer (the "**Offer**") of units in the Emu Plains Property Trust (the "**Trust**"). This IM is a summary of the terms and conditions of the Investment and does not purport to contain all the information that an Investor or an Investor's professional adviser may require in making a decision in relation to an Investment. The definitive terms and conditions of the Investment will be contained in the Constitution. If there is any inconsistency between this IM and the Constitution, the Constitution will prevail.

This IM has not been, and will not be lodged with ASIC. The Investment contained in this IM is an offer that does not require disclosure to Investors under Part 6D.2 or Part 7.9 of the Corporations Act. This IM is not a Product Disclosure Document as defined by the Corporations Act 2001 and this IM is not an offer to any person who is not a Qualifying Investor (see definition below).

Investors should read and fully understand the Constitution and this IM before deciding to participate in the Offer. Investors are also encouraged to review each of the due diligence reports commissioned by the Trustee. Investors interested in obtaining copies of the reports should contact Lachlan Philips at lachlan@pipeclaylawson.com.au.

Responsibility

Some of the conclusions, opinions and forecasts made in this IM are based on information obtained from third parties. The inclusion in this IM of statements and findings attributable to, or references to or about, certain third parties may not have been consented to by such third parties and those third parties do not take any responsibility for statements and findings attributed to them in this IM.

None of the Trustee, its associates and each of their respective officers, employees, agents or advisers guarantees the success of an Investment or the performance of the Trust or the repayment of capital (including the return of any principal invested in the Trust or income return in respect of any Investment) or the financial performance of the Property.

This IM is intended to provide information and not advice and it should not be relied upon. This IM has been prepared without taking into account your individual objectives, financial situation, needs or taxation position. The Trustee strongly recommends that you consult with appropriate legal, financial business and taxation advisors in respect of your objectives, financial situation and needs before deciding to participate in the Offer. To the extent permitted by law, the parties mentioned in this IM, their officers, employees and associates exclude all liability in connection with an Investor's reliance on this IM.

All expressions about the Trust inferring the present tense are statements of the intention of the Trustee as to how the Trust will operate. The terms of the Constitution may differ materially from the statements made in the IM. Before applying for any Units, Investors must ensure they obtain a copy of and read the Constitution in its entirety and, if necessary, seek their own independent professional advice.

Investment Risk

The Investment is subject to substantial investment risk, including possible delays in payment and loss of income and capital invested.

The Trust will be subject to a significant amount of debt. The Trust will initially borrow circa 60% of the combined value of the Properties. Investors should consider the Investment to be speculative and illiquid.

The Trustee does not, in any way, represent that the description of key risks outlined in this IM is exhaustive or a complete description of all possible risks in connection with the Investment. Section 6 sets out some information on the risks associated with an Investment, but is not exhaustive. The Trustee does not represent that the information set out in Section 6 is comprehensive or adequate in its consideration of the risks referred to in Section 6.

Forward-looking Statements and Target Returns

This IM contains forward-looking statements and target returns and the Trustee, its associates and each of their respective officers, employees, agents or advisers may make additional written or oral forward-looking statements from time to time. Such forward-looking statements may include statements of intention, forecasts, projections of revenues, profits, losses, returns to Investors, capital expenditure, business relationships, financings or investments by third parties, developments and plans for future operations. No guarantee is given that any such forward-looking statements will prove to be correct. Furthermore, forward-looking statements and target returns are based on various assumptions that may prove to be incorrect and may materially affect the accuracy of such forward-looking statements and target returns. No representation or warranty is given as to the achievement or reasonableness of any assumption, target returns, plans, forecasts, future projections, management targets or prospects and nothing in this IM is or should be relied upon as a promise or representation as to the future.

Diagrams and Information

Diagrams used in this IM are illustrative only and may not be drawn to scale. All references to dollars are Australian dollars and are exclusive of GST unless stated otherwise.

Authorised Material

Without limiting any other disclaimers concerning this IM, no person is authorised to give any information or make any representation that is not contained in this IM and any information or representation not contained in this IM must not be relied upon as having been authorised by the Trustee or any other corporation or trust referred to in this IM.

Wholesale Clients Only

This IM has been prepared on a confidential basis for distribution only in Australia to "wholesale clients" within the meaning of section 761G of the Corporations Act ("**Qualifying Investors**"). This Offer is not intended for, should not be distributed to, and should not be construed as an offer or invitation to, any other person.

A person may not (directly or indirectly) offer or issue an invitation to subscribe for Units, nor distribute this IM in the Commonwealth of Australia, except under circumstances where the offer or invitation does not require disclosure to investors to be made under Part 7.9 of the Corporations Act and complies with any other applicable laws, regulations or directives.

Distribution

The distribution of this IM and an Investment may be restricted by law in certain jurisdictions. The Trustee does not represent that this IM may be lawfully distributed, or that the Investment may be lawfully offered, in compliance with any requirements in any such jurisdiction, or assumes any responsibility for facilitating any such distribution or offering.

In particular, no action has been taken by the Trustee, which would permit a public offering of Units or distribution of this IM in any jurisdiction. Accordingly, Units may not be offered or sold, directly or indirectly, and neither this IM nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this IM comes must inform themselves about, and observe any such restrictions.

Confidentiality

The information in this IM is strictly confidential and must not be copied, disclosed, used, duplicated or transmitted by any means in whole or in part for any purpose other than the evaluation by the recipient of an Investment. If you do not agree with this condition please return or destroy this document immediately.

Questions & Contacts

If you have any questions regarding this IM or should you require any further assistance or information, please contact Emil Pahljina on 0427 929 358 or via email at emil@pipeclaylawson.com.au or David Libling on 0407 631 255 or via email at david@pipeclaylawson.com.au.

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1. Executive Summary

Executive Summary

Pipeclay is pleased to present this opportunity to invest in the Emu Plains Property Trust. The Trust was established on 20 December 2013 and acquired the Emu Plains Property on 17 March 2014. Subject to the satisfactory completion of its due diligence and legal documentation the Trustee will also acquire the Granville Property for the Trust.

Some investment highlights in relation to the Trust are:

- The Emu Plains Property is a five hectare (49,710 sqm) industrial site upon which there are two significant buildings and a total lettable area of 19,637 sqm.
- The Granville Property is a 26,740 sqm site upon which is a highly functional manufacturing facility and a total lettable area of 15,302 sqm.
- Both Properties are fully leased to BlueScope. The operations at each site consist principally of steel cutting and fabrication. BlueScope have occupied the Emu Plains Property for 26 years. The operations at the Granville Property were acquired from OneSteel in 2013 but have been in situ at that location for at least 30 years.
- The current lease at Emu Plains expires in January 2026. BlueScope has two options to extend the lease, each for a further 5 years. The current rent is \$2,060,170 p.a. with fixed annual increases of 3% each July and a market review every third year and on option exercise. On each market review the rent is subject to a cap of 5% and a floor equal to the prior year's rent.
- The current lease at Granville expires 15 April 2020. BlueScope have two options to extend the lease, each for 7 years. The current rent is \$1,543,992 p.a. (circa \$101 per sqm). Rent is subject to an open market review on option exercise. The Trustee believes that the costs of relocating the existing operation on site are prohibitive and that BlueScope intends to extend the lease for 7 years at the current market rent, estimated by the Investment Manager to be \$120 per sqm.
- Forecast initial distribution yield of 7.5% and a target IRR of 11.3% over the remaining investment term of 7 years.

Pursuant to this IM, the Trustee is seeking to raise \$7.72 million of subscriptions through the issue of 5,080 Units at an issue price of \$1,570. Pipeclay expects to refinance the existing debt of the Trust and to borrow the additional funds required to purchase the Granville Property. The expected terms of the Bank Loan Facility are set out in Section 5 of this IM.

Qualifying Investors are invited to apply for Units. **Investors must send their Application for Units form to the Trustee at GPO Box 5355, Sydney, NSW, 2001. Applicants are required to pay the subscription amount in full by 3 December 2018 to facilitate settlement of the acquisition of the Granville Property, currently expected to be 13 December 2018.**

Applicants must either enclose a cheque payable to the Trustee with their application or alternatively electronically transfer the requisite sum in accordance with the directions set out in the Application for Units form. The Trustee may, acting in its sole discretion, extend the time for payment of any subscription amounts by Investors.

Pipeclay Investments Trust currently owns 1,106 Units and will subscribe for 619 of the Units being offered pursuant to this IM. Under the terms of the Constitution, the Pipeclay Investments Trust will receive a \$256,478, discount on the total subscription price of these Units, which equals 1% of the total acquisition cost of the Granville Property.

Distributions will continue to be paid monthly in arrears after rent is received from BlueScope, generally within the first five business days of each month.

The Property Portfolio

The Trust acquired the Emu Plains Property on 17 March 2014 for an agreed purchase price of \$20.57 million. The Emu Plains Property has recently been valued by Savills at \$35.80 million. The Investment Manager believes that it has a good working relationship with BlueScope and to date the investment has generally performed well above expectations.

The Emu Plains Property has excellent access to the M4 Motorway and comprises a land area of 49,710 sqm upon which there are two significant manufacturing warehouses. The first building was completed in circa 1991. It has a total lettable area of 10,565 sqm and an internal clearance of 6.5 metres. The second building was completed in January 2011. It has a total lettable area of 8,692 sqm and an internal clearance of 9 metres. Both buildings have extensive crane coverage in the warehouse areas, extensive hard stand surrounds which provide generous drive around access for semi-trailers, and multiple roller doors on three sides.

The purchase price for the Granville Property is \$24.225 million. The Granville Property comprises 26,740 sqm of land upon which there is a highly functional manufacturing facility (14,219 sqm). The office and amenities accommodation (1,083 sqm) is housed in separate buildings at the front of the property. The warehouse has an internal clearance of 8.8 to 11.6 metres, heavy duty concrete slab, full drive around and drive through access, multiple roller shutter doors and 7 gantry cranes ranging in capacity from 5 to 15 tonnes. The Granville Property is well suited to BlueScope's current operations on site. Consequently the Investment Manager expects BlueScope to exercise its first option to renew its lease for a further 7 years.

The Investment Manager believes that circa \$967,000 in capital works will be required at the Granville Property. The Bank Loan Facility will include a \$967,000 capital expenditure facility.

Investment Strategy

The Investment Manager believes that the Properties present an attractive long-term investment.

The Emu Plains Property in particular appears to be of significant strategic value to BlueScope. The terms of the lease are such that BlueScope has been able to secure long term occupancy at a predictable cost which is significantly below current market.

The Investment Manager believes that the Granville Property presents an attractive and accretive investment for the Trust. The current rent represents a yield of 6.37% on the purchase price of \$24.225 million. However, additional capital expenditure of up to circa \$1 million is anticipated. The current rent is also estimated to be circa 20% below market. The acquisition yield becomes 7.3%, being the expected market rent in April 2020 if BlueScope exercises its first renewal option, on the aggregate of the purchase price plus the cost of the additional capital works. In the current market this represents an attractive acquisition yield for a well located Western Sydney property with a high quality embedded tenant.

The value of industrial land in Western Sydney has grown substantially over the last few years due principally to a loss of industrial space to residential and office use and higher levels of logistics and distribution activity within the greater Sydney area. The Investment Manager believes that industrial rents do not yet reflect the increase in land values and that the Granville Property will experience significant market rental growth and that the Property consequently has the potential to generate good capital gains over the remaining investment term of the Trust (7 years).

The Investment Manager believes that the optimal strategy would be to relocate the operations from Granville into a new building on surplus land in Emu Plains and to obtain a higher and better use for the Granville site. This has been discussed with BlueScope and the prospect would be attractive but only when the existing machinery was being replaced rather than relocated. This opportunity may not present itself prior to the termination of the Trust and consequently is not factored into Pipeclay's base case projections and forecasts.

The combined value of the Properties, on acquisition of the Granville Property is estimated to be \$60 million. BlueScope are a quality tenant. The Investment Manager believes that the two Properties will attract interest from institutional investors if sold as a package. Properties that attract institutional capital are currently trading at tighter yields than sub-institutional grade properties.

Forecast Returns to Investors

Forecast distributions for the Trust are based on the assumptions set out in Section 5, which the Trustee currently believes are appropriate and reasonable.

Forecast Distributions:

Six months to 30 June 2019:	7.5%
Year to 30 June 2020:	7.5%
Year to 30 June 2021:	7.9%
Year to 30 June 2022:	8.4%
Year to 30 June 2023:	9.2%

Percentages are on a per annum basis and represent the monthly distributions, which are paid in arrears, divided by the issue price of the Units offered pursuant to this IM (\$1,570). The distribution yield quoted for the six months from 31 December 2018 to 30 June 2019 has been annualised.

Target Investor IRR:

Approximately 11.3% p.a., for the remaining 7 year investment term of the Trust.

Investment Manager

The Trustee has entered into an investment management agreement with the Investment Manager, to assist with management of the Properties and the administration of the Trust.

The Libling family have been successful investors in industrial property for 30 years. The Investment Manager will adopt their investment approach which is based on the following core values:

- To only buy industrial properties which it believes have better than average prospects for value growth, and to only buy at investment yields that are attractive and where the risk return proposition favours the purchaser.
- To develop an understanding of each tenant's business, be in frequent and senior contact and therefore be in a position to appropriately respond to each tenant requirement and to endeavour to anticipate and solve the tenant's property operational problems.
- To address all repairs and maintenance so as to protect the value of each property whilst minimising the impact on each tenant's operations and over the long term minimising outgoings expense to the tenant.
- To constantly assess the market and to sell a property if the market conditions or property specific opportunity is unlikely to be maintained in the future.

It is a policy of Pipeclay that its principals (and or their related entities) provide 10% of the equity in each of its managed property investments. The Trustee believes that this provides investors with a fully aligned Trustee and a significant point of difference to alternate investment opportunities.



2. Investment Terms

Investment Terms

Trustee	Pipeclay Lawson Limited (ACN 163 013 732) (AFSL 437838).																				
The Investment Manager	The Trustee will continue to engage Pipeclay Property Management Pty Ltd as trustee for the Pipeclay Property Management Trust under an investment management agreement to provide certain management services in respect of the Trust.																				
Legal Structure	The Emu Plains Property Trust will continue to be an unlisted unregistered wholesale managed investment scheme.																				
Property	The Trust's primary assets will be the Emu Plains Property and the Granville Property.																				
Purchase of Granville Property	<p>A breakdown of total acquisition costs and the proposed funding of such costs is shown below. These numbers are exclusive of GST (where GST is applicable).</p> <table> <tr> <th>Acquisition Cost</th><th>\$</th></tr> <tr> <td>Purchase Price</td><td>24,225,000</td></tr> <tr> <td>Transfer Duties</td><td>1,317,885</td></tr> <tr> <td>Due Diligence & Legal Costs</td><td>105,000</td></tr> <tr> <td>Equity Underwriting Fees</td><td>175,094</td></tr> <tr> <td>Debt Establishment Fee</td><td>180,165</td></tr> <tr> <td>Working Capital</td><td>68,978</td></tr> <tr> <td>Total</td><td>26,072,122</td></tr> <tr> <td>Additional Senior Debt</td><td>-18,353,000</td></tr> <tr> <td>Total Equity Required</td><td>7,719,122</td></tr> </table> <p>The Emu Plains Property has been recently valued at \$35.80 million by Savills, for mortgage purposes. On completion of the acquisition of the Granville Property the Trust will own two Properties with a combined ascribed value of \$60.03 million and have total debt facilities of \$36.00 million, including the \$967,000 capital expenditure facility.</p>	Acquisition Cost	\$	Purchase Price	24,225,000	Transfer Duties	1,317,885	Due Diligence & Legal Costs	105,000	Equity Underwriting Fees	175,094	Debt Establishment Fee	180,165	Working Capital	68,978	Total	26,072,122	Additional Senior Debt	-18,353,000	Total Equity Required	7,719,122
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Additional Senior Debt	-18,353,000																				
Total Equity Required	7,719,122																				
Offering of Units	<p>Units in the Trust are being offered under this IM to wholesale clients (as defined under section 761G of the Corporations Act) in Australia ("Qualifying Investor"). These offers are made to an individual on a non-transferable basis to fund the Total Equity Required.</p> <p>The existing Unit Holders in the Trust are each entitled to subscribe for 14 Units for every 25 Units they currently own (the "Entitlement"). Unit Holders are not obliged to take up their Entitlement. Unit Holders interested in acquiring Units in addition to their Entitlement may apply to purchase any unallocated Units.</p> <p>The Trustee expects to issue 5,080 additional Units. The Trust has already issued 9,071 Units. The Units issued pursuant to this IM will have the same rights and entitlements as the Units already issued by the Trust. The total number of Units issued by the Trust will therefore increase to 14,151 Units.</p> <p>The Pipeclay Investments Trust currently owns 1,106 Units. It will subscribe for its full Entitlement of 619 Units at a discounted price set out on page 12 of this IM. The remaining 4,461 Units are being offered at \$1,570 per Unit. Units not taken up by other Investors will be taken up by entities related to the Investment Manager.</p>																				
Investment Risks	An Investment in the Trust is expected to be illiquid and will involve investment risks. A non-exhaustive list of these risks is outlined in Section 6 of this Information Memorandum.																				

Key Documents	<p>The Trust was established by the Constitution on 20 December 2013. The Constitution sets out the rights and entitlements of all Unit Holders and governs the responsibilities, activities and fees payable to the Trustee.</p> <p>On 16 November 2018, the Unit Holders passed a special resolution authorising the Trustee to make certain amendments to the Constitution. These amendments were mostly required to facilitate the issue of Units contemplated by this IM and to ensure that rights and obligations (mostly in relation to the investment term of the Trust and fees payable to the Trustee) operate where the Trust owns two Properties rather than one as originally intended. The Trust Deed was amended in accordance with the special resolution on 19 November 2018.</p> <p>Each applicant is required to execute an Application Form and by doing so will acknowledge that they have reviewed the Constitution and agree to be bound by its terms.</p> <p>A copy of the Trust Constitution (as amended) is available to you or your adviser at your request.</p>
Distributions to Unit Holders	<p>The Trustee is targeting distributions of 7.5% (annualised) on the \$1,570 issue price of the Units. Distributions will be paid monthly in arrears. Settlement of the acquisition is currently scheduled for 13 December 2018. The first distribution on Units issued pursuant to this IM is expected to be paid on or around 7 January 2019.</p> <p>The Trust's distribution policy is to maintain an even monthly distribution whilst maintaining prudent levels of cash reserves. The Trustee will have the discretion to defer the payment of distributions or not to pay distributions if required to meet the terms of the Bank Loan Facility or to prudently manage Trust cash needs.</p>
Term	<p>The intended term of the Trust has not changed and is circa 7 years from the date of this IM.</p> <p>Subject to the qualifications set out below, the Trustee may sell in its discretion any Property between 20 December 2024 and 20 December 2027. The Trustee's present intention is to sell the Properties as a package in the second half of 2025.</p> <p>The Investment Manager will continuously assess the market and may make recommendations to the Trustee concerning the realisation and/or the holding of any Property. If at any time the Investment Manager recommends that the Trustee should sell any Property prior to 20 December 2024, the Trustee will call a meeting of Unit Holders. The Trustee may then sell the Property if a simple majority of Units at that meeting approves the sale.</p> <p>If at any time Unit Holders at a meeting resolve by special resolution that a Property be sold, the Trustee will use its best endeavours to sell the Property within 12 months of the date the resolution was passed. A 'special resolution' is a resolution of Unit Holders holding at least 75% of all issued Units.</p> <p>The Trustee will use its best endeavours to sell any remaining Property in the six months following 20 December 2026, unless prior to this date Unit Holders by special resolution resolve in favour of holding the Property beyond 20 December 2027, then the Trustee will be obliged to continue to hold and endeavour to sell the Property in accordance with that special resolution.</p> <p>Upon completion of the sale of the last Property, the Trustee will promptly wind-up the Trust.</p>
Withdrawal Rights	<p>Unit Holders will not have a right to withdraw from the Trust.</p>
Sale of Units	<p>It is the current policy of Pipeclay to assist any Unit Holder who wants to sell their Units to find an alternate purchaser of their Units.</p> <p>Unit Holders will only be entitled to sell or transfer their Units in the Trust to a Qualifying Investor with the approval of the Trustee, which will not be unreasonably withheld or delayed. Transfers of Units to related parties of existing Unit Holders will only be permitted where the transferee is a Qualifying Investor.</p>

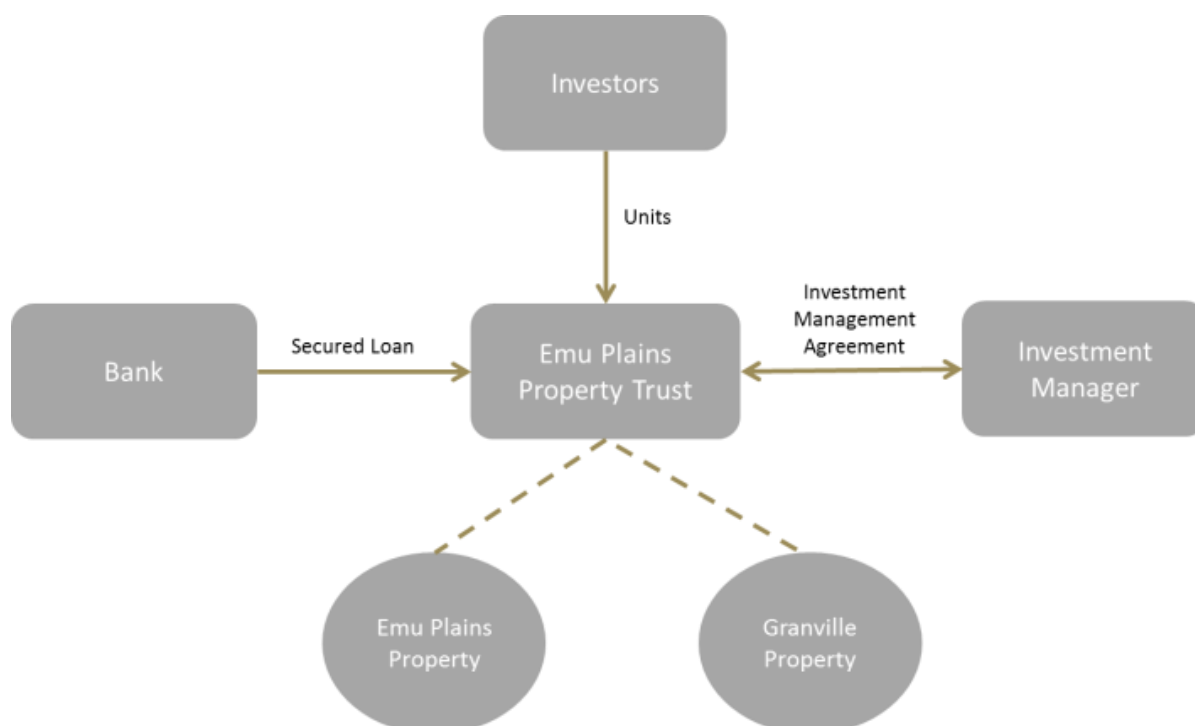
Stamp Duty on Subsequent Sale	<p>There will generally be no landholder duty or other form of stamp duty payable in respect of an acquisition of the units in the Trust, unless:</p> <ul style="list-style-type: none"> • An investor (and any “associated persons”, broadly defined) acquires 50% or more of the Units in the Trust; or • Any investors (whether associated persons or not) acquire 50% of more of the Units in the Trust under transactions that arise from substantially one arrangement. <p>Where applicable, landholder duty is payable by the person or persons who acquire the Units in the Trust at ad valorem rates of up to 5.5% on the part of the unencumbered value of the land held by the Trust that is represented by the Investor’s unit holding that was acquired. Whilst Investors should seek their own advice on the application of the landholder duty provisions, the Trustee has formed the view that landholder duty should not be applicable for Investors who participate in the Offer.</p>
Unit Holders Consents	<p>The Trustee will generally exercise its powers to act according to its discretion but in certain circumstances is required to seek approval from Unit Holders.</p> <ul style="list-style-type: none"> ○ Any variation to the Constitution that affects or may affect the rights of Unit Holders will require the consent of a special resolution of Unit Holders (holding at least 75% of all issued Units). The Trustee will have the ability to amend the Constitution without the approval of the Unit Holders but only where there is no effect on the rights of any Unit Holder. ○ The Trustee may only increase the number of units issued by the Trust with the consent of a special resolution of Unit Holders (holding 75% of all issued Units) unless the issue of further Units is required to prevent or cure an event of default under the Bank Loan Facility or other finance facility, in which case the approval of a simple majority of Unit Holders is required. <p>On 16 November 2018 Unit Holders, by special resolution, approved the acquisition of the Granville Property, the issue of Units to which this IM relates and certain amendments to the Constitution. The Trust will not acquire any further property or issue any additional Units without the consent of a special resolution of Unit Holders.</p>
Trust Management Fees¹	<p>Pipeclay will be entitled to an annual management fee of 0.75% (plus GST) of the Property Value. The management fee is to be paid monthly in arrears.</p>
Property Management Fee	<p>Pipeclay will be entitled to any Property Management Fee, paid by the Tenant as part of its outgoings obligations under each Lease. The current fee in relation to the Emu Plains Property is \$17,375 p.a. The expected fee in relation to the Granville Property is 1.5% of rent.</p>
Trust Expenses	<p>Pipeclay will be entitled to recover all expenses reasonably incurred by it in relation to the establishment of the Trust, the acquisition of the Granville Property and the activities of the Trust provided the expenses are payable to unrelated third parties. An estimate of the relevant acquisition costs is included on page 10 of this Information Memorandum.</p> <p>The Trustee will not be entitled to recover any travel expenses incurred by it or the Investment Manager in providing their services.</p> <p>Pipeclay will be responsible for all expenses incurred in the day to day administration of the Trust other than external accounting costs associated with preparation of the Trust’s annual financial statements and tax returns, statutory costs, costs associated with the Bank Loan Facility or any replacement loan or additional facility and costs associated with maintaining the bank accounts of the Trust.</p>
Equity Underwriting Fee	<p>Parties related to the Investment Manager have committed to subscribe for all Units issued pursuant to this IM which are not subscribed for by other Investors. The Trustee has agreed to pay those parties a fee of \$175,094 (being 2.5% of the amount of Total Equity Required less the amount being subscribed for by the Pipeclay Investments Trust) as consideration for this commitment.</p>
Acquisition¹	<p>The Trustee’s associate, the Pipeclay Investments Trust, will subscribe for its full Entitlement of 619 Units. Pipeclay Investments Trust will be entitled to a discount equal to \$256,478, being 1% of the total acquisition cost of the Granville Property on the total subscription price paid by it for these Units.</p>

Performance Fee¹	On the sale of the last Property, Pipeclay will be entitled to a performance fee equal to 15% (plus GST) of Unit Holders' returns in excess of the Hurdle IRR in relation to each Unit on issue (" Performance Fee "). The Hurdle IRR is a pre-tax IRR of 10% p.a. When calculating this IRR, all subscription proceeds and all distributions of income and capital in respect of each Unit will be factored in.
Application for Units	The Trustee reserves the right to reject, in full or in part, any application for Units.
Taxation	The taxation consequences of any investment in the Trust are dependent on each individual's circumstances. Investors are responsible for seeking the advice appropriate to their circumstances. The Trustee has commissioned a depreciation schedule for the Granville Property to be prepared by Napier & Blakeley. A copy of the schedule will be made available to the Unit Holders.
Subscription Payment	Subject to the Trustee exercising its discretion to extend the time for payment, the Trustee will require each Investor's subscription for Units to be paid on or before 3 December 2018 in order to facilitate settlement of the acquisition of the Granville Property currently expected to be 13 December 2017.
How to Apply	Section 8 of this IM details the steps to apply for Units in the Trust.
No Cooling Off Period	Applications to invest in the Trust are not subject to a cooling off period.
Offer Period	An Investor may apply for Units until 3.00pm (AEST) Friday, 3 December 2018 (subject to the Trustee, acting in its sole discretion, extending the time for such applications to be made) unless this IM is otherwise withdrawn.

Note 1 - Fees are fully outlined in Section 4 of this IM.

Investment Structure

The Trust is an unlisted unregistered wholesale unit trust. The Trustee will continue to engage the Investment Manager to provide management services in respect to the Properties. Pipeclay will procure a Bank Loan from the Bank to refinance the existing debt facility and or to assist with the acquisition of the Granville Property. The diagram below illustrates the ownership and management structure for the Properties.





3. The Properties

Property Description

The Emu Plains Property

The Emu Plains Property is in the Emu Plains industrial area and is approximately 1.5 kilometres from the on/off ramp (in both directions) for the M4 Motorway. It has a frontage of approximately 130 metres to Russell Street, which is the principal road through the Emu Plains industrial area.

The land area is 49,710 sqm. Improvements on the site consist principally of two buildings.

Building 1 was completed in the early 1990's. It consists of:

- 9,458 sqm of manufacturing warehouse with a 6.5 metre clearance and 100% overhead crane coverage;
- a 351 sqm maintenance facility; and
- 756 sqm of office, refurbished in 2012.

Building 2 was completed in January 2011. It consists of:

- 8,584 sqm of manufacturing warehouse with a minimum clearance of 9 metres with overhead crane coverage for the entire floor area; and
- office and amenities of 108 sqm.

In addition, the Emu Plains Property has:

- two one storey buildings, one serving as a production office (circa 162 sqm) and one as a lunch room and related amenities for employees (circa 218 sqm).
- circa 26,000 sqm of concrete hardstand and driveways designed to accommodate heavy-load traffic.

The gross lettable area for the Property is circa 19,637 sqm. Both buildings have awnings, drive-round access for semi-trailers and multiple roller doors on 3 sides.

The current business operations (Lysaght) were the first occupant of the site. In the early 1990s Lysaght, then part of BHP, moved its operations from Chullora to the Property because land was significantly cheaper and overall occupancy costs were therefore significantly lower.

The Granville Property

The Granville Property comprises 26,740 sqm of industrial land upon which there is a highly functional manufacturing facility (14,219 sqm). The office and staff amenities accommodation (1,083 sqm) are housed in separate buildings at the front of the Property. The warehouse has an internal clearance of 8.8 to 11.6 metres, full drive around and drive through access, as well as 7 roller shutter doors.

BlueScope have occupied the site since 2013, when they acquired the steel plate products division of OneSteel, which had been at the site since before 1989. BlueScope have advised that the relocation costs associated with the plant and equipment located on site are significant and that they therefore intend to exercise their first option to extend the lease.

The Granville Property has features which are uncommon and essential to its current operations:

- the concrete floor of the warehouse and its surrounds is able to withstand the heavy loads of steel coils and the installed machinery. The capital cost of this concrete is estimated to be \$250 to \$300 per sqm, materially higher than the cost of standard concrete (\$120 / sqm);
- the steel cutting machines require four concrete lined pits which are up to 8 metres deep; and
- there are 7 gantry cranes ranging in capacity from 5 to 15 tonnes.

Napier & Blakeley have undertaken a technical review of the condition of the building and have identified the potential need for capital repairs of \$967,000. Works totalling \$205,000 are categorised as highly likely and required to be done within the next 12 months. The balance of the works may be required in the next two to five years. The Trustee will include a \$967,000 capex facility as part of the debt package arranged for the acquisition of the Granville Property.

The environmental condition of the site was assessed in 2013 at the commencement of the current lease and most recently as part of the due diligence package provided by the Vendor. The current activities on site have been assessed as a low risk of causing contamination. However, the site's prior usage has left the following residual issues:

- in the vicinity of a former petroleum underground storage tank, there are localised hydrocarbons;
- in the vicinity of a former cyanide underground storage tank, there is localised cyanide presence;
- chlorinated solvents below guideline levels have been detected;
- where the underground storage tanks and connecting pipework were removed there is fill containing some asbestos material; and
- in the former galvanising area there is metal presence in the soil.

None of the identified issues are believed to have a material adverse impact on the ongoing industrial use of the site provided the concrete covering the relevant areas is appropriately maintained and where any underground work is required in any of the affected areas appropriate steps are taken to neutralise potential harm. Ramboll Australia Pty Ltd ("Ramboll") has undertaken a review of the environmental reports for the Trust. In its report Ramboll advise that the site is suitable for continued industrial and commercial use.

Legal due diligence has been undertaken by Johnson Winter & Slattery in accordance with an agreed scope. **Investors are encouraged to review the due diligence reports.** Copies of the reports can be obtained from Lachlan Philips at lachlan@pipeclaylawson.com.au.

The Leases

The Emu Plains Property

The principal terms of the BlueScope lease on the Emu Plains Property are summarised as follows:

Tenant	BlueScope Steel Limited
Lease Term	Lease expires on 15 January 2026
Options	The Lessee has two options to extend the lease, each for 5 years upon no less than 6 months prior notice.
Rent	\$2,060,170 p.a.
Rent Review	Rent increases annually by 3.0% each July 1, other than every third year and on exercise of each option term, when rent is subject to market reviews as set out below.
Market Reviews	Each market review is subject to a floor, being the preceding years rent and a cap on increase of 5%.
Outgoings	100% payable by the Lessee including insurance premiums, council rates and Land Tax.
Maintenance	The Trust is responsible for costs and repairs which are structural in nature.

Granville Property

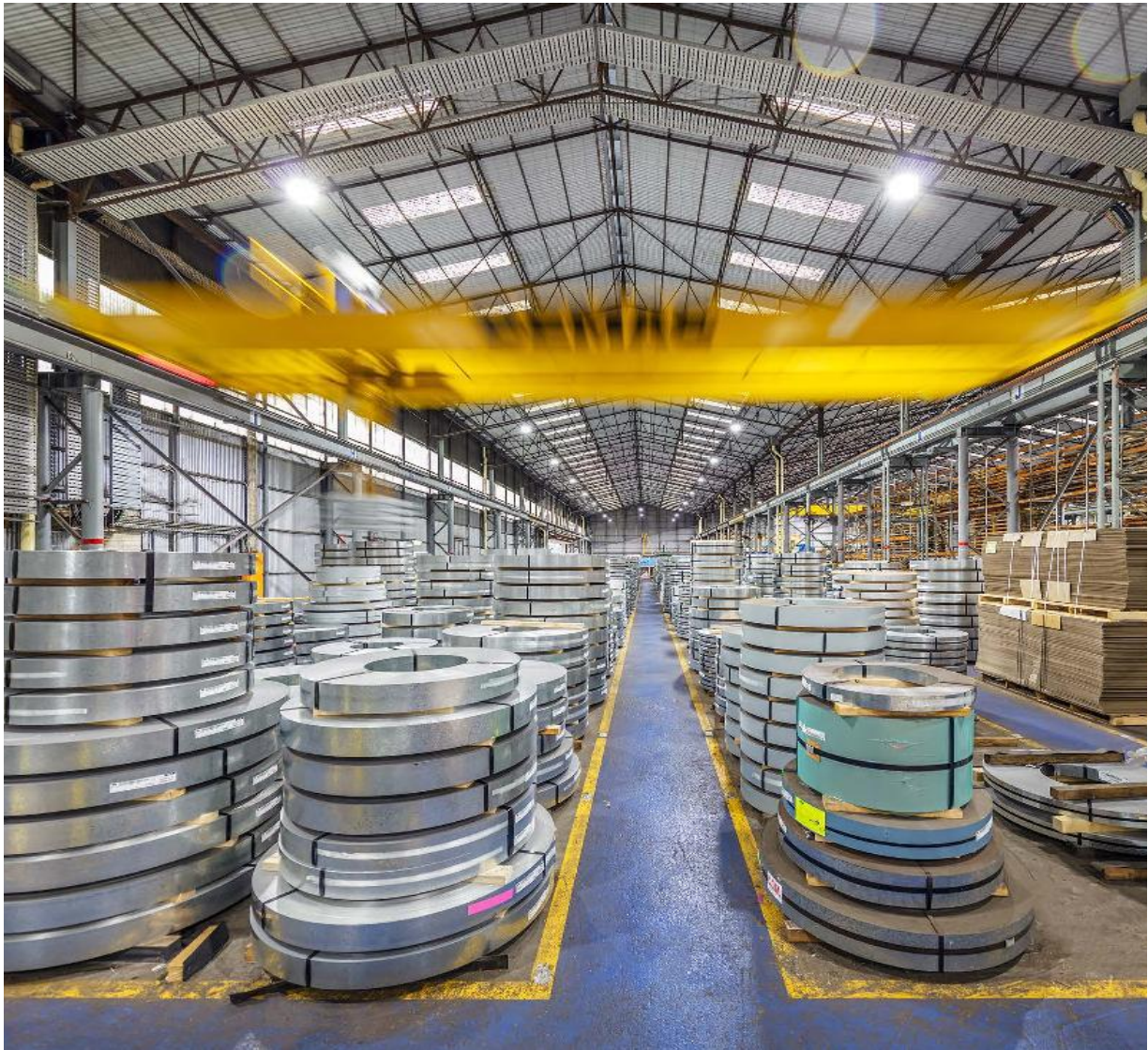
The principal terms of the BlueScope lease over the Granville Property are summarised as follows:

Tenant	BlueScope Distribution Pty Ltd
Lease Term	Lease expires on 15 April 2020
Options	The Tenant has two options to extend the lease, each for 7 years upon no less than 12 months prior notice.
Rent	\$1,543,992 p.a.
Rent Review	Rent will increase annually by 3.5%. Rent is subject to a market review on exercise of each renewal option.
Outgoings	100% payable by the Lessee including insurance premiums, council rates and Land Tax.
Maintenance	The Trust is responsible for costs and repairs which are capital or structural in nature.

The Tenant

BlueScope Steel Limited is an ASX listed company with a current market capitalisation of \$7 billion. In the financial year to 30 June 2018 the company had revenue from continuing operations of \$11.5 billion and earnings before interest and tax of \$1.64 billion.





4. Investment Strategy

Investment Strategy

The Trustee will engage the Investment Manager to manage the Properties on behalf of the Trust. The Investment Manager will be responsible for management of the Properties and implementing the investment strategy as described in this IM. The Investment Manager will also assist the Trustee in management of the Trust.

Investment Management Approach

The Libling family through the Flower Property Group have been successful investors in industrial property for 30 years. The Investment Manager will adopt their investment management approach, which is based on the following core values:

- To only buy industrial properties which it believes have better than average prospects for value growth, and to only buy at investment yields that are attractive and where the risk return proposition favours the purchaser.
- To develop an understanding of each tenant's business, be in frequent and senior contact and therefore be in a position to appropriately respond to each tenant requirement and to endeavour to anticipate and solve the tenant's property operational problems.
- To address all repairs and maintenance so as to protect the value of each property whilst minimising the impact on each tenant's operations and over the long term minimising outgoings expense to the tenant.
- To constantly assess the market and to sell a property if the market conditions or property specific opportunity is unlikely to be maintained in the future.

Pipeclay has been formed to provide investors with the ability to invest alongside the Libling family. Consequently, no property will be the subject of any Pipeclay managed trust unless there has been a prior determination by the principals that they will invest in that property. The Pipeclay Investments Trust will subscribe for 619 Units, being its full Entitlement to subscribe for additional Units. Entities related to the Trustee have also agreed to subscribe for any Units not otherwise allocated to investors.

The Investment Strategy for the Trust

The Investment Manager believes that the Properties present an attractive long-term investment.

The Emu Plains Property in particular appears to be of significant strategic value to BlueScope. The terms of the lease are such that BlueScope has been able to secure long term occupancy at a predictable cost which is significantly below current market.

The Investment Manager believes that the Granville Property presents an attractive and accretive investment for the Trust. The current rent represents a yield of 6.37% on the purchase price of \$24.225 million. However, additional capital expenditure of up to circa \$1 million is anticipated. The current rent is also estimated to be circa 20% below market. The acquisition yield becomes 7.3%, being the expected market rent in April 2020 if BlueScope exercises its first renewal option, on the aggregate of the purchase price plus the cost of the additional capital works. In the current market this represents a attractive acquisition yield for a well located Western Sydney property with a high quality embedded tenant.

The value of industrial land in Western Sydney has grown substantially over the last few years due principally to a loss of industrial space to residential and office use and higher levels of logistics and distribution activity within the greater Sydney area. The Investment Manager believes that industrial rents do not yet reflect the increase in land values and that the Granville Property will experience significant market rental growth and that the property consequently has the potential to generate good capital gains over the remaining investment term of the Trust (7 years).

The Investment Manager believes that the optimal strategy would be to relocate the operations from Granville into a new building on surplus land in Emu Plains and to obtain a higher and better use for the Granville site. This has been discussed with BlueScope and the prospect would be attractive but only when the existing machinery was being replaced rather than relocated. This opportunity may not present itself prior to the termination of the Trust and consequently is not factored into Pipeclay's base case projections and forecasts.

The combined value of the Properties, on acquisition of the Granville Property is estimated to be \$60 million. BlueScope are a quality tenant. The Investment Manager believes that the two Properties will attract interest from institutional investors if sold as a package. Properties that attract institutional capital are currently trading at tighter yields than smaller and or sub-institutional grade properties.

Managing Investment Capital

Investment Term

The remaining term of Trust is still 7 years. It is the current intention of the Investment manager to sell both Properties as a package in the second half of 2025.

The Investment Manager will continuously assess the market and may make recommendations to the Trustee concerning the realisation and/or the holding of the Properties.

If at any time the Investment Manager recommends that the Trustee should sell a Property prior to 20 December 2024, the Trustee will call a meeting of Unit Holders. If, at the meeting, the Unit Holders holding the majority of Units being voted at that meeting, resolve to sell the Property in accordance with the Investment Manager's recommendation, then the Trustee will be obliged to use its best endeavours to affect a sale in accordance with the resolution.

If at any time Unit Holders at a meeting resolve by special resolution that a Property be sold, the Trustee will use its best endeavours to sell the property within 12 months of the date on which the resolution was passed. A 'special resolution' is a resolution of Unit Holders holding at least 75% of all issued Units.

The Trustee will use its best endeavours to sell any remaining Property in the six months following 20 December 2026, unless Unit Holders by special resolution resolve in favour of holding the Property beyond 20 December 2027, then the Trustee will be obliged to continue to hold and endeavour to sell the Property in accordance with that special resolution.

Upon completion of the sale of the last Property, the Trustee will promptly wind-up the Trust.

Payment of Distributions

Distributions will be paid monthly in arrears. Settlement of the acquisition is currently scheduled for 13 December 2018. The first distribution following the acquisition is expected to be paid on or around 7 January 2018.

The Trusts distribution policy is to maintain an even monthly distribution whilst maintaining prudent levels of cash reserves.

The Trustee will have the discretion to defer the payment of distributions or not to pay distributions if required to make adequate provision for costs and expenses of the Trust or where the Trustee considers it to be in the best interest of Unit Holders.

Investment Management Team



David Libling

David was educated at Melbourne and Oxford Universities and has been the Managing Director of the Flower Property Group since its inception. David has been acquiring, managing and divesting of industrial properties for 30 years. During his career, David has been a director of various subsidiaries of National Mutual, Rothschilds Australia, Bank of America and Westpac Banking Corporation.

David is one of the Responsible Managers for Pipeclay.



Sandy Libling

Sandy was one of the first female CEOs of an Australian listed company. She was educated at Oxford University (Philosophy, Politics & Economics) and the University of Sydney (Psychology). She has been a Director of the Flower Property Group since its inception and has considerable experience in all aspects of industrial property investment.

Sandy is the Chair of Pipeclay Lawson Ltd.



Emil Pahljina

Emil has a degree in Economics from Monash University and Bachelor of Laws from the University of Melbourne. Emil has 20 years of funds management experience including a range of managed investment schemes in respect of both real estate and infrastructure assets. Emil was the Chief Executive of the ASX listed Challenger Infrastructure Fund to December 2012 and prior to that Head of Principal Investments and Acquisitions for the Specialised Capital Group at Westpac Banking Corporation.

Emil is one of the Responsible Managers for Pipeclay.



Matt Libling

Matt graduated from Cambridge University with first class honours and, subsequently, a Masters in Mathematics. Matt began his career at McKinsey & Company in London. Until 2017, Matt was the Director of Strategy and a member of the Executive Management Committee for NOW: Pensions, a UK Subsidiary of Denmark's largest pension fund and the fastest growing private sector pension scheme in the UK. In April 2017 Matt joined Partners Capital, an investment manager with £18 billion under advisement. Matt recently became a Principal of Partners Capital.

Fees and Charges

The Trustee is entitled to receive certain fees in consideration for services provided to the Trust. The fees paid to the Trustee will be paid out of the Trust. The Trustee has agreed to pay a significant proportion of its fees to the Investment Manager.

Asset Management Fees

The Trustee will be entitled to an annual management fee equal to 0.75% of the Property Value. The management fee (plus GST) will be paid monthly in arrears each calendar month or part thereof during the term of the Trust.

The Trustee will have the Properties independently valued whenever the Trust's financiers require and on any refinance of the Bank Loan Facility. The Trustee will adopt the most recent valuation undertaken for these purposes as the Property Value for calculating management fees.

Property Management Fees

Under the terms of each lease, the lessee is obliged to meet the cost of "Outgoings". Outgoings typically include the cost incurred by the property owner in relation to property management, but do not include the property owner's internal costs of property management. The Trustee has engaged the Investment Manager to provide property management services. The Investment Manager will be entitled to any Property Management Fees paid by the Tenant as part of its outgoing obligations under each lease. The current fee payable for the Emu Plains Property is \$15,802 p.a. and for the Granville Property is expected to be 1.5% of rent.

Trust Expenses and Costs

Pipeclay will be entitled to recover all expenses reasonably incurred by it in relation to the acquisition of the Property and the activities of the Trust, provided the expenses are payable to unrelated third parties.

The Trustee will not be entitled to recover any travel expenses incurred by it or the Investment Manager in providing their services.

Pipeclay will be responsible for all expenses incurred in the administration of the Trust other than external accounting costs associated with preparation of the Trust's annual financial statements and tax returns, statutory costs (including registration fees payable to ASIC) and costs associated with the Bank Loan Facility and maintaining bank accounts of the Trust.

Acquisition Discount

Pipeclay Investments Trust currently owns 1,106 Units and will subscribe for 619 of the Units being offered pursuant to this IM. Pipeclay Investments Trust will receive a \$256,478, discount on the total subscription price of these Units, which equals 1% of the total acquisition cost of the Granville Property.

Equity Underwriting Fee

Parties related to the Investment Manager have committed to subscribe for all Units issued pursuant to this IM which are not subscribed for by other Investors. The Trustee has agreed to pay those parties a fee of \$175,094 (being 2.5% of the amount of Total Equity Required less the amount being subscribed for by the Pipeclay Investments Trust) as consideration for this commitment.

Outperformance Fee

Upon the sale of the last Property the Trustee will be entitled to a performance fee equal to 15% (plus GST) of Unit Holder returns in excess of the Hurdle IRR in relation to each Unit.

The Hurdle IRR is a pre-tax equity IRR of 10% p.a.. When calculating this IRR, all subscription proceeds received and distributions paid in respect of each Unit will be factored in.

Building Supervision Fee

Where the Trust undertakes capital expenditure in excess of 3% of the value of the relevant Property, the Trustee is entitled to a fee equal to 4.5% of that capital expenditure. The Trustee will not receive this fee on the proposed capital works required for the Granville Property and does not expect this fee to arise during the investment term.

Refund of Due Diligence and Costs

Upon the acquisition of the Property, the Trustee will be entitled to a refund of due diligence and legal costs it has incurred in relation to the Property. They include:

- the cost of obtaining environmental due diligence and building inspection reports from Ramboll Australia Pty Ltd and Napier and Blakely;
- the cost of having various Vendor due diligence reports assigned or reissued to the Trust;
- the cost of the valuation reports from Savills Valuations Pty Ltd; and,
- legal costs associated with reviewing and amending the Constitution, documentation for the Unit Holder vote held on 16 November 2018, this IM, the structure of the transaction and this Offer, negotiating amendments to the contract of purchase and general conveyancing advice from Johnson Winter & Slattery;

The total amount expected to be payable by the Trust in respect of the above costs is \$105,000.



5. Financial Information

Acquisition Costs and Funding

A breakdown of the total costs to be incurred and funding for the acquisition of the Granville Property are as follows:

Acquisition Costs	
Purchase Price	24,225,000
Transfer Duties	1,317,885
Due Diligence & Legal Costs	105,000
Bank Establishment Fee	180,165
Equity Underwriting Fee	175,094
Working Capital	68,978
Total	26,072,122
Additional Debt on Acquisition	-18,353,000
Total Equity Required	7,719,122

Senior Debt Facility

The Trustee is currently in advanced negotiations with the Trust's financiers regarding the provision of the Bank Loan Facility and the associated interest rate swaps. The expected key terms of the Bank Loan Facility will be as follows:

Limit	\$36,000,000
Purpose:	a) To refinance the Trust's existing secured loan (\$16,680,000); b) To assist with the acquisition of the Granville Property (\$18,353,000); and, c) For capital expenditure required at the Properties (\$967,000)
LVR	60% of Property Value
Term	2 or 3 years from drawdown
Interest Margin	2.20% margin above 90 day bank bill rate (BBSY). The Trustee intends to increase the notional principal on its existing interest rate swap as outlined below.
Payments	Interest only payable quarterly in arrears
Key Covenants	Net Rent / Interest (Interest cover ratio) cover must exceed two times The Property must be insured on terms acceptable to the Bank. The Trustee will not change the Constitution or the management arrangement of the Trust without the Bank's consent
Key Events of Default	The Trust will be required to maintain an LVR of 60% and an interest coverage ratio of 2 times as outlined below,

Interest Rate Management

The Trustee has entered into an interest rate swap with the CBA, under which the Trust has agreed to pay the CBA 3.315% on each quarterly rate set date and receive the 90 day bank bill rate (BBSY). The exiting swap matures 3 October 2023 and has a notional principal of \$16.68 million.

The Trustee intends to increase the notional principal of the interest rate swap by \$18.353 million, being the additional amount to be borrowed to acquire the Granville Property. The total notional principal of the swap will therefore be \$35.033 million. The increase in the interest rate swap will be entered into at or around the settlement of the acquisition of the Granville Property.

The Trustee does **not** intend to extend the current maturity date of the swap or to fix interest rates in respect to the capital expenditure facility.

The Trustee will monitor long term interest rates and where it believes Unit Holders interests are best served it will seek to extend some or all of its interest rate swaps to cover the expected interest rate exposure in the period beyond the initial term of the interest rate swap.

In the event that the interest rate swap is terminated earlier than its maturity date (3 October 2023), then break costs may be payable to or receivable from the Bank.

Key Events of Default

The Trust will be required to have a LVR no greater than 60% during the term of the facility. The LVR will be determined by reference to an independent valuation from a valuer approved by the Bank. The Bank will have the right to require each Property to be valued at any time.

The Trust will be required to maintain an interest coverage ratio of two times. The Interest coverage ratio is the net rent collected from the Properties divided by the total interest and fees payable under the Bank Loan Facility.

The Bank will require that all Trust distributions are suspended in the event that BlueScope does not exercise its option to renew the lease on the Granville Property.

Debt Refinance

The Trustee will regularly assess the state of debt capital markets and evaluate opportunities to refinance the Bank Loan Facility.

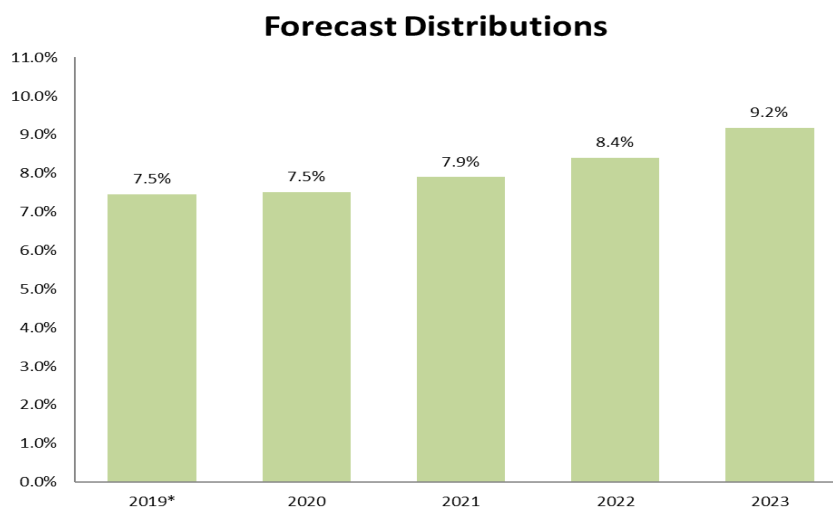
Target Returns to Investors

Forecast cash flows and distributions of the Trust for the next 5 financial years are set out below.

Period Ending 30 June	2019*	2020	2021	2022	2023
Rent - Emu Plains	1,030,085	2,163,179	2,228,074	2,294,916	2,409,662
Rent - Granville	785,506	1,657,584	1,852,307	1,917,138	1,984,238
Recoverable Outgoings (estimate)	289,179	601,492	625,551	650,573	676,596
Income	2,104,770	4,422,254	4,705,932	4,862,627	5,070,496
Bank Loan Interest & Fees	-844,833	-1,714,779	-1,870,356	-1,873,514	-1,880,068
Outgoings (estimate)	-266,947	-555,251	-577,461	-600,559	-624,581
Property Management Fee	-22,231	-46,241	-48,091	-50,014	-52,015
Asset Management Fee	-225,094	-450,188	-450,188	-450,188	-450,188
Trust Expenses	-4,106	-14,867	-8,883	-9,238	-16,724
Expenses	-1,363,211	-2,781,325	-2,954,978	-2,983,513	-3,023,575
Net Income (Before Depreciation)	741,558	1,640,929	1,750,955	1,879,114	2,046,920
Net Movement in Working Capital	17,298	28,889	3,769	-11,182	-9,176
Net Capital Transactions	68,978	0	0	0	0
Distributions	827,834	1,669,818	1,754,724	1,867,932	2,037,744
Distributions (\$ per Unit)	58.5	118.0	124.0	132.0	144.0
Running Yield	7.5%	7.5%	7.9%	8.4%	9.2%
Monthly Distributions (\$ per Unit)	9.75	9.83	10.33	11.00	12.00
No of Units on Issue	14,151	14,151	14,151	14,151	14,151
Issue Price of Additional Units	1,570	1,570	1,570	1,570	1,570
Interest Cover (Net Rent / Interest)	2.15	2.23	2.18	2.25	2.34

- Note: FY 2019 cash flow relates to six month period from 31 December 2018 to 30 June 2019. Running yields are the distributions divided by the issue price for the Units to be issued pursuant to this IM (\$1,570). The running yield for FY19 has been annualised

The targeted distributions for investors are illustrated below:



The investment highlights for investors are:

- A forecast distribution of 7.5% p.a. from settlement to 30 June 2020;
- Distributions will continue be paid monthly in arrears;
- The Trustee has commissioned a depreciation schedule for the Granville Property from Napier & Blakely.

Return Assumptions

The forecast returns set out in this IM are based on the Trust completing the acquisition of the Property no later than 31 December 2018 at a total acquisition cost of \$26.072 million as set out above (refer page 23). The forecast returns are also based upon the following assumptions, which the Trustee considers to be reasonable and appropriate.

Rental Income

BlueScope pays all rent, outgoings and capital expenditure in accordance with its obligations under the two leases:

- Rent on the Emu Plains Property is \$2,060,170 p.a. and increases by 3% each July during the forecast period other than 2019 and 2022, when the rent is assumed to increase by 5%. The Investment Manager believes that the current rent is below market and that consequently each triennial market review during the forecast period will result in a 5% increase in rent.
- Rent payable at the Granville Property is currently \$1,543,992 p.a. and increases at 3.5% each April. BlueScope is expected to exercise its first option to renew the lease on the Granville Property for 7 years from 15 April 2020. The rent payable on commencement of the new lease is assumed to be \$1,836,240 being \$120 per sqm. Rent continues to escalate by 3.5% each April.

Senior Debt Assumptions

The Trustee borrows \$35.033 million to refinance its existing debt and to assist with the acquisition of the Granville Property:

- The terms of the Bank Loan Facility including all fees and margins are as set out above.
- The weighted average of the fixed rates payable on the interest rate swaps is 2.63% p.a. to 30 June 2020 and 3.07% p.a. for the remainder of the forecast period. The margin is assumed to be 2.25% for the forecast period.
- The Trust draws on the capital expenditure facility to undertake capital works at the Granville Property. Interest on this facility will not be fixed but is assumed to be payable at the above swap rates plus margin.
- There is no event of default during the forecast period.

Capital Expenditure

Napier & Blakeley have advised that the Trust will need to undertake works at Granville of \$205,000 over the next 12 months and that a further \$763,500 of capital works may be required over the next two to five years.

Management Fees

The fees payable to the Trustee are as set out in Section 4.

Trust Administration Expenses

The Trustee will bear costs and expenses associated with administration of the Trust other than costs payable to unrelated third parties being principally:

- External accounting costs associated with the preparation of annual financial and tax returns.
- Statutory costs associated with the Trust.
- Bank charges associated with the Debt Facility and bank accounts including the costs associated with getting independent valuations of the Property.

Targeted IRR to Investors

The Trustee has prepared an Investment Model which calculates the overall return to Investors in certain scenarios. The Trustee believes that an acceptable Base Case scenario is as follows:

- BlueScope exercises its option to extend its lease on the Emu Plains Property for 5 years from 15 January 2026.
- BlueScope exercises its option to extend the term of the lease on the Granville Property at a rent of \$120 per sqm and occupies the premises until 15 April 2027.
- The Tenant pays all rent and outgoings when due. Rent increases in accordance with the terms of each lease. Each triennial market review at Emu Plains, including on option exercise, results in a 5% increase in the rent payable on that Property.
- The Bank Loan Facility is refinanced on similar terms for the duration of the investment term.
- The total average interest cost is 4.88% p.a. to 30 June 2020 and 5.32% p.a. for the period to 30 September 2023 and 6.25% p.a. thereafter.
- The Trust incurs no capital expenditures other than those identified by Napier & Blakeley.
- The Trust's administration expenses are \$8,200 p.a. and escalate at 4.0% p.a. over the investment term. Management fees are as set out in Section 4.

The Properties are sold in 7 years time for \$67.6 million (net of expected sales costs). The overall return to Investors in this Base Case scenario is 11.3% p.a. after payment of all management fees including the outperformance fee.

Tax Deferred Benefits

The targeted annual distributions indicated above will include deferred tax distributions due to building depreciation allowances, and depreciation of plant and equipment. The Trustee has arranged for a schedule of depreciation to be prepared for the Granville Property, which will allow the tax deferred component of the distributions to be determined.

Sensitivity Analysis

The targeted returns are based on certain assumptions. While these assumptions are currently considered reasonable and appropriate, the nature of the property market and uncertainties and risks involved in predicting future events are such that actual outcomes may vary significantly from anticipated returns set out in this IM.

The following sensitivity analysis seeks to illustrate the susceptibility of Unit Holder returns to variations of certain identified event assumptions. All assumptions other than those identified are held constant in the Investment Model for the purpose of these illustrations.

Changes to Interest Rates

Currently the Investment Model assumes that the weighted average swap rate for the additional interest rate swap entered into by the Trustee at settlement is 2.58% p.a. which is reflective of the four and three quarter year swap rate offered by major Banks at the date this IM was prepared. Changes to the interest rate set on settlement of +/- 25bpts have the following impact on Unit Holder returns:

Variance	4.75 Year Swap Rate	Equity IRR % p.a.	Distributions Per Unit* (FY 19 – 23)
-25bpts	2.33%	11.4%	37.7%
Base Case	2.58%	11.3%	36.7%
+25bpts	2.83%	11.2%	35.8%

* Total distributions forecast to be paid to 30 June 2023 as a % of Unit issue price

The initial term of the Bank Loan will be two to three years from settlement. The Investment Model assumes that the Trust will be able to refinance the Bank Loan on similar terms throughout the investment term. Furthermore, the existing and proposed interest rate swaps of the Trust will mature on 3 October 2023. The Investment Model assumes that the average interest cost inclusive of margins from 30 September 2023 is 6.25%. Interest rates and margins at that time will almost certainly differ from the rates assumed in the Investment Model. Changes to the average interest rates post September 2023 of +/- 100pts have the following impact on Unit Holder returns:

Variance	Average Rate on Bank Loan Post Sept 2023	Equity IRR % p.a.	Distributions Per Unit* (FY 19 – 23)
-100bpts	5.25%	11.6%	36.7%
Base Case	6.25%	11.3%	36.7%
+100bpts	7.25%	11.0%	36.7%

* Total distributions forecast to be paid to 30 June 2023 as a % of Unit issue price

Market Rent on Granville Property

The Investment Model assumes that BlueScope exercises its option to renew its lease on the Granville Property. The rent is subject to a market review at that time. The Investment Manager believes that rent will increase to

\$1,836,240 p.a. from 15 April 2020, which is \$120 per sqm. The following table sets out the impact on Unit Holder returns of a +/- \$10 per sqm change in the rent achieved on renewal of the lease at the Granville Property:

Variance	Granville Rent on Lease Renewal (\$/sqm)	Equity IRR % p.a.	Distributions Per Unit* (FY 19 – 23)
-\$10 per sqm	\$110	9.9%	34.4%
Base Case	\$120	11.3%	36.7%
+\$10 per sqm	\$130	12.7%	39.1%

* Total distributions forecast to be paid to 30 June 2023 as a % of Unit issue price

If, contrary to the Investment Managers expectations BlueScope does not elect to renew the lease on the Granville Property then an alternate Tenant will have to be found for the premises. It will be a condition of the Bank Loan Facility that Trust distributions will have to cease until an acceptable alternate Tenant is located. The adverse impact of Unit Holder returns will be material and or significant losses may result (refer Risks – Section 6).

Changes in Sale Price on Exit

The Investment Model assumes that both Properties are sold as a package in December 2025, following the renewal of the lease on the Emu Plains Property. The Investment Model assumes that Properties are sold on a net income yield of 7.40%. The following table demonstrates the effect of that income yield being +/- 50bpts on the returns to Unit Holders:

Variance	Yield on Sale	Net Sales Proceeds (\$mil)	Equity IRR % p.a.
-50bpts	6.9%	\$72.5	13.0%
Base Case	7.4%	\$67.6	11.3%
+50bpts	7.9%	\$63.3	9.6%

In December 2025 the BlueScope lease at Granville will have a remaining term of 15 months. The realisable value of the Granville Property will therefore also be a function of the market rent applicable to it at that time. The Investment Model assumes that the Granville rent is set at \$120 per sqm in April 2020 and that it escalates at 3.5% during the extended term of the lease. The rent is therefore expected to be \$147.50 from April 2026. The Investment Model assumes that this is also the market rent for the Granville Property at that time. The following table illustrates the impact on Unit Holder returns from a +/- 10% change to the market rent applicable to the Granville Property in December 2025:

Variance	Granville Market Rent (\$/sqm)	Net Sales Proceeds (\$ mil)	Equity IRR % p.a.
-10%	\$132.75	\$64.6	10.1%
Base Case	\$147.50	\$67.6	11.3%
+10%	\$162.25	\$70.6	12.4%



6. Risks

Risks

Investing in the Trust exposes an Investor to a variety of risks. Investors should be aware that the value of future distributions and total returns may be influenced by a number of factors. Investors should only make an investment if they are prepared to accept the risks of that Investment.

Some general and more specific risks are considered below.

The risks identified are not an exhaustive list. The risks set out are considered to represent the most significant risks of the Trust. The mitigating factors listed below should not be viewed as eliminating the identified risks but rather as factors to be considered.

Valuation

RISK: The value of the Properties may decrease, not meet growth expectations or oscillate. Such changes can have a significant negative impact on the Trust's value, its financing arrangements, the Trustee's ability to refinance the secured loan and or the price ultimately realised on the sale of the Properties. Changes in value may arise as a result of property specific matters and general market conditions. Some of the major factors which influence the value of an industrial property are the level of general economic activity, the attractiveness for industrial activity of the area in which a property is located, the financial quality of the tenant, the remaining period of the lease term, physical requirements for industrial facilities, the level of long term interest rates and the supply of industrial land. All of these change over time.

The independent valuations by Savills may not accurately reflect the realisable market value of either Property on disposal due to assumptions and difficulties in accurately valuing real estate.

The above risks could cause the Trust to breach its loan covenants resulting in loss to the Trust and or a significant diminution in Unit Holder returns and or significant losses.

MITIGANT: Recent comparable sales and the independent valuer support both the assessed value of the Emu Plains Property and the purchase price being paid for the Granville Property.

BlueScope Default

RISK: The value of both Properties is dependent upon BlueScope's ability and willingness to meet its lease obligations. Their default would have a material adverse effect on the Trust and, depending on the economic conditions prevailing at the time, could lead to a significant period of vacancy. Distributions would be suspended and there could be a significant diminution in Unit Holder returns and or significant losses.

MITIGANT: BlueScope is listed on the Australian Stock Exchange. It has a current market capitalisation of \$7 billion. For the financial year to 30 June 2018 the company had total revenue from continuing operations of \$11.5 billion and earnings before interest and tax of \$1.64 billion.

Granville Vacancy

RISK: BlueScope have only 15 months remaining on the lease on the Granville Property. Should BlueScope elect not to renew the lease then an alternate Tenant will need to be found. Distributions will be reduced or suspended, the Trust may breach its loan covenants, and there could be a significant diminution in Unit Holder returns and or significant losses.

MITIGANT: Following discussions with BlueScope, the Investment Manager believes it to be impractical for it to relocate the operations currently on site and that BlueScope intends to exercise its option to renew the lease for 7 years from April 2020.

Market Rent Reviews

RISK: The Investment Model assumes that on renewal of the Granville lease the rent will increase to \$120 per sqm. The Investment Manager also believes that the market reviews at Emu Plains will result in 5% increases in rent at that location in 2019, 2022 and 2025. If a lower rent is achieved in either location this will adversely impact Trust distributions and Unit Holder returns.

MITIGANT: Savills, the appointed valuer, have advised that their forecast of market rent for the current user at Granville is \$117.50 to \$122.50 per sqm. Savills also agree that the current rent at Emu Plains is materially below current market.

Debt Finance

RISK: The Trustee intends to increase the gearing (the total amount of the loan / Property Value) of the Trust from 46.5% to circa 60% in order to complete the acquisition of the Granville Property and to carry out the identified capital works. Any increase in the level of gearing increases the possibility that the Trust will breach its loan covenants. Higher levels of gearing also impact the Trust's ability to arrange refinance on acceptable terms. The term of the proposed Bank Loan will be two or three years. Over the remaining term of the investment the debt facility will need to be periodically refinanced. The availability of credit and the terms on which it is available is a function of credit markets. Depending on the market conditions prevailing at the time, the terms of a replacement loan, including the LVR and interest cover ratios, may be less favorable.

The Trustee may be required to raise equity to reduce the Trust's LVR so as to avoid a forced sale of the Properties. This may result in dilution of Unit Holders' investment in the Trust and will negatively affect overall returns to Unit Holders.

Any loan default by the Trust could result in Trust distributions being suspended and or significant losses to Unit Holders.

Unit Holders will rank behind all secured and unsecured creditors of the Trust in any winding up of the Trust.

Physical Condition & Environmental Risk

RISK: Napier & Blakely have identified certain remedial works that may be required to the Granville Property. Ramboll have provided the Trustee with its review of the environmental issues on site. The Trustee does not have in-house expertise in these fields. If there is a material physical or environmental defect which is not identified in due diligence the Trust could incur substantial expenditure, and the value of the Granville Property may be substantially diminished. It is possible for these adverse consequences to arise without any fault or negligence on the part of the engaged consultants.

MITIGANT: The Trustee has employed specialist consultants to investigate the identified risks, which it believes to be reputable, experienced and competent. Persons intending to invest are encouraged to contact the Trustee who on request will provide copies of the reports provided by the consultants. Potential investors are encouraged to assess for themselves the thoroughness and likely accuracy of these reports.

Interest Rate and Derivatives

RISK: The cash flow and distribution forecasts outlined in this IM and the Investment Models prepared by the Investment Manager are based on interest rates as at the date of this IM. The Trustee will only enter into any additional interest rate swaps as set out in cash flow forecasts on settlement of the Granville Property, expected to be on 13 December 2018. Interest rates may increase over this period. The interest rate swaps will mature on 3 October 2023. Interest rates for the remainder of the investment term are based on assumptions which may prove incorrect.

Any increase in interest rates incurred by the Trust will decrease the amount available for distributions to Unit Holders and consequently Unit Holder returns. A sufficiently large increase in interest rates could result in a breach of the covenant relating to interest coverage. This could result in the Trust being forced to sell a Property at a disadvantageous time or manner and result in significant loss to the Unit Holders.

Early termination of the interest rate swap would result in break costs, which equal the difference between the economic value of the swap rate and the economic value of the then swap rates. This could result in a substantial payment to or from the Trust.

The Investment Manager has provided a sensitivity analysis on the potential impact of interest rates being higher or lower than the assumptions made in relation to the forecast period and the target return to Unit Holders.

Unforeseen and Unlisted Events

RISK: Owning and renting an industrial property is a form of business activity. Like all business activities it carries risks, including risks, of rare, **unforeseen or overlooked events**. Such risks if they materialise can result in a material financial detriment to Unit Holders.

Investment Model Assumptions

RISK: The Investment Models used to estimate Unit Holder returns are based on numerous assumptions. Whilst, at the date of this document, these assumptions are considered to be reasonable and appropriate by the Trustee, the assumptions may prove to be incorrect. If any of the assumptions prove to be incorrect, this may materially adversely affect the estimated returns to Unit Holders.

Casualty Events

RISK: The Properties could be affected by fire, flood, earthquake or another event.

The Properties will be insured against physical loss or damage to the improvements and consequential loss of rent. However, it is possible, though in the opinion of the Trustee unlikely, that either Property will be affected by an uninsured event (for example any damage resulting from civil unrest). It is also possible, though in the opinion of the Trustee unlikely, that the insurance will prove to be inadequate (for example if the period of reinstatement exceeds the period of loss of rent insurance).

If either property suffers damage or destruction that event may entitle the Tenant to terminate the lease and or the Trust's financiers to demand repayment of the loan. In these circumstances the Unit Holders could suffer substantial financial loss.

Legal Risk

RISK: The Trustee has engaged solicitors to act for it. The Trustee does not have in-house legal expertise and relies on its solicitors to obtain valid title to the Property, a registered valid lease to the tenant and a valid Constitution under which the Trust is administered. If any of these matters were to prove to be incorrect, the Trust could suffer substantial financial detriment.

The Trusts solicitors have provided the Trustee with a due diligence report in relation to the acquisition of the Granville Property. Persons intending to invest are encouraged to contact the Trustee who on request will provide copies of the report provided. Potential investors are encouraged to assess for themselves the thoroughness and likely accuracy of this report.

Taxation

RISK: The taxation rules governing an investment in the Trust may change during the investment term. These changes may adversely affect Unit Holder returns. Each Unit Holder is encouraged to seek professional tax advice in connection with any decision concerning an investment in the Trust.



7. Taxation

The information provided below is a brief summary of some relevant tax considerations and does not constitute advice or the opinion of the Trustee. Pipeclay does not have any in-house taxation expertise and in listing the consideration below has relied on advice and seeks no more than to highlight to the Investors that each Investor should obtain its own advice reflective of his/her circumstances.

The IM has been prepared on the basis that Investors are Australian residents who hold their Units on capital account. The information may not apply to Investors who are carrying on a business of trading or investing in Units for a profit. The taxation of a unit trust investment such as the Trust can be complex and may change over time. This section is not, and is not intended to be, tax advice. Accordingly, Investors are advised to seek professional tax advice in relation to their own position. The information below is based on existing tax law and practice as at the date of this IM.

Taxation of the Trust

The Trustee will not generally be liable for Australian income tax, provided that Investors are presently entitled within each income year to all of the distributable income of the Trust for that income year. This is intended to be the case under the Trust Constitution. The taxation liability, in respect of the net income of the Trust, will rest with the Investors.

Public Trading Trusts

The Trust may, however, be liable for income tax in any year where the requirements to be classed as either a public trading trust or a corporate unit trust are satisfied for that year. Based on the investment strategy of the Trust described in Section 4 of this IM, the Trustee believes that the Trust is not likely to meet these requirements and so should not be taxable as a public trading or corporate unit trust. The requirements are ongoing so that the position of the Trust in any year will depend upon the circumstances of the Trust in that year.

Tax Losses

Where a revenue loss or net capital loss is incurred by the Trust, the loss cannot be passed on to Investors for tax purposes. Instead, revenue tax losses will, provided the relevant trust loss rules are satisfied, be carried forward in the Trust and offset against assessable income derived by the Trust in future years. Net capital losses will be carried forward in the Trust and will be available to offset against future capital gains. The relevant trust loss rules for carrying forward revenue losses include a continuity of more than 50% of the ownership interests in the Trust.

Managed Investment Trust Rules

For the Trust to qualify as a managed investment trust in relation to an income year, it must satisfy a number of conditions including conditions relating to being widely held by Investors. Based on the anticipated investor base of the Trust, the Trustee does not believe the Trust will satisfy the “widely-held conditions” necessary for the Trust to qualify as a managed investment trust.

The remainder of this section, the investment strategy and the Investment Model assume that the Trust is not a managed investment trust.

Taxation of Australian Resident Investors

Taxation of Distributions

Investors should have a present entitlement, within each income year, to all of the distributable income of the Trust for that income year. As such, each Investor will be required to include in their assessable income their share of the Trust’s net income for each income year ending 30 June, at the tax rate applicable to the Investor.

The assessable portion of trust distributions, as advised by the Trustee on an annual basis, should be included in an Investor’s assessable income in the year to which the distribution relates (i.e. the year in which the Trust derives the income, not when it is physically received by the Investor).

Distributions from the Trust may include various components, the taxation treatment of which may differ depending on the status of the Investor. For example, distributions may include tax deferred amounts, CGT concession amounts and net capital gains.

Tax Deferred Distributions

Tax deferred distributions effectively represent the excess of the income distributed by the Trust over the assessable component of those distributions.

The excess is sheltered from tax because of deductions such as capital works, depreciation on plant and equipment and other tax timing differences. Under current law and administration, tax deferred distributions are not immediately assessable when received by the Investor but will reduce the cost base of their Units. Therefore, tax deferred distributions received affect the Investor’s capital gain/loss on disposal of the Units. If an Investor exhausts their cost base in the Units, the tax deferred component of the distributions will give rise to an immediate capital gain to that Investor.

CGT Concession Component

The CGT concession component of a distribution represents the component of a capital gain derived by the Trust, which is not taxable by virtue of the CGT discount rules. There will be no reduction to the cost base of the Units held by the Investor in respect of the CGT concession component of a distribution by the Trust.

Net Capital Gain

A realised capital gain distributed by the Trust should be included with an Investor's other capital gains and losses (i.e. calculation of their net capital gain or loss).

Where the distributed capital gain includes a discounted capital gain component, the Investor is required to "gross up" that amount by the discount applied by the Trust (i.e. 50% or 33⅓%). The nominal capital gain (i.e. the whole amount of the gain prior to discount) is then included in the calculation of the Investor's net capital gain. The Investor may be entitled in their own right to a CGT discount if it is an individual, a trust or a complying superannuation entity (50% in the case of an individual or trust and 33⅓% in the case of a complying superannuation entity). Companies do not receive a discount on capital gains.

Disposals of Units and Taxation of Capital Gains

Investors who dispose of their Units must include any realised capital gain or loss on disposal of the Units in the calculation of their net capital gain or loss for the year. A net capital gain will be included in assessable income. A net capital loss may be carried forward until the Investor has realised capital gains against which the net capital loss can be offset (subject to any relevant loss recoupment rules). A net capital loss cannot be deducted against other assessable income for the year.

An Investor's net capital gain or loss is calculated as follows:

- The excess or shortfall of disposal proceeds over the cost base of the Units gives rise to a capital gain or loss on disposal of the Units.
- If the Investor has held the Units for less than 12 months, this amount is the gain or loss included in the Investor's net capital gain calculation.
- If the Investor has held the Units for 12 months or more and there is a loss, this loss is included in the Investor's net capital gain calculation.
- If the Investor has held the Units for 12 months or more and there is a gain, a discount factor may be available to certain Investors. The gain on the Units is initially reduced by any other capital losses of the Investor. If, as a result, a net capital gain arises it may be reduced by the discount factor. The discount factor for individuals and trusts is 50%, whilst a discount factor of 33⅓% applies for complying superannuation entities.

GST

GST of 10% is generally applicable to the fees, costs, expenses and commissions payable by the Trust, including the base management fees and other fees paid to the Trustee.

Generally the Trust can claim a credit for the GST incurred on expenses related to the underlying Property, so there is no net GST cost to the Trust. Certain costs, such as some of those related to the initial issue of Units and Investor relations will not be eligible for full credit, in which case 75% reduced input tax credits may be available on the ineligible part.

GST is not applicable to Investors in relation to the acquisition or redemption of Units.

Tax File Numbers and Australian Business Numbers

An Investor need not quote a TFN when applying for Units. However, if a TFN is not quoted, or an appropriate TFN exemption is not provided, tax is required to be deducted from any income distribution entitlement at the highest marginal tax rate plus Medicare levy (currently 49%) unless the Investor holds Units in the course of furtherance of an enterprise, in which case an ABN can be quoted instead.



8. How to Apply

How to Apply

Investors who wish to apply for Units must complete and return the attached Application Form.

First, read this IM and the Constitution, and the Application Form, and once signed, return the Application Form to Pipeclay Lawson Limited at GPO Box 5355, Sydney, NSW, 2001, so it is received by no later than 3.00pm on 3 December 2018 in order to facilitate settlement of the acquisition of the Granville Property on 13 December 2018.

Applicants must also either enclose a cheque with their application or alternatively electronically transfer the requisite sum in accordance with the directions set out in the Application Form. All cheques should be made out to Pipeclay Lawson Limited ATF the Emu Plains Property Trust. The Trustee may, acting in its sole discretion, extend the time for payment of any subscription amounts by Investors.

Save in the case of those Investors subscribing for at least \$500,000 worth of Units, all Investors will also be required to provide a Wholesale Client Declaration form certified by a qualified accountant.

ATTENTION IS DRAWN TO THE REPRESENTATIONS CONTAINED IN THE APPLICATION FOR UNITS FORM

INVESTORS WHO SUBSCRIBE AND WHOSE SUBSCRIPTION IS ACCEPTED WILL BE BOUND BY THE CONSTITUTION.