



AUGUSTA
FUNDS MANAGEMENT

AUGUSTA NUDGEE ROAD PROPERTY TRUST

ARSN 619 503 472

PRODUCT DISCLOSURE STATEMENT

An offer of units in the Augusta Nudgee Road Property Trust to raise A\$17.75 million with a minimum investment of A\$50,000 for each investor and in multiples of A\$50,000 thereafter.

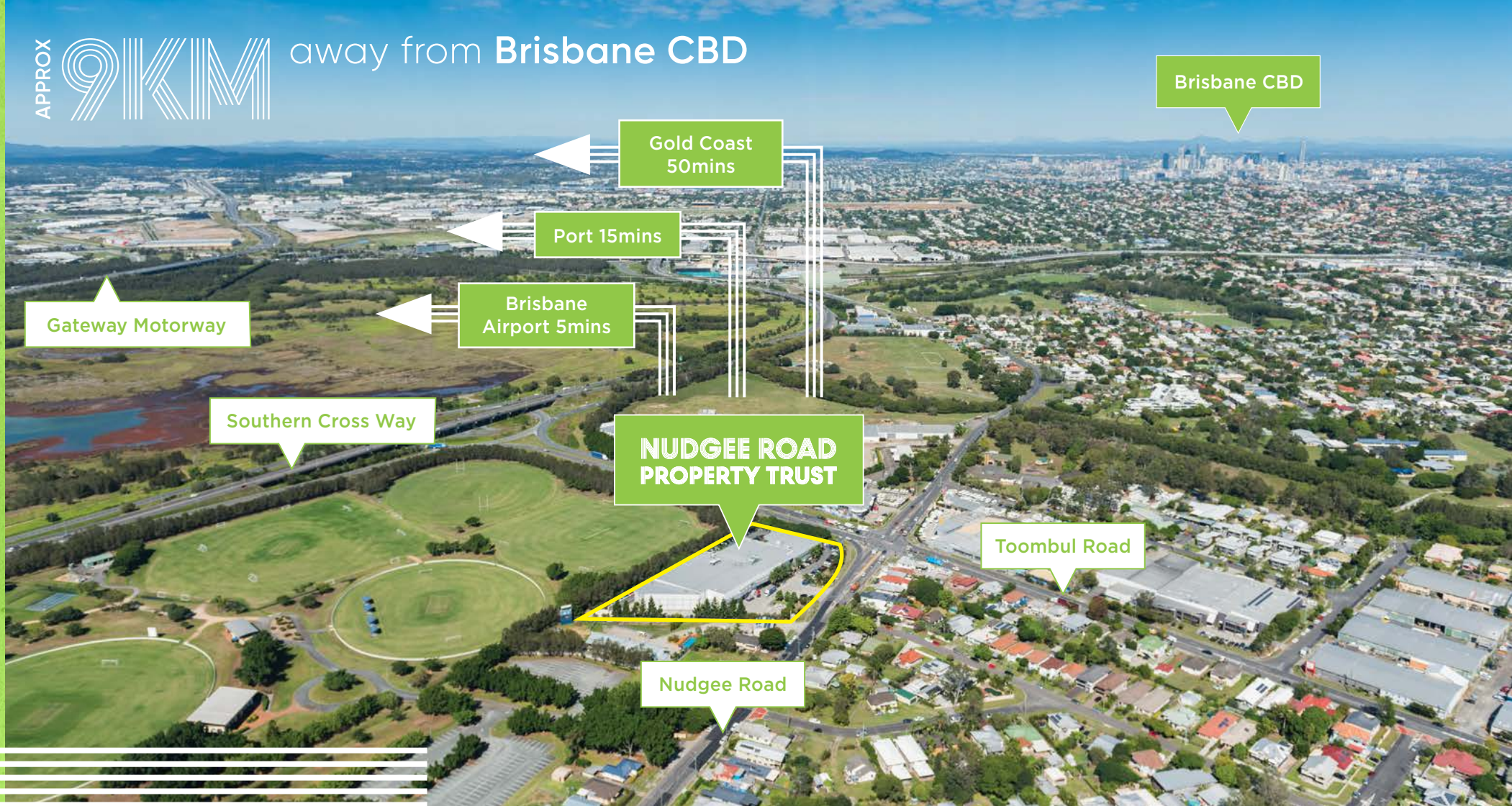
This is an important document and should be read in its entirety. If you do not understand any part of this document you should consult your professional adviser.







APPROX **9KM** away from **Brisbane CBD**



Indicative boundary line only.

OVERVIEW

Offer

This Product Disclosure Statement (**PDS**) provides information concerning an offer (**Offer**) of units in the Augusta Nudgee Road Property Trust ARSN 619 503 472 (**Trust**). The Trust is a unit trust and also, for the purposes of the Corporations Act 2001 (Cth) (**Act**), a registered managed investment scheme. DDH Graham Limited ACN 010 639 219 (**Responsible Entity** or **DDH Graham**), the holder of Australian Financial Services Licence (**AFSL**) no. 226319, is the responsible entity of the Trust and the issuer of this PDS.

Investors to conduct own investigation and analysis

The purpose of this PDS is to provide you with general information concerning the Trust and the Responsible Entity, to assist you in deciding whether to invest in the Trust and should be read in its entirety. This PDS is not to be considered as a recommendation by us or any of our officers, employees, agents or advisers that you invest in units, or that an investment in the Trust is a suitable investment for you.

You should conduct and rely upon your own investigation and analysis of the information in this PDS and other matters that may be relevant to you in considering whether to acquire units. In considering an investment in units you must make, and will be taken to have made, your own independent investigation and analysis of the information in this PDS. Independent expert advice (including from your accountant, lawyer or other professional adviser) should be sought before making a decision to invest in units.

Custodian

The custodian of the Trust is AET Structured Finance Services Pty Ltd ACN 106 424 088 (**Custodian**). The Custodian is not the issuer of this PDS and makes no representations as to, and takes no responsibility for, the accuracy or truth of any statement or omission from any part of this PDS.

Capital and investment returns are not guaranteed

The Responsible Entity, Custodian, Asset Manager and any of their officers, employees, agents or advisers do not guarantee the performance or success of the Trust, the repayment of capital or any particular rate of capital or income return.

Acknowledgments

You acknowledge that:

- (a) no person has been authorised to give any information concerning the Responsible Entity, Trust or the units other than as contained in this PDS and, if given, that information cannot be relied upon as having been authorised by us; and
- (b) you have been afforded an opportunity to request, and have received and reviewed, all information considered by you to be necessary or appropriate to verify the accuracy of, or to supplement the information contained in, this PDS and to make an informed decision about investing in the Trust.

Accuracy of forecasts

All forecasts in this PDS are for illustrative purposes only, using the assumptions described in this document. Actual results may be materially affected by changes in economic and other circumstances. The reliance that you place upon the forecasts is a matter for your own commercial judgment. No representation or warranty is made that any forecast, assumption or estimate contained in this PDS should or will be achieved.

Liquidity not guaranteed

Liquidity in the units generally cannot be guaranteed and investors do not have the right to withdraw their investment. Units offered under this PDS, when issued, will not be listed on any stock exchange.

PDS available electronically

This Offer is able to be accepted by persons who are residents of Australia or New Zealand. The PDS is available in electronic form at www.ddhgraham.com.au. In Australia, this PDS can also be requested in electronic form by contacting the Responsible Entity by email at fundadmin@ddhgraham.com.au. In New Zealand, this PDS can be requested in electronic form by contacting Bayleys Real Estate by email at syndication@bayleys.co.nz. Any person reviewing the PDS electronically may request a paper copy of the PDS from us free of charge.

The Application Form attached to this PDS contains a declaration that you have personally received the complete and unaltered PDS prior to completing the Application Form. You should read the PDS in its entirety before completing the Application Form.



OVERVIEW (CONT.)

No financial product advice

The information contained in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. You should review this PDS carefully and assess whether the information is appropriate for you and talk to a financial adviser before making an investment decision.

Anti money laundering legislation

Further information may be required from you from time to time to comply with the *Anti Money Laundering & Counter Terrorism Financing Act 2006* (Cth). By applying for units under this PDS, you undertake to provide us with all additional information and assistance reasonably required.

Definitions

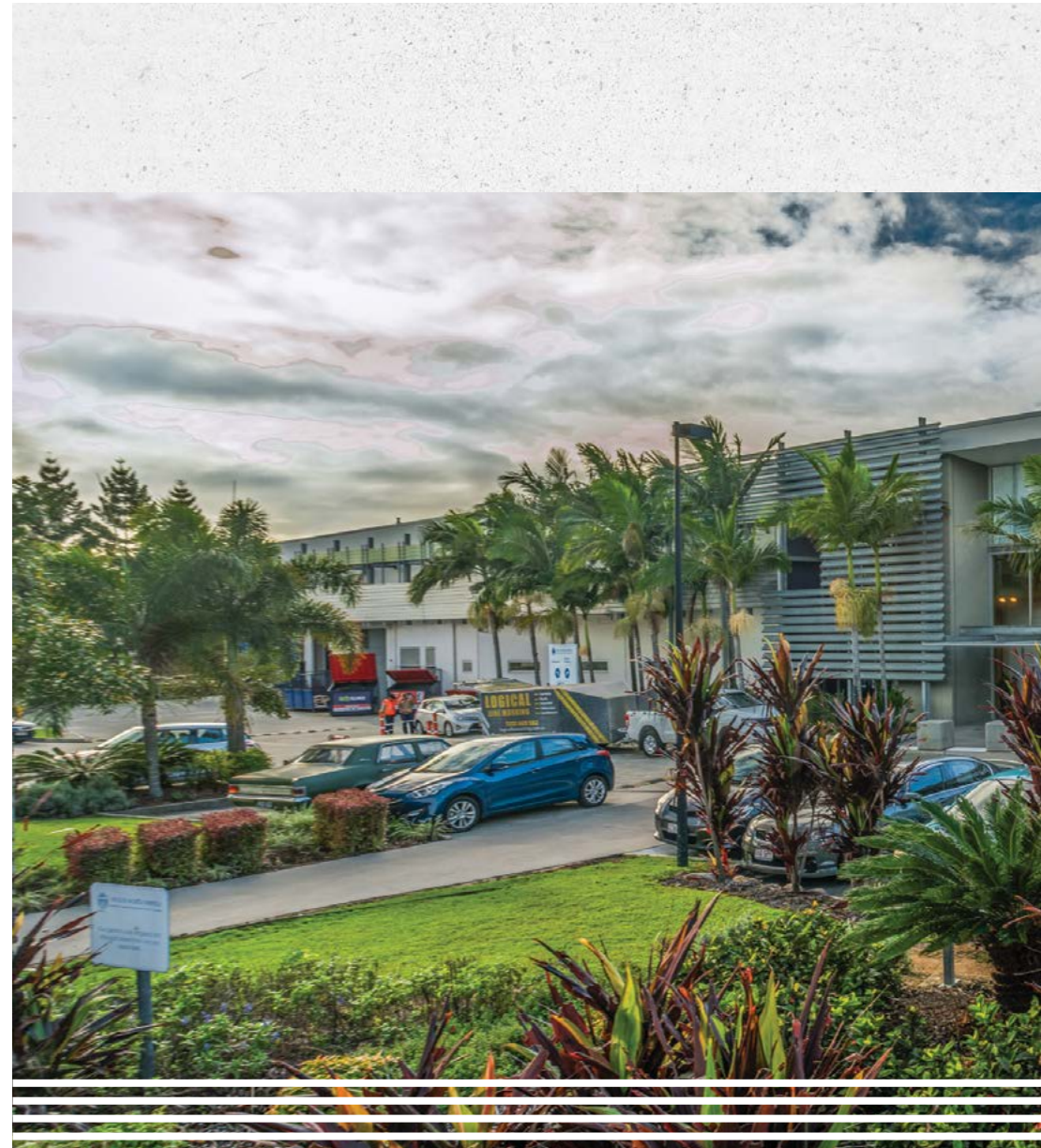
Defined terms and abbreviations used in this PDS are explained in the Glossary.

Offering restrictions

The Offer under this PDS is available to persons receiving the PDS within Australia and New Zealand only. New Zealand investors should read section 12.7 'Warning statement – issues to New Zealand investors' in this PDS. The distribution of this PDS in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. This PDS does not constitute an offer to any person to whom, or in any place in which, it would be illegal to make that offer.

Date of PDS

The information contained in this PDS has been prepared as of 7 July 2017. Neither the delivery of this PDS nor any offer or issue of the units implies or should be relied upon as a representation or warranty that there has been or will be no change since that date in the affairs or financial condition of the Trust, or that the information contained in this PDS remains correct at, or at any time after, that date.





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DDH Graham contact details

Website www.ddhgraham.com.au
Email fundadmin@ddhgraham.com.au
Phone 1800 226 174 (within Australia) or
+61 7 3210 2277 (outside Australia)
Postal GPO Box 330 Brisbane QLD 4001

Augusta contact details

Website www.augusta.co.nz /
www.australianinvestment.co.nz
Email invest@augusta.co.nz
Phone 09 300 6161 (within New Zealand)
Postal PO Box 37953, Parnell, Auckland 1151

KEY FEATURES

Investment opportunity		PDS section	Offer and investment details		PDS section
Investment purpose	The Trust is seeking to raise A\$17.75 million from investors for the purpose of, in conjunction with borrowings, acquiring the property at 741 Nudgee Road, Northgate, Queensland (Property). The Property is leased to Health World Limited (Tenant) on a long-term lease expiring in December 2028 with two options of three years each.	1.3, 2	Forecast pre-tax distribution	7.35% per annum for the period ending 30 June 2018, 7.65% per annum for the financial year ending 30 June 2019 and 8.00% per annum for the financial year ending 30 June 2020. The distribution is not guaranteed. The actual distribution rate may vary.	7
Investment strategy	The Trust seeks to provide investors with sustainable and stable monthly distributions and the potential for capital growth by investing in the Property. The Trust will invest in a single asset – the Property.	1.1	Payment of distributions	Subject to availability, distributions will be paid in arrears. Distributions will be paid by electronic funds transfer into your nominated bank account.	3.9
Offer and investment details			PDS section		
Issue price	A\$50,000 per unit.	1.3	Withdrawals	Investors will not be able to withdraw their investment, unless we determine to make a withdrawal offer. We are under no obligation to make a withdrawal offer and we do not anticipate making a withdrawal offer during the term of the Trust. You may transfer your units, though there is no established secondary market (e.g. a stock exchange) for units. Augusta Funds Management Limited provides a secondary market facility to assist New Zealand resident investors who wish to sell their units to find a purchaser.	1.5, 1.6
Minimum investment	One unit per investor. Additional units can be purchased with no limit.	1.3	Investment term	The Trust has no fixed term. There is no set date on which you will get your investment back. It is anticipated that redemptions of units are unlikely in the ordinary course of the Trust's activities. A return of your investment will likely depend on the sale of your unit(s) or the sale of the Property and winding up of the Trust.	
Minimum subscription	The Offer is seeking to raise A\$17.75 million and there are 355 units available under this Offer. The Offer will not proceed unless subscriptions are received for all units.	1.3			
Offer open date	7 July 2017				
Offer close date	15 August 2017 The closing date is indicative only. We reserve the right to close the Offer early, extend the closing date, or withdraw the Offer without prior notice.				

100%
occupied.
The lease has
approximately
**11.5 years
to expiry**

It has a building area of
approximately **8,764m²** and the
total site area is approximately
15,201m²



Indicative boundary line only.

KEY FEATURES (CONT.)

Offer and investment details		PDS section	Property details		PDS section
Borrowings	<p>The Trust intends to obtain a debt facility of A\$14.2 million and drawdown approximately A\$14.1 million to assist funding the purchase of the Property.</p> <p>The debt facility will be an interest-only, fixed rate facility with a term of three years.</p> <p>The debt facility will be secured by a first-ranking registered mortgage over the Property and a first-ranking general security agreement over the assets of the Trust.</p>	1.1	Property location and description	<p>The Property is located at 741 Nudgee Road, Northgate, Queensland, being Lot 24 on Registered Plan 208934 and Lot 26 on Registered Plan 209679.</p> <p>It is located on the outskirts of Brisbane's Trade Coast region, being approximately 9.5 radial kilometres north-east of the Brisbane CBD in the direction of Brisbane's airport, and benefits from the good surrounding road network.</p> <p>The Property comprises a two level modern industrial office and warehouse building with laboratory and cold store facilities. It has a building area of approximately 8,764m² and the total site area is approximately 15,201m².</p>	2
Gearing ratio	The gearing ratio, at the time of Property settlement and debt facility draw down, is anticipated to be approximately 49%.	3.4	Purchase price	The purchase price of the Property is A\$28.25 million (inclusive of GST and excluding purchase costs).	11.4
Interest cover ratio	The interest cover ratio, at the time of Property settlement and debt facility draw down, is anticipated to be approximately 3.45 times based on the forecast earnings for the period to 30 June 2018.	1.1	Lease	The Property has a long-term lease, expiring December 2028, with two options of three years each.	2.2, 11.5
Asset Manager	<p>We have appointed Augusta Funds Management Limited (Augusta or Augusta Funds Management) to manage the Property under the Asset Management Agreement. The fees and expenses payable to Augusta are set out in sections 6.2 and 6.3.</p> <p>A summary of the terms of the Asset Management Agreement is set out in section 11.6.</p>	5.3, 11.6	Tenant	Health World Limited ACN 010 636 165.	2.2
				Health World was formed in 1985 and is one of the largest suppliers of natural medicines in Australia and New Zealand.	
			Occupancy and WALE	100% occupied with a WALE by income of 11.5 years from 1 July 2017.	2.2
			Valuation	<p>The current market value of the Property was independently assessed by LandMark White (Brisbane) Pty Ltd, as at 20 March 2017, at A\$28.25 million (excluding GST) 'as is' subject to existing leases.</p> <p>A summary of the independent valuation report is contained in section 9.</p>	9

Benefits and risks		PDS section
Benefits	The benefits of investing in the Trust include:	4.1
	(a) forecast pre-tax distribution of 7.35% per annum for the period to 30 June 2018, 7.65% per annum for the financial year ending 30 June 2018 and 8.00% per annum for the financial year ending 30 June 2020;	
	(b) regular distributions and potential for capital growth;	
	(c) long-term lease to established tenant; and	
	(d) experience and expertise of our Board and Augusta.	
Risks	As with any investment, there are a number of risks inherent in an investment in the Trust. The key risks are discussed in section 4.2 and include:	4.2
	(a) sole tenant – the Property is 100% leased to the Tenant and therefore the performance of an investment in the Trust is predominately dependent upon the Tenant complying with its obligations under the Lease, including its obligation to pay rent;	
	(b) decline in property values – the value of the Property may decline during the term of the Trust;	

Benefits and risks		PDS section
Risks (cont.)	(c) borrowings – the use of borrowings may increase any capital loss in the event that the value of the Property falls compared to an investment in a property investment vehicle which has no borrowings. Further, payment of interest and repayment of the debt facility rank in priority to the payment of returns and repayment of capital to investors;	4.2
	(d) interest rates – increases in interest rates after expiry of the three year fixed rate facility may adversely impact the level of distributions paid to investors; and	
	(e) liquidity – there is no established secondary market (e.g. stock exchange) in Australia or New Zealand for units or right for investors to require their units to be redeemed.	

Fees and other costs		PDS section
Responsible Entity's establishment fee	We will receive an establishment fee of A\$16,500 (including GST) upon completion of the Offer.	6.2
Augusta's establishment fee	Augusta will be paid an establishment fee of A\$874,000 (including GST, if any) upon completion of the Offer.	6.2
Responsible Entity's management fee	A\$60,500 per annum (including GST), adjusted annually for CPI increases.	6.2
Augusta's management fee	A\$100,000 (including GST) per annum, with an annual increase of the greater of CPI or 3%.	6.2

Located on the outskirts of
Brisbane's **TradeCoast Region**

The property is leased
to a long term tenant -

**Health World
Limited.**



KEY FEATURES (CONT.)

Fees and other costs (cont.)		PDS section	Additional information		PDS section
Other fees payable to Augusta	Augusta may also be entitled to receive Property sale and performance fees, leasing fees for new leases and lease renewals or extensions, wind up fee, project management fees, lease assignment fees, refinancing fees, unit transfer fees, capital raising fees and a removal fee.	6.2	Cooling-off	No cooling-off rights apply to an investment in the Trust.	1.4
Trust expenses	<p>The expenses of the Offer are anticipated to be A\$945,407 and we will pay such expenses from the Trust assets upon completion of the Offer.</p> <p>We are entitled to be paid or reimbursed for all expenses and liabilities in connection with operating the Trust and Augusta is entitled to be reimbursed for expenses incurred in managing the Property and providing related services in accordance with the Asset Management Agreement.</p> <p>Trust expenses are expected to be 1.17% per annum for the period ending 30 June 2018, 1.46% per annum for the financial year ending 30 June 2019 and 1.51% per annum for the financial year ending 30 June 2020 of the Trust's net asset value.</p>	6.2	Tax	Investing in the Trust may have taxation consequences for you. We recommend you seek professional tax advice before investing in the Trust.	10
			Reporting to investors	<p>You will receive:</p> <ul style="list-style-type: none"> (a) confirmation of your investment; (b) quarterly performance updates; (c) half-yearly updates of key investor information; (d) an annual taxation summary; and (e) an annual periodic statement. <p>You can elect to be sent, either by post or electronically, annual financial statements for the Trust by marking the appropriate box on the Application Form.</p>	1.7
			Complaints resolution	<p>Any complaints can be made:</p> <ul style="list-style-type: none"> (a) by post: DDH Graham Limited – Compliance Officer Reply Paid 330 Brisbane Qld 4000; or (b) by phone: 1800 226 174 (within Australia) + 61 7 3210 2277 (outside Australia) 	12.4
			How to contact us?	<p>For Australian investors, call DDH Graham on 1800 226 174, or email fundadmin@ddhgraham.com.au.</p> <p>For New Zealand investors, call Augusta Funds Management on 09 300 6161 or email invest@augusta.co.nz.</p>	
ASIC Benchmarks		PDS section			
Benchmarks	ASIC has developed six 'Benchmarks' and eight 'Disclosure Principles' for property funds to assist investors in understanding the risks involved with investing and whether these type of investments are suitable for them.	3			



AUGUSTA
FUNDS MANAGEMENT

LETTER TO INVESTORS

from Augusta Funds Management Limited

Dear investor

Over the last 12 months, Augusta Funds Management has continued to increase its managed portfolio with close to NZ\$1.7 billion of assets now under management. We have continued to evolve in respect of the products we are able to offer our investors. Recently, this saw us offering investment in the development of Mercury Energy’s new headquarters at 33 Broadway, Newmarket as our business model evolves to be a part of the creation of assets.

Being able to continue to offer investors the opportunity to invest in Australian property is also a key strategic aim. Australian property market offerings will continue to be an important part of our investment offerings going forward. As a result, we are delighted to be able to partner with Australian-based funds manager DDH Graham Limited to establish our first Australian registered managed investment scheme which is open to both New Zealand and Australian investors. DDH Graham Limited is the responsible entity of the scheme and Augusta Funds Management is the asset manager. This structure may provide certain advantages (such as no stamp duty on a transfer of units) compared to the structure of previous Australian offerings by Augusta.

Why invest in Australian commercial property? We see investment in Australian commercial property as a good way to diversify your investment portfolio. Members of Augusta’s management team have over 20 years’ experience in managing and syndicating Australian properties, and currently Augusta has 12 properties in Brisbane with a value of approximately A\$111.6 million under management.

741 Nudgee Road has the hallmarks of a quality property investment. The property has 8,764 square metres of lettable area over two levels of modern industrial office and a warehouse with laboratory and cold store facilities. The 15,201 square metre site also accommodates 182 car parks. It is located on the outskirts of Brisbane’s Trade Coast Region, an 8,000ha trade and industry region approximately 9km from the Brisbane CBD. Located at the mouth of the Brisbane River, the Trade Coast region has direct links to air, sea, road and rail networks, including the Port of Brisbane and Brisbane Airport. The property will benefit from its proximity to these links. Other tenants in close proximity to the property include Heinz, Ullrich Aluminium, Rentokil, Fletcher Building, EB Games, TNT, Airbus, Boral and Linfox.

The property is leased to a long term tenant - Health World Limited. Health World was established in 1985 and manufacture and market many well-known natural medicines and probiotics such as

Inner Health Plus and Ethical Nutrients Vitamins. It has a licence to manufacture these goods on the site from Australia’s Therapeutic Goods Administration and has invested heavily in the site to obtain this licence. The lease has approximately 11.5 years to expiry with minimum rental increases of 3% every year, except for every 3 years where there is a market review (with rent unable to decrease at the market review).

In our opinion, the Queensland industrial property sector continues to experience strong levels of leasing and sales activity which has resulted in falling vacancy rates, rising rentals and yield compression. The Queensland properties we currently manage are performing well, with the majority, in our opinion, showing good capital growth in recent years. We believe the attributes of this property are a good investment and along with Augusta’s impressive track record with similar offerings and knowledge of the Queensland market creates an opportunity for investors to diversify their portfolio and enjoy regular monthly returns from an Australian commercial property investment.

This PDS contains important information about the Offer. We encourage you to read this PDS carefully and consider in particular the 'Benefits and risks of investing' section before making your investment decision.



In our opinion the Queensland industrial property sector continues to experience strong levels of leasing and sales activity...



Mark Francis
Managing Director
Augusta Funds Management Ltd

Bryce Barnett
Executive Director
Augusta Funds Management Ltd

¹Subject to the Trust meeting certain requirements regarding the number and spread of investors.



AUGUSTA
FUNDS MANAGEMENT



“

741 Nudgee Road has the hallmarks of a **quality property investment.**

”

1. INVESTMENT OBJECTIVES AND HOW TO INVEST

1.1 Investment objective

The Trust has a long-term investment horizon. The objectives of the Trust are to:

- (a) preserve and grow the value of the Property;
- (b) sustain the forecast pre-tax cash return distribution level at a minimum of 7.35% per annum and grow the return in years two and three; and
- (c) provide investors with sustainable and stable monthly distributions by investing in the Property.

The Trust will invest in a single asset – the Property.

1.2 How do I invest in the Trust?

To invest in the Trust, you should:

- (a) **read this PDS** – read this PDS in full before deciding whether to invest in the Trust;
- (b) **consider the Offer** – consider the Offer and the information in this PDS, including the risks of investing in the Trust, in light of your investment objectives, financial situation and needs, and consider consulting your financial adviser, accountant or other professional adviser before deciding whether to invest;
- (c) **complete the Application Form** - complete the Application Form in accordance with the instructions accompanying the Application Form; and
- (d) **mail your Application Form** – return your completed and signed Application Form together with any additional documentation required (as set out in the Application Form) and cheque (if paying by cheque) to DDH Graham as follows:

If in Australia, return to:

Augusta Nudgee Road Property Trust
C/- DDH Graham Limited
GPO Box 330
Brisbane QLD 4001

If in New Zealand, return to:

Augusta Nudgee Road Property Trust
C/- Augusta Funds Management Limited
PO Box 37953
Parnell
Auckland 1151

We will accept:

- (a) cheques drawn on an Australian or New Zealand branch of a bank or other financial institution and made payable to:

'AET Structured Finance Services Pty Ltd ACF Augusta Nudgee Road Property Trust' for your total application money. All cheques should be crossed 'not negotiable' and must be in Australian currency; or
- (b) direct credit – if you elect to transfer your application money by direct credit, please specify in the Application Form and you will be contacted and provided with the application bank account details.

When you apply to invest in the Trust, your money is held in trust in an applications account until we accept your application. We have an absolute discretion to decline an application and are not required to give a reason. We will only proceed with the Offer where valid applications have been received for the subscription amount.

If your application is declined or valid applications have not been received for all units offered within four months of the date of this PDS (unless the offer period is extended in accordance with the requirements of the Corporations Act), your application money will be returned promptly, with interest (if any) earned on your application money less any fees charged by the bank and any taxes we are required to withhold from the interest paid to you. However, you will not receive less than the amount of your application money.

Any interest earned on your application money for which units are issued will be paid to you after your units are issued, less any fees charged by the bank and any taxes we are required to withhold from the interest paid to you.

1.3 Issue price and minimum investment

The issue price is A\$50,000 per unit. The minimum investment is one unit per investor (A\$50,000) and additional units can be purchased.

The subscription amount of the Trust is A\$17.75 million and there are 355 units available under this Offer. The Offer will not proceed unless subscriptions are received for all units.

All individual or joint investors in the Trust must be at least 18 years of age.

1.4 Cooling-off rights

Investors have no 'cooling-off' rights when they invest in the Trust. Therefore, if you change your mind about your investment, we are under no obligation to accept a request to withdraw an application once received.

1.5 Withdrawing your investment

There are no withdrawal rights available to investors. Once invested you should consider your investment committed for the term of the Trust. You may at any time sell or transfer your units to another person, subject to the requirements summarised in section 1.6.

1.6 Transfer of units

There is no established secondary market (e.g. stock exchange) for the Trust.

However, you may transfer your units to another person but subject to the conditions required by law and that we may, from time to time, prescribe. We are not obliged to register a transfer that does not meet these criteria, or where there is an amount payable to us by the transferee in respect of the units being transferred.

For New Zealand investors, if you wish to sell your units you can contact Augusta Funds Management who will contact other New Zealand resident investors in the Trust and, if necessary, other New Zealand residents on its database. If a person is interested in purchasing your units, Augusta Funds Management will liaise with you and you can negotiate the terms of sale, including price, with the potential purchaser. This facility is not available for investors who are resident in Australia or in other countries outside New Zealand.

An administration fee is payable by New Zealand investors who sell units utilising the secondary market facility offered by Augusta Funds Management. Refer to 'Unit transfer fee' in section 6.3 for further information.

To transfer your units, you must send us a valid transfer request signed by both you and the purchaser. You can obtain transfer forms by contacting us, using the details in the Corporate Directory. Unless the Trust does not meet certain requirements regarding the number and spread of investors, there will not be any stamp duty payable on transfers of units.

1. INVESTMENT OBJECTIVES AND HOW TO INVEST (CONT.)

1.7 Monitoring your investment

You will receive written confirmation of your investment in the Trust as well as the following regular updates:

- (a) quarterly performance updates;
- (b) half-yearly updates of key investor information;
- (c) an annual distribution statement;
- (d) an annual taxation statement; and
- (e) an annual periodic statement.

The Trust's annual financial statements can, when available, be downloaded from our website at www.ddhgraham.com.au/augustanudgee. Alternatively, if you wish to receive annual financial statements by mail or email, please tick the appropriate box on the Application Form.





AUGUSTA
FUNDS MANAGEMENT



Indicative boundary line only.

2. PROPERTY DETAILS

2.1 741 Nudgee Road, Northgate, Queensland

The Property is a freehold title comprising a two level modern industrial office and warehouse building with laboratory and cold store facilities. It has a building area of approximately 8,764m² and the total site area is approximately 15,201m². The facility comprises 2,794m² (32%) of good quality office space, 2,624m² (30%) of laboratory facilities across two levels, 659m² (8%) of cold/freezer store, and 2,687m² of warehouse. The Property exhibits a site cover of approximately 58%.

The ground level predominantly comprises entry lobby, warehouse, cold store, laboratories, staff lunchroom, and some ancillary office space. The upper level predominantly comprises office space and laboratory areas. Throughout the facility there are ancillary areas such as amenities, locker rooms and plant rooms.

Approximately 182 delineated car parks are available on site, including disabled parking spaces.

The improvements have been developed on a staged basis between 2005 and 2007 specifically to the Tenant's requirements.

The Property is zoned Low Impact Industry and the purpose of such designation is to provide for warehouse, service industry and low impact industry uses.

Location

The Property is situated on the corner of Nudgee Road and Toombul Road, located approximately 9.5 radial kilometres north-east of the Brisbane CBD, and benefits from the good surrounding road network.

Surrounding developments predominantly comprise light industrial and residential uses. Along the western side of Nudgee Road comprises established residential development and along the eastern side of Toombul Road comprises light industrial uses.

2.2 Tenancy details and Property snapshot

The Tenant is Health World Limited. Health World was formed in 1985 and is one of the largest suppliers of natural medicines in Australia and New Zealand. It has been a tenant of the building since the building was built for the Tenant in 2005. Health World manufactures and markets many

well-known brands in the therapeutic goods market. Products manufactured by Health World include Inner Health Plus, Ethical Nutrients vitamins and Endura sports nutrition products.

Health World Limited is wholly owned by American nutritional health care company, Metagenics Inc, who in turn is wholly owned by Alticor Inc. Alticor also owns Amway.

The Property is a Therapeutic Goods Administration (TGA) approved manufacturing and testing facility. The TGA is part of the Australian Government Department of Health and is responsible for regulating the supply, import, export, manufacturing and advertising of therapeutic goods including prescription medicines, vaccines, sunscreens, vitamins and minerals, medical devices, blood and blood products. The TGA licenses Australian manufacturers of therapeutic goods and verifies overseas manufacturers' compliance with the same standards as their Australian counterparts.

There is a long-term lease to the Tenant in respect of 100% of passing net income. The projected income stream from the Property is secured by the rent increases that occur throughout the term of the Lease. The Tenant's tenancy is considered to be leased at prevailing market rental levels. However, over the Lease term, the independent valuer of the Property, LandMark White (Brisbane) Pty Ltd, believes the passing rent is likely to exceed market rent. Market reviews every three years mean that the rent will either equal the market rent in that year or not continue to increase above the market rent (as rent is unable to decrease below the then passing rent).



Property snapshot

Item	Description
Property	A two level modern industrial office and warehouse building with laboratory and cold store facilities and approximately 182 car bays, located at 741 Nudgee Road, Northgate, Queensland.
Tenant	Health World Limited
Lettable area	8,764m ²
Land area	15,201m ²
Independent valuation ¹ (excluding GST)	A\$28.25 million
Adopted capitalisation rate	7%
Occupancy	100%
WALE by income	11.5 years
Lease expiry	31 December 2028
Rent review in the Lease	Annual CPI reviews except on market review dates, including options. Minimum 3% and maximum 6% increase. Market rent review dates are 1 July 2017, 2020, 2023, 2026 and commencement of option periods. The rent cannot decrease on a market review.
Options to renew	2 x 3 years
Outgoings paid by Tenant	<ul style="list-style-type: none"> • rates and taxes, including land tax • insurance premiums (excluding loss of rent) • repairs and maintenance • management fees capped at 3% of rent • costs of supplying all services to the premises

¹ For a summary of the independent valuation, refer to section 8.



3. ASIC BENCHMARKS

3.1 Legislative background

ASIC has developed six benchmarks and eight disclosure principles for unlisted property schemes, being managed investment schemes which have 50% or more of their assets in real property, to assist retail investors understand the risks, assess the rewards being offered and decide whether these investments are suitable for them.

The following sections contain the benchmark disclosure and disclosure principles for the Trust.

3.2 Benchmark disclosure

ASIC Benchmark	Meets benchmark
Gearing policy The responsible entity should maintain and comply with a written policy that governs the level of gearing at an individual credit facility level.	Yes
Interest cover policy The responsible entity should maintain and comply with a written policy that governs the level of interest cover at an individual credit facility level.	Yes
Interest capitalisation The interest expense of the scheme is not capitalised.	Yes
Valuation policy The responsible entity maintains and complies with a written valuation policy that requires:	Yes
(a) a valuer to be independent and to be registered or licensed in the relevant State, Territory or overseas jurisdiction in which the property is located (where a registration or licensing regime exists), or otherwise be a member of an appropriate professional body in that jurisdiction;	
(b) procedures to be followed for dealing with any conflicts of interest;	
(c) rotation and diversity of valuers;	

ASIC Benchmark	Meets benchmark
(d) valuations to be obtained in accordance with a set timetable;	Yes
(e) for each property, an independent valuation to be obtained before the property is purchased;	
(i) for a development property on an 'as is' and 'as if complete' basis; and	
(ii) for other property, on an 'as is' basis; and	
(f) for each property, an independent valuation to be obtained within two months after the directors form a view there is a likelihood that there has been a material change in the value of the property.	
Related party transactions The responsible entity maintains and complies with a written policy on related party transactions, including the assessment and approval process for such transactions and arrangements to manage conflicts of interest.	Yes
Distribution practices The scheme will only pay distributions from its cash from operations (excluding borrowings) available for distribution.	Yes

3.3 Disclosure principles

The purpose of the disclosure principles is to improve the consistency and quality of disclosure by responsible entities of unlisted property schemes and to enhance consumer confidence. The disclosure principles cover information that retail investors reasonably need to know to make an informed decision about whether to invest and to monitor whether their expectations are being met.

3.4 Disclosure principle 1 - Gearing ratio

The gearing ratio is calculated as the total debt of the Trust as a proportion of the gross asset value of the Trust and can be used to assess the Trust's level of risk.

The gearing ratio indicates the extent to which the Trust's assets are funded by interest bearing liabilities. It gives an indication of the potential risks the Trust faces in terms of its level of borrowings due to, for example, an increase in interest rates or a reduction in property values.

A higher gearing ratio means a higher reliance on external liabilities (to fund assets). This would expose the Trust to increased funding costs if interest rates rise. A highly-g geared scheme has a lower asset buffer to rely upon in times of financial stress.

The Trust intends to borrow an amount of A\$14,134,608 to assist financing the acquisition of the Property from an available facility of A\$14.2 million. Based on a gross asset value of A\$28.55 million for the Trust, at the time of acquisition of the Property, the Trust will have a gearing ratio of 49%.

3.5 Disclosure principle 2 - Interest cover ratio

Interest cover gives an indication of the Trust's ability to meet interest payments from earnings. Interest cover measures the ability of the Trust to service interest on debt from earnings. It is a critical indication of the Trust's financial health and key to analysing the sustainability and risks associated with the Trust's level of borrowing.

The lower the interest cover, the higher the risk that a scheme will not be able to meet its interest payments. A scheme with a low interest cover only needs a small reduction in earnings (or a small increase in interest rates or other expenses) to be unable to meet its interest payments.

The interest cover ratio is calculated by using the following formula, usually based on the most recent financial statements:

$$\text{Interest cover} = \frac{\text{EBITDA} - \text{unrealised gains} + \text{unrealised losses}}{\text{Interest expense}}$$

where EBITDA = earnings before interest, tax, depreciation and amortisation.

As the Trust has not previously operated, we have calculated the interest cover ratio as 3.45, 3.53 and 3.62 times using the forecast financial information for the period to 30 June 2018 and the financial years ending 30 June 2019 and 30 June 2020 respectively in section 7.

3.6 Disclosure principle 3 - Trust borrowings

The Trust intends to obtain a debt facility of A\$14,200,000 and drawdown an amount of A\$14,134,608 to finance the acquisition of the Property.

The table below provides an analysis of the aggregate undrawn amount, loan to value ratio, interest cover covenants and hedging details under the debt facility at the time of drawdown based on the letter of offer provided by the lender (as summarised in section 11.7) and the forecast financial information in section 7.

Matter	Actual	Covenant	Headroom to covenant
Undrawn debt (\$m)	A\$65,392	Not applicable	Not applicable
Interest rate	3.81% per annum	Not applicable	Not applicable
Loan to value ratio	50% ¹	55%	5%
Interest cover ratio	3.76 times ²	2.75 times	1 times
Interest rate hedging	100%	Not applicable	Not applicable

¹In accordance with the lender's letter of offer, the loan to value ratio is calculated on the value of the Property and does not include the value of other assets owned by the Trust (such as cash).

²In accordance with the lender's letter of offer, the interest cover ratio is calculated based on net rental income (gross rental income less direct Property costs) and does not include costs relating to the management of the Trust.

The loan will have a 3 year term and the default events will include the circumstance where we retire or are removed as the responsible entity of the Trust.

The lender will be entitled to interest and principal repayments of the loan in priority to the entitlement of investors to receive distributions.

The loan obtained will be secured by a first-ranking mortgage over the Property and a first-ranking general security agreement over the assets of the Trust. This security will give the lender the right to take possession and sell the Property in the event we default under the loan agreement. In the event that this occurs, the Trust will receive the balance of the proceeds from the sale of the Property after repayment of the loan and related costs. Importantly, the mortgage and general security agreement will be limited recourse to the Property and the Trust, meaning the lender cannot pursue investors, the Custodian or the Responsible Entity for any loss incurred.

3. ASIC BENCHMARKS (CONT.)

3.7 Disclosure principle 4 - Portfolio diversification

ASIC requires a PDS to disclose the composition of real property owned by a scheme, including:

- (a) properties by geographic location, by number and value;
- (b) non-development properties by sector (e.g. industrial, commercial, retail, residential) and development projects by number and value;
- (c) for each significant property, the most recent valuation, the date of the valuation, whether the valuation was performed by an independent valuer and, where applicable, the capitalisation rate adopted in the valuation;
- (d) the portfolio lease expiry profile in yearly periods calculated on the basis of lettable area or income and, where applicable, the weighted average lease expiry;
- (e) the occupancy rate(s) of the property portfolio;
- (f) for the top five tenants that each individually constitute 5% or more by income across the investment portfolio, the name of the tenant and percentage of lettable area or income; and
- (g) the current value of the development and/or construction assets of the scheme as a percentage of the current value of the total assets of the scheme.

The Trust will have a single asset and will own 100% of the Property. The market value of the Property was independently assessed by LandMark White (Brisbane) Pty Ltd, as at 20 March 2017, at A\$28.25 million (excluding GST) 'as is' subject to existing leases and adopting a capitalisation rate of 7% (and refer to section 8 for a summary of the valuation report).

As at the anticipated date of the Trust's purchase of the Property, the occupancy rate will be 100% and the weighted average lease expiry is 11.5 years from 1 July 2017. The following tenant contributes to more than 5% of the Trust's aggregate property income:

Tenant	Property	Lease expiry	% of Trust property income
Health World Limited	741 Nudgee Road, Northgate	December 2028	100%

The Trust's investment strategy is to invest in a single high-quality industrial/office asset, which can deliver sustainable and stable monthly income distributions and the potential for capital growth for investors.

Therefore, the Trust does not offer investment diversification as we do not anticipate the purchase of other properties.

Diversification is important as, generally, the more diversified a portfolio is, the lower the risk that an adverse event affecting one property will put the overall portfolio at risk. We recommend that you do not invest all of your investable funds into a single asset. If you are unsure about the amount of the investment you wish to make you should seek professional advice from your professional advisers.

3.8 Disclosure principle 5 - Related party transactions

ASIC requires, where a responsible entity enters into transactions with related parties, the PDS to describe related party arrangements relevant to the investment decision by providing the following information:

- (a) the value of the financial benefit;
- (b) the nature of the relationship between the responsible entity and the related party;
- (c) whether the arrangement is on 'arm's length' terms, is reasonable remuneration, some other exception applies, or relief has been granted;
- (d) whether scheme member approval for the transaction has been sought and, if so, when (e.g. if member approval was obtained before the issue of interests in the scheme);
- (e) the risks associated with the related party arrangement; and

- (f) whether the responsible entity is in compliance with its policies and procedures for entering into related party arrangements for the particular related party arrangement, and how this is monitored.

We have a strict policy regarding entry into transactions with related parties, which requires us to ensure these transactions are undertaken in accordance with the Corporations Act and the details of such transactions are disclosed to investors appropriately.

There are no related party transactions relating to the Trust on foot at the date of this PDS.

The Trust will not purchase any properties from, or sell any properties to, the Responsible Entity or its related parties or associates.

DDH Graham, Augusta, any Director or officer of DDH Graham or Augusta, and any party related to them, may invest in the Trust. It is our policy to ensure that those arrangements are on arm's length commercial terms. We have a conflict resolution procedure in place in the unlikely event that a conflict of interest arises.

3.9 Disclosure principle 6 - Distributions

We intend to make monthly distribution payments derived solely from income sourced through rent to investors from the time the Property is acquired. The Trust will not make distributions from borrowings or from unrealised revaluation gains. Where the cash adjusted accounting income for the Trust exceeds the taxable income for a financial year, we may distribute this excess, which will be treated as a capital, and not income, distribution from an investor's taxation perspective. Otherwise, we will not make distributions from capital, with the exception of distributions of net proceeds from the sale of the Property. Investors should refer to section 10 for general comments regarding the taxation of distributions.

The forecast distributions for the period to 30 June 2018 and for the financial years ending 30 June 2019 and 30 June 2020 detailed in section 7 will be funded from the rent payable by the Tenant and these distributions are considered to be sustainable over the forecast period given the rent payment obligations under the Lease and the fees and expenses which are anticipated to be incurred during that period.

We do not guarantee the payment, or amount, of distributions.

3.10 Disclosure principle 7 - Withdrawal arrangements

Investors will not be able to withdraw their investment, unless we determine to make a withdrawal offer. We are under no obligation to make a withdrawal offer and we do not anticipate making a withdrawal offer during the term of the Trust.

You may transfer your units, though there is no established secondary market (e.g. a stock exchange) for the units. The Trust should be considered as a long term investment.

For New Zealand investors, if you wish to sell your units you can contact Augusta Funds Management who will contact other New Zealand resident investors in the Trust and, if necessary, other New Zealand residents on its database. If a person is interested in purchasing your units, Augusta Funds Management will liaise with you and you can negotiate the terms of sale, including price, with the potential purchaser. An administration fee is payable by New Zealand investors who sell units utilising the secondary market facility offered by Augusta Funds Management. Refer to 'Unit transfer fee' in section 6.3 for further information.

To transfer your units, you must send us a valid transfer request signed by both you and the buyer. You can obtain transfer forms by contacting us, using the details in the Corporate Directory. Unless the Trust does not meet certain requirements regarding the number and spread of investors, there will not be any stamp duty payable on transfers of units.

3. ASIC BENCHMARKS (CONT.)

3.11 Disclosure principle 8 – Net tangible assets

ASIC requires the PDS to disclose the value of the net tangible assets (**NTA**) of the scheme on a per unit basis in pre-tax dollars, using the following formula:

$$\text{NTA} = \frac{\text{Net assets} - \text{intangible assets} \pm \text{any other adjustments}}{\text{Number of units in the scheme on issue}}$$

The NTA value per unit illustrates the net tangible asset backing of each unit and will enable you to easily identify whether the value of your units has increased or decreased since their issue. If the NTA value per unit is less than the initial issue price, it may indicate that you will incur a capital loss on your investment.

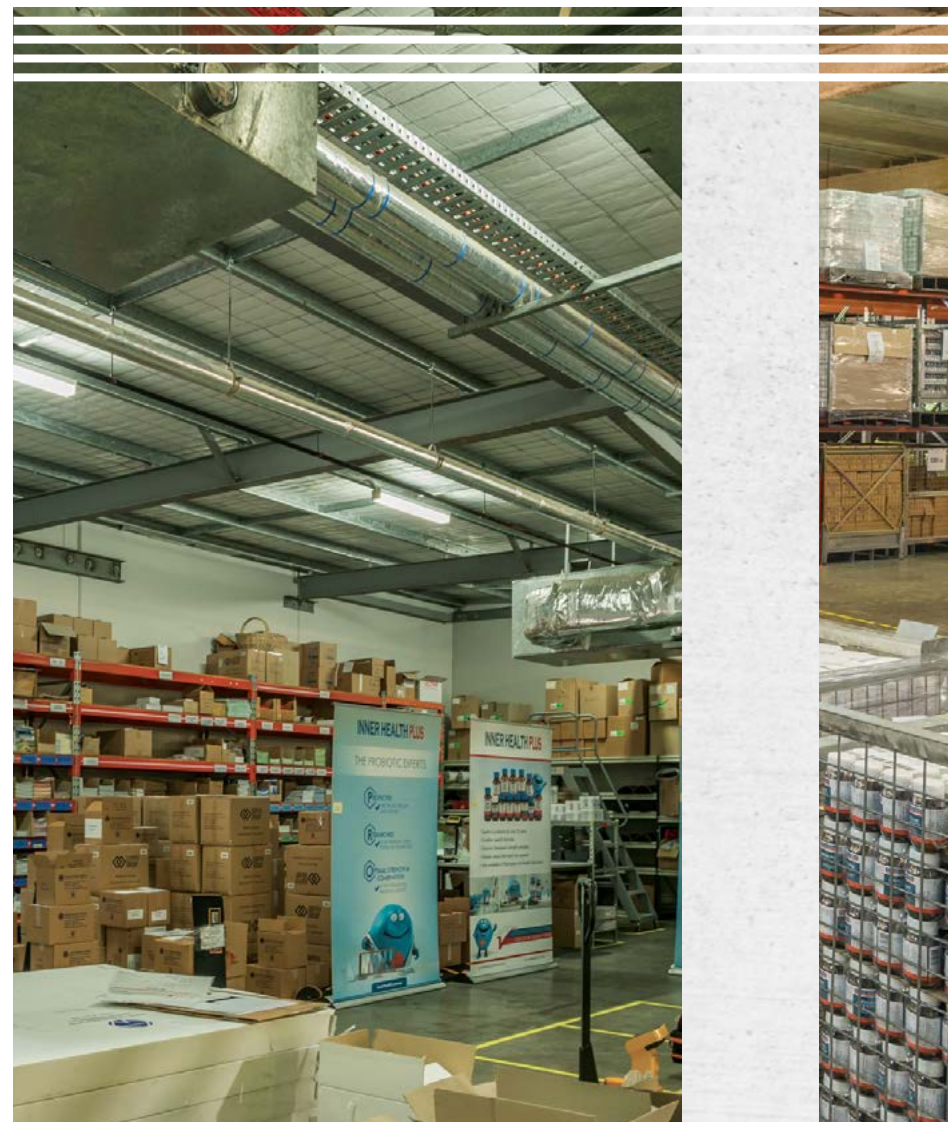
The NTA value per unit at the time of issue and assuming the purchase of the Property and payment of fees and costs associated with the purchase and this Offer as outlined in section 7 will be A\$40,114. One cause of the NTA equalling this amount is the stamp duty, transfer and registration fees required to be paid on acquisition of the Property. This totals A\$1,697,881 which equates to approximately A\$4,783 per unit.

We will disclose an updated NTA value per unit in the half-yearly updates on key investor information provided to you.

3.12 Updated key investor information

The key investor information contained in this section 3 will be updated from time to time. We will communicate updated information at www.ddhgraham.com.au/augustanudgee, from time to time.

We will also send you half yearly reports which include the most recent key investor information available. Where there is a material change to the key investor information contained in this PDS we may issue a supplementary PDS or new PDS. Where required, we will also notify ASIC, investors or both of material changes to key investor information.





4. BENEFITS AND RISKS OF INVESTING

4.1 Benefits of investing in the Trust

Some of the benefits of investing in the Trust are summarised below:

Attractive forecast pre-tax distributions

Investors are forecast to receive pre-tax income distributions of 7.35% per annum for the period from the purchase of the Property to 30 June 2018, 7.65% per annum for the financial year ending 30 June 2019 and 8.00% per annum for the financial year ending 30 June 2020, as per the financial forecast contained in section 7.

Regular stable distributions and potential for capital growth

We intend to make monthly distributions derived from the rent paid by the Tenant. Therefore, an investment in the Trust is anticipated to provide sustainable and stable distributions as well as the potential for capital growth.

Long-term lease to established tenant

The Property is leased in its entirety to the Tenant on a long-term lease expiring in December 2028, with two further options of 3 years each. The Tenant has been a tenant of the building since its construction in 2005, and the building was purpose-built for the Tenant. There is a degree of specialisation with the manufacturing component of the Property fit-out. We understand that the cost to the Tenant of re-location and gaining necessary approvals to continue its TGA licence at another site is likely to be considerable. This further supports the long-term lease.

Taxation treatment for New Zealand resident investors

We intend to apply the MIT regime to the Trust (as explained in section 10) which, among other features, will provide a final withholding tax in Australia of 15% on distributions to investors from New Zealand and certain other countries outside Australia. New Zealand investors may need to account for further tax in New Zealand – see section 10.

Trust assets held by the Custodian

The Custodian will hold legal title to all Trust assets, including the Property, in its capacity as agent of DDH Graham as responsible entity of the Trust.

Expertise and experience of DDH Graham's Board and Augusta

You will benefit from the experience and expertise of DDH Graham's Board and management team and the management team of Augusta. Details of our Board and of Augusta are provided in section 5.

Regular reporting

You can keep track of your investment with quarterly performance updates, half-yearly updates of key investor information, annual periodic statements, annual taxation statements and audited annual financial statements for the Trust.

4.2 Risks of investing in the Trust

All investments involve some risk, as investments can decline as well as increase in value.

You should be aware that the value of the Trust's assets, income it may generate and the value of the Trust itself can be influenced by a number of factors, including those outside our control.

This section describes certain risks associated with an investment in the Trust.

Before deciding whether to subscribe for units, you should carefully consider the principal risks to which you are exposed and whether the purchase of units is a suitable investment for you.

If you are in doubt as to whether you should apply for units, you should first seek advice on the matters contained in this PDS from a professional adviser.

Specific risks

<p>Decline in property values</p>	<p>The value of the Property may decline during the term of the Trust. Factors that may influence the value of the Property include:</p> <ul style="list-style-type: none"> (a) an over-supply of similar types of properties that may result in a decline in a property's value, both in the short and long-term; and (b) timing of the sale of the Property – unforeseen circumstances or changing market conditions may result in the sale proceeds being lower than the purchase price. 	<p>Sole tenant (cont.)</p>	<p>The Property has been purpose-built for the Tenant and has a degree of specialisation. While a majority of space is configured for office accommodation there is a specialised manufacturing component which may make it difficult to find a replacement tenant for the Property and capital expenditure may be required to repurpose the space to attract a tenant.</p> <p>Vacancy periods may have an adverse impact on the Trust's net income and distributions, the Trust's ability to comply with its debt covenants, the Property's capital value and potentially the NTA per unit.</p>
<p>Property revenue</p>	<p>The Trust's income for the term of the Trust, including the forecast period, is dependent upon the Tenant paying rent in accordance with the Lease terms. There is a risk that the Tenant may default on the terms of the Lease or that we fail to comply with the landlord's obligations under the Lease.</p> <p>Either circumstance would result in a reduction in or cessation of rental income of the Trust, the termination of the Lease and/or the incurrence of additional expenses associated with re-leasing the tenancy or enforcement action, which would adversely impact the amount and payment of distributions to investors.</p>	<p>Funding of further works for TGA licence</p>	<p>If the Tenant receives any notice issued by the TGA requiring either the Trust or the Tenant or both to perform alteration works to the Property before the TGA will issue a new license relating to the Property under the Therapeutic Goods Act 1989 (Cth) to the Tenant, the Tenant and the Trust must negotiate in good faith regarding the costs of such alterations and the proportion (if any) each party will be responsible for those costs. If they are unable to agree, the funding of such costs will be determined by an independent expert.</p> <p>There is therefore a risk that the Trust may need to source further funds to fund such works without provision for an increase in rent. The Trust would need to seek additional borrowings or raise money from investors. If investors are unable to contribute further funds, their interest in the Trust may be diluted.</p>
<p>Sole tenant</p>	<p>The Tenant is the sole occupant of the Property, which is 100% leased to the Tenant.</p> <p>If the Tenant vacates the Property, either prior to the end of the Lease term (for example, if the Lease is terminated due to breach or the Tenant becomes insolvent) or at the end of the Lease term, we may not be able to find a replacement tenant in a timely fashion or at all.</p>		



AUGUSTA
FUNDS MANAGEMENT



4. BENEFITS AND RISKS OF INVESTING (CONT.)

Specific risks (cont.)

Roof repair

The due diligence on the Property identified certain repair works are required to the roof. The issue is principally around the joint between the existing roof and the new roof when the building was extended.

We consider the capital maintenance fund will be sufficient to fund any necessary repairs but investors should be aware that additional costs may affect their returns.

Borrowings

We will utilise borrowings to assist in the acquisition of the Property by the Trust. The use of borrowings at this level in an investment is referred to as 'gearing' or 'leveraging'. It enhances the potential for capital gain if the Property increases in value. However, it will also increase any capital loss in the event that the value of the Property falls compared to an investment in a property investment vehicle which has no borrowings.

The loan is intended to be for three years with a fixed interest rate.

Increases and decreases in interest rates will impact on the level of distributions paid to investors after expiry of the fixed rate facility. Refer to section 7.6 for a sensitivity analysis on the impact of changes in interest rates.

Further, as the loan is intended to be for three years but the Trust has an ongoing term there is a risk we will be unable to refinance the loan at the end of the initial three year period which would require the early sale of the Property.

Resale

It may be difficult for us dispose of the Property upon determination of the Trust in a timely manner or at an optimal sale price. This may affect our ability to return capital to investors and may reduce the NTA per unit. There is a risk there may be a delay in selling the Property, or that the sale price for the Property may be less than the combined total of the purchase price, stamp duty and the Offer costs.

Security

Any borrowings will be specific to the Property and secured by limited recourse security over the Property.

Where borrowings are obtained, the lender will have a right to be repaid monies lent and interest owed in priority to the payment of distributions and return of capital to investors.

Further, if the Tenant fails to pay rental due under their Lease, or if the Tenant vacates the Property before the end of the Lease term, the income of the Trust may not be sufficient to meet interest payments under the loan. If there is a default in paying interest, the lender will be entitled to enforce its security.

If the Trust fails to meet its obligations under the loan, it may prevent the payment of distributions to investors. Also, the lender may enforce its rights as mortgagee and realise the Property over which the loan is secured and to which the borrowings relate.

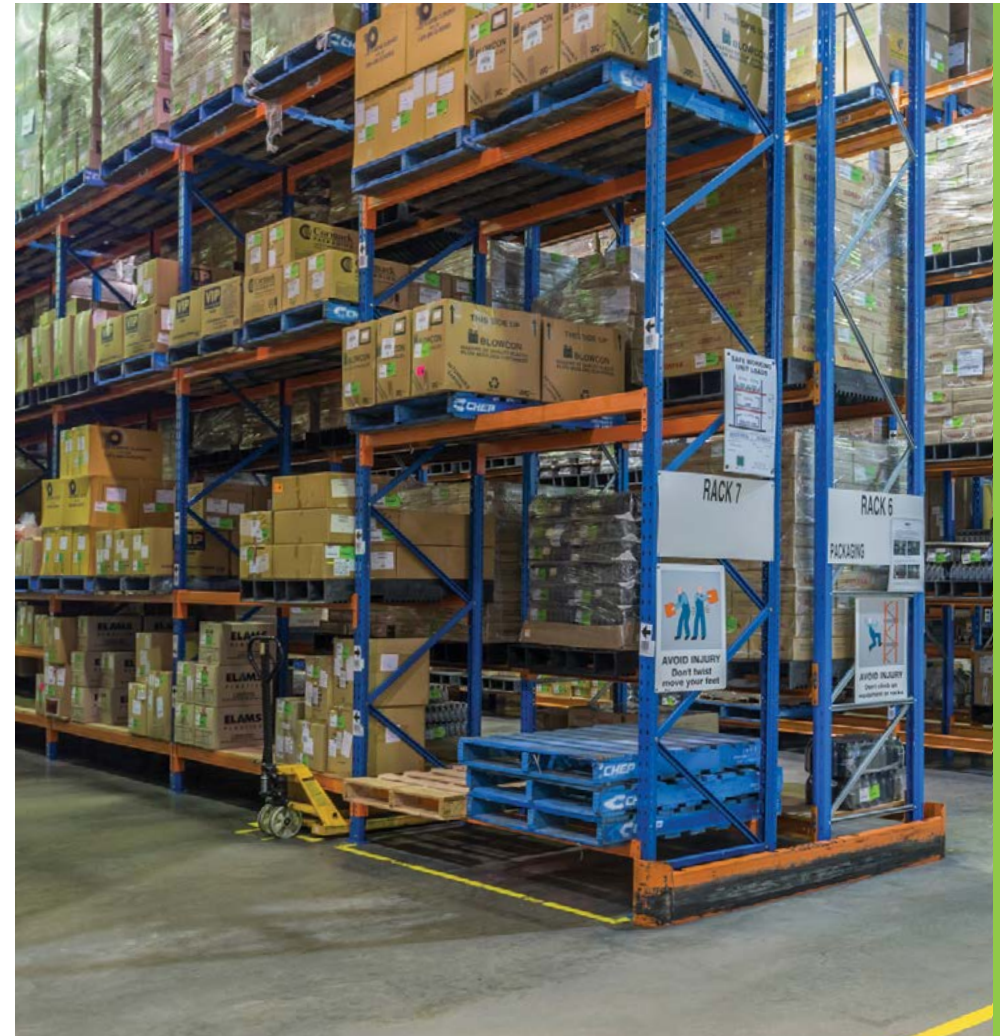
Any of these circumstances will adversely affect the performance of your investment and may result in you receiving no returns or suffering a capital loss.

4. BENEFITS AND RISKS OF INVESTING (CONT.)

<p>Liquidity</p>	<p>An investment in the Trust should be treated as a long term investment because there is no secondary market for units, the Trust does not have a defined term and investors do not have the right to have their units redeemed.</p> <p>If you wish to exit your investment prior to the end of the Trust term, you will need to find a buyer for your units.</p>	<p>On-going capital requirements for the Trust</p>	<p>While the proceeds of this Offer are intended to, in conjunction with borrowings, adequately satisfy the Trust’s anticipated capital requirements to acquire the Property, if the Trust requires access to further funding at any stage in the future, the Trust may be adversely affected in a material way if, for any reason, access to that capital is not available.</p> <p>There can be no assurance that additional funds will be available. If additional funds should be raised by issuing units, this might result in dilution to the then existing investors.</p>
<p>Insurance</p>	<p>If the Property is not properly insured or an event occurs which is not covered by insurance, there is a risk investors may suffer loss on their investment if the Property is partially or substantially destroyed or unable to be leased.</p>	<p>Diversification</p>	<p>Generally, the more diversified a portfolio, the lower the impact that an adverse event affecting one property or lease will have on the income or capital value of an investment.</p> <p>The Trust will own a single property which is 100% leased to the Tenant and so is not diversified by investment class, geographic location of properties, tenant profile or exposure to different property sectors.</p>
<p>Management capability</p>	<p>Future operating results depend to a large extent on Augusta’s performance of its obligations and our ability to successfully monitor Augusta’s management of the assets of the Trust, particularly the Property and the Lease. If Augusta fails to properly perform its obligations under the Asset Management Agreement or we fail to adequately supervise Augusta it could adversely affect the Trust’s operating results.</p>	<p>Investors’ liability is limited</p>	<p>Investors cannot be required to pay more than their initial application money. Investors are not financially responsible for the obligations of any other investor in the Trust. In the event of default on a loan to the Trust, any lender’s recourse is limited to the assets of the Trust.</p> <p>However, the Responsible Entity cannot guarantee that liability is limited in all circumstances, as such decisions lie with the courts.</p>
<p>Reliance on key personnel</p>	<p>This is the risk that changes to our, or Augusta’s, management or the loss of other key personnel may result in either entity not anticipating movements in the property market, not adequately complying with its obligations regarding management of the Trust and increase the risk of policies and procedures not being adhered to.</p>		

General risks

<p>Taxation changes</p>	<p>The tax summary in this PDS has been prepared based on the law existing at the date of this document. However, Australian and New Zealand tax laws are constantly changing, with the introduction of various reform proposals which may affect your investment in the Trust.</p> <p>Tax liability is your responsibility and we are not responsible for the taxation consequences of an investment in the Trust. If you are uncertain about any taxation effects of your investment you should seek your own taxation advice.</p>
<p>Regulatory changes</p>	<p>There is the risk that changes to the regulatory environment for financial services or the property industries may, directly or indirectly, affect the value of an investment in the Trust.</p>
<p>Legislative changes</p>	<p>Changes in government policy and legislation, including changes to the taxation system, planning and environment laws, or regulation and policy, may affect the performance of the Trust.</p>
<p>Litigation</p>	<p>In the ordinary course of operations, the Trust may be involved in disputes and possible litigation. It is possible that a material or costly dispute or litigation could affect the value of the assets or expected income of the Trust.</p>
<p>Macroeconomic factors</p>	<p>The general state of the Australian, Queensland and international economies, as well as changes in taxation, monetary policies, interest rates, property market and statutory requirements may affect leasing demand, the market value and demand for property, and have a negative impact on the Trust's performance and the performance of the Property.</p>



5. DDH GRAHAM, AUGUSTA AND CUSTODIAN

5.1 DDH Graham – responsible entity

DDH Graham Limited is an independently-owned Queensland-based funds management and administration organisation founded in 1981.

We have considerable experience in trust management and administration. We are the responsible entity or fund manager for a number of property and financial asset funds and operate a money market product.

We are an unlisted public company and are the holder of an Australian Financial Services Licence (Licence No. 226319). We are the responsible entity of the Trust. As responsible entity, we are responsible for the management and administration of the Trust.

5.2 DDH Graham’s Board

Peter Lockhart – Executive Chairman/Joint Managing Director

Peter has been a director since 1988 and has extensive experience in funds management, superannuation and administration services. He is also a director of DDH superannuation related subsidiaries, Acclaim Management Group and ESP Group Pty Ltd.

Ugo Di Girolamo – Joint Managing Director

Ugo has been a director since 2000. Ugo has more than 30 years experience in the financial industry and markets with exposure to a number of areas including funding, foreign exchange, fixed interest and risk management.

David Graham – Non-Executive Director

Founded the firm in 1981. David has an extensive background in corporate advisory and trust management.

Douglas Graham – Executive Director

Director since May 2017 and the company’s Chief Operating Officer, Money Market. Doug is a Member of the Institute of Chartered Accountants and has extensive experience across a range of industries including finance and information technology.

5.3 Augusta – asset manager

Augusta Funds Management Limited is one of New Zealand’s leading property fund managers.

The property schemes managed by Augusta (such as the Trust) are structured to provide investors with a long term investment in commercial and/or industrial real estate, while seeking to minimise the administrative and operational burdens of private property ownership.

Augusta Funds Management Limited is a wholly owned subsidiary of Augusta Capital Limited, which is an NZX listed company with a market capitalisation of approximately NZ\$92.7 million as at 3 July 2017. Augusta has assets under management of approximately NZ\$1.7 billion. Neither Augusta Capital Limited or Augusta Funds Management guarantee the forecast returns set out in this PDS. For more on Augusta see www.augusta.co.nz.

The directors of Augusta are:

Paul Duffy - Independent Director and Chairman, Dip Urb Val

Paul Duffy has over 35 years’ experience in the property investment/development industry, including CEO/executive director of DNZ Property Fund (now named Stride Property) for 13 years. During his career, Paul held the position of general manager of Fletcher Property Limited and was joint managing director of US Real Estate Subsidiaries for the Abu Dhabi Investment Authority. In this role he oversaw the formation of a large real estate portfolio in the United States and Europe. Paul is currently a director of a number of private companies. Paul is the chairman of Augusta Capital and Augusta Funds Management.

Martin Goldfinch - Independent Director BCom, LLB

Martin has extensive commercial experience across a range of industries in both public and private companies. He holds degrees in Law and Commerce from Auckland University. He is currently the Private Equity Manager for Accident Compensation Corporation (ACC) and represents ACC on the boards of Cavalier Wool Holdings Limited and Partstrader Markets Limited. He is also a director of Les Mills Holdings Limited, Youi NZ Pty Ltd and is a Council Member of NZ Venture Capital Association.

John Loughlin - Independent Director MBA, BCA, FCA, ANZIIF (fellow), INFINZ (fellow), FNZIM, AFinStD

John Loughlin is a professional company director. He is chairman of Powerco Limited, Tru-Test Corporation Limited, EastPack Limited and Rockit Global Limited. John has signalled that he will retire as a director of Augusta Capital and Augusta Funds Management, at the next annual meeting of Augusta Capital (which will occur on 31 August 2017).

John was the chairman of finance company Allied Nationwide Finance Limited, now known as NFA Limited (in liquidation) (referred to below as Allied), from 1 May 2007 to 23 August 2010. Allied was placed in receivership on 20 August 2010 as part of the finance company collapses in New Zealand at that time and subsequently went into liquidation on 31 October 2012. He ceased to be the chairman and a director of Allied on 23 August 2010. On 2 September 2013, the Financial Markets Authority (FMA) issued a formal warning letter to John Loughlin and the other directors of Allied stating that, in the FMA's view, the directors of Allied likely breached the Securities Act by failing to adequately disclose the ability of Allied's parent, Allied Farmers Limited, to provide financial support and Allied's ability to meet its financial obligations. The FMA advised that, having taken into account the possible availability of defences, FMA's enforcement policy and public interest considerations, the FMA did not intend to take formal enforcement action at that time. The FMA considers that better disclosure should have been made, to ensure that investors were aware of the risks associated with their investment in Allied.

Mark Francis - Managing Director BCom (Fin)

Mark has a commerce degree in finance and for the last 22 years has worked in many aspects of property investment and development with companies such as Hendry Hay McIntosh, Village Roadshow, Force Corporation and his own private investment vehicles prior to forming Augusta in 2001. Mark is a founder and managing director of Augusta Capital Limited. Mark has significant experience and background in property development and construction projects. Mark's primary business prior to the formation of Augusta Capital Management in 2003 was property development with significant projects across all sectors including commercial, retail, industrial and residential.

Bryce Barnett - Executive Director FCA, FPINZ

Bryce is a Fellow of Chartered Accountants Australia and New Zealand and a Fellow of the Property Institute of New Zealand. He began his career in the IRD before becoming the Chief Accountant of the Moller Group of Companies in 1980. From there he joined General Properties Consolidation Limited as the Managing Director involved in property development and investment throughout New Zealand. In 1989 Bryce became General Manager of MacDow Properties, a subsidiary of McConnell Dowell. Bryce was responsible for that company's development and investment activity throughout New Zealand. In 1993 Bryce established KCL Property. KCL Property was acquired by Augusta Funds Management in April 2014.

Mark Petersen (Dip Urb Val, SNZPI)

Mark is a Professional Director and corporate adviser who has worked in the commercial property sector for the past 35 years. Initially working as a registered valuer, Mark's background includes development management, project management and investment management. Mark was Managing Director of NZX listed Shortland Properties Limited from 1989 to 1999.

Mark is currently a Director of CentrePort Limited, Wellington's container port company and its subsidiaries and is an advisory Board member for Te Tumu Kainga a trust administered by the Maori Trustee for the provision of affordable housing. Mark is a former director of Wellington Waterfront Limited; a former director of Australian property focused private equity funds which were established and managed by Grant Samuel and is a past Chair of the NZ Hockey Federation.

Mark is currently an executive director of D H Flinders, a Melbourne headquartered corporate advisory firm providing corporate and funds management advice in Australia, New Zealand and South East Asia.

5. DDH GRAHAM, AUGUSTA AND CUSTODIAN (CONT.)

In addition to Mark Francis and Bryce Barnett, the following senior managers of Augusta Funds Management will be responsible for the asset management of the Trust:

Simon Woollams - Chief Financial Officer

Simon has a commerce degree majoring in accountancy and is a Chartered Accountant. Simon has a strong financial background including roles with BDO Spicers, UK experience and ANZ National Bank in the property and finance teams. Simon has been with Augusta since 2007.

Guy French-Wright - Chief Operating Officer

Guy joined Augusta from Quintessential Equity, a wholesale property fund manager based in Melbourne, Australia, where he was General Manager – Development and was responsible for building a diversified development business. Prior to that, he was Development Director – Commercial at the Mirvac Group in Melbourne and has held a range of other management positions at Mirvac Group, Salta Properties and Austcorp Group in Australia. He started his career as an Investment Banking Associate at Macquarie Bank.

5.4 Custodian

We have appointed an independent custodian to hold the assets of the Trust.

The Custodian of the Trust is AET Structured Finance Services Pty Ltd (**AET**). AET and its related entities are one of Australia's largest and oldest licensed trustee companies. AET has been providing custody and trustee services for over 130 years, having been established in 1880. AET is a member of the IOOF Holdings Limited (**IOOF**) Group, a leading provider of wealth management products and services in Australia. IOOF is an ASX200 listed company.

We have appointed AET under a Custodian Agreement. The Custodian's main role is to hold the assets in its name and act on our direction to effect cash and investment transactions. AET has no supervisory role in relation to the operation of the Trust and has no liability or responsibility to an investor for any act done or omission made in accordance with the Custodian Agreement.

AET's role as Custodian is limited to holding the assets of the Trust.



AUGUSTA
FUNDS MANAGEMENT



6. FEES AND OTHER COSTS

6.1 Consumer advisory warning

The warning below is required by law and is not specific to this PDS. The fees and other costs associated with investing in the Trust are described in this section.

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower administration fees and management costs where applicable. Ask the Trust or your financial adviser.

TO FIND OUT MORE:

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fees options.

6.2 Fees and other costs

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Trust assets as a whole.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Trust		
<i>Establishment fee</i> The fee to open your investment.	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment.	Nil	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment.	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment.	Nil	Not applicable
Management costs		
<i>The fees and costs for managing your investment</i>		
Responsible Entity's establishment fee	A\$16,500	Payable from the Trust assets upon completion of the Offer and issue of units. ¹
Augusta's establishment fee	A\$874,000	Payable from the Trust assets upon completion of the Offer and issue of units. ²

¹Refer to 'Responsible Entity's establishment fee' in 'Additional explanation of fees and costs' section below for further details.

²Refer to 'Augusta's establishment fee' in 'Additional explanation of fees and costs' section below for further details.

Management costs (cont.)		
Responsible Entity's management fee	A\$60,500 per annum (subject to CPI increase on each anniversary from the date of this PDS)	Calculated and payable monthly in arrears from the Trust assets. ³
Augusta's management fee	A\$100,000 per annum subject to an annual increase of the greater of 3% or CPI on each anniversary from settlement	Calculated and payable monthly in arrears from the Trust assets. ⁴
Offer costs	Anticipated to be approximately A\$945,407	To be paid upon completion of the Offer and issue of units. ⁵
Trust expenses	Trust expenses are expected to be 1.17% per annum for the period ending 30 June 2018, 1.46% per annum for the financial year ending 30 June 2019 and 1.51% per annum for the financial year ending 30 June 2020 of the Trust's net asset value	To be paid as and when incurred. ⁵
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

³Refer to 'Responsible Entity's management fee' in 'Additional explanation of fees and costs' section below for further details.

⁴Refer to 'Augusta's management fee' in 'Additional explanation of fees and costs' section below for further details.

⁵Refer to 'Trust expenses' in 'Additional explanation of fees and costs' section below for further details.

6.3 Additional explanation of fees and costs

Management costs comprise the additional fees or costs that an investor incurs by investing in the Trust rather than investing directly in the underlying assets.

Responsible Entity's establishment fee

- We are entitled to be paid an establishment fee of A\$16,500 out of the assets of the Trust.
- Our establishment fee is payable from the Trust assets upon completion of the Offer and issue of units.

Augusta's establishment fee

- Augusta is entitled to an establishment fee of A\$874,000 for its services in sourcing the investment opportunity at 741 Nudgee Road, completing all due diligence on the Property, assisting in the preparation of this PDS and arranging the debt facility.
- Augusta's establishment fee is payable from the Trust assets upon completion of the Offer and issue of units.

Responsible Entity's management fee

- We are entitled to be paid out of the Assets a management fee of A\$60,500 per annum.
- The management fee is adjusted each anniversary of the date of the PDS by any CPI increase over the previous 12 months.
- The management fee is calculated and payable monthly in arrears.
- The management fee must be paid up to the date of completion of the final winding up of the Trust.

Augusta's management fee

- Augusta will be paid a management fee for managing the Property of A\$100,000 per annum commencing from settlement of the Property purchase. The management fee is subject to an annual increase of the greater of CPI or 3% on each anniversary of settlement.
- The management fee is payable to Augusta monthly in arrears from the assets of the Trust and continues until the Asset Management Agreement is terminated (for example, when the Trust is wound up).

6. FEES AND OTHER COSTS (CONT.)

Augusta's brokerage fees

- (a) Augusta will be entitled to brokerage fees of up to A\$408,250 for introducing New Zealand investors to the Trust. From its brokerage fees, Augusta will pay commissions to its agents in New Zealand who introduce New Zealand investors to the Trust. Brokerage fees are payable to, or as directed by, Augusta from the assets of the Trust upon New Zealand investors acquiring units.
- (b) The maximum brokerage fees amount of A\$408,250 is included in the 'Offer costs' amount in the fees and costs table in section 6.2.

Trust expenses

We are entitled to be reimbursed for expenses and costs incurred in the proper management of the Trust and Augusta is also entitled to be reimbursed for expenses incurred in managing the Property and providing related services in accordance with the Asset Management Agreement. These expenses include:

- (a) costs associated with the purchase of the Property, such as stamp duty, legal fees and valuation fees;
- (b) costs associated with the Property which are unable to be recovered from the Tenant;
- (c) costs associated with enforcing rights under the Lease in the event of Tenant default;
- (d) fees and costs of the audit of the Trust and the Compliance Plan;
- (e) fees and expenses payable to a custodian of the Trust's assets;
- (f) costs and expenses incurred in connection with borrowing on behalf of the Trust;
- (g) statutory charges including taxes, government fees and levies;
- (h) valuation or other experts' fees and costs incurred in relation to the Trust's activities, including costs incurred in preparing any legal documents;
- (i) public liability, loss of rent and other general property insurance;
- (j) registry charges, legal fees, printing of annual reports, postage and handling, Compliance Committee costs, expert and consultant fees and the holding of investor meetings;

- (k) other costs, disbursements and outgoings incurred in connection with the management and administration of the assets and performance of the duties and functions of the responsible entity under the Constitution; and
- (l) other costs and expenses we incur in relation to the establishment of the Trust, the preparation and registration of the Constitution and Compliance Plan, the preparation, due diligence, printing, promotion and distribution of this PDS and any costs incurred in amending or replacing any of the above documents or any other aspect of the Trust.

The expenses of the Offer are anticipated to be approximately A\$945,407 and we will pay such expenses from the Trust assets upon completion of the Offer. This amount includes the maximum brokerage fees of A\$408,250.

Other fees payable to Augusta

Augusta is also entitled to receive other fees under the Asset Management Agreement as described below. These amounts are not included in the fees and costs table in section 6.2 or the example of annual fees and costs table in section 6.4 as they are contingent on particular events occurring which we consider are unlikely to happen in the foreseeable future (with the exception of the brokerage fees which are included in the Offer costs).

Sale fee and performance fee

- (a) Upon a sale of the Property:
 - (i) if the Property is sold for a sale price which exceeds A\$31,759,608 (being the combined total of the purchase price, stamp duty and the expenses of the Offer), Augusta will be entitled to be paid a sale fee equal to 1.1% of the sale price (inclusive of GST but excluding fees and charges of the sale); and
 - (ii) if investors have received or, upon final distribution following sale, will receive, actual pre-tax returns on their investment in the Trust of an amount equal to an internal rate of return of 8% or more, Augusta will be entitled to a performance fee equal to 11% of the amount that the funds available for return to investors following the sale exceeds the equity contributed by investors.
- (b) The sale fee and performance fee (if any) are payable upon settlement of the sale of the Property from the assets of the Trust.

- (c) Augusta has agreed to pay the Responsible Entity, in its personal capacity, 15% of any sale fee payable to Augusta.
- (d) For example, if the sale price for the Property (excluding fees and charges incurred in respect of the disposal) is A\$35 million, which is above the threshold of A\$31,759,608 the sale fee payable to Augusta will be calculated as follows:

$$A\$35,000,000 \times 1.1\% = A\$385,000$$

From its sale fee, Augusta would pay the Responsible Entity (in its personal capacity) an amount of A\$57,750.

If the sale price represented an internal rate of return of more than 8%, equity contributed was A\$17.75 million and equity returned was A\$20.75 million, this would represent an excess return of A\$3 million and Augusta's performance fee would be A\$330,000 (A\$3,000,000 X 11%).

Leasing fees

- (a) Augusta is entitled to receive fees for any new leases entered into for the Property and for the renewal or extension of any existing leases (including the Lease) as follows.
- (b) Where a new lease is entered into and no commission is payable to a real estate agent, Augusta is entitled to be paid the following fee:
- (i) where the lease term is less than one year – nil;
 - (ii) where the lease term is one year or longer but less than three years – 11% of annual rental;
 - (iii) where the lease term is three years or longer but less than five years – 13.75% of annual rental; or
 - (iv) where the lease term is five years or longer – 16.5% of annual rental.
- (c) Where a new lease is entered into and a commission is payable to a real estate agent, Augusta is entitled to be paid the following fee:
- (i) where the lease term is less than one year – nil;

- (ii) where the lease term is one year or longer but less than three years – 6.5% of annual rental;
 - (iii) where the lease term is three years or longer but less than five years – 6.875% of annual rental; or
 - (iv) where the lease term is five years or longer – 8.25% of annual rental.
- (d) For example, if a new lease was entered into for the Property with a term of five years, an annual rental of A\$2,000,000 and no commission is payable to a real estate agent, a leasing fee of A\$330,000 would be payable to Augusta
- (e) If Augusta negotiates an extension of a lease, or the exercise of any renewal right, Augusta will be entitled to a facilitation fee of:
- (i) 5.5% of annual rental; plus
 - (ii) (if applicable) 1.65% of annual rental for each year that the negotiated extension or renewal exceeds the date that is six years from the contracted expiry of the lease (including any renewal), capped at 16.5% of annual rental.
- (f) For example, if Augusta negotiated a five year extension of a lease with an annual rental of A\$2,000,000, Augusta would be entitled to a facilitation fee of A\$110,000.
- (g) If Augusta is entitled to a leasing or facilitation fee, such fee is payable upon, as applicable, the commencement of the lease or the agreement for the extension or renewal being entered into.

Lease assignment fee

- (a) If a tenant (including the Tenant) assigns their lease, Augusta is entitled to a fee of A\$2,200. The lease assignment fee is subject to an increase of the greater of 3% and CPI each year during the term of the Asset Management Agreement.

6. FEES AND OTHER COSTS (CONT.)

Project management fees

- (a) In the event of any future refurbishment, rebranding, extension or redevelopment of the Property, Augusta will be entitled to a project management fee, calculated and payable on an incremental basis based on the GST-exclusive costs of such works as follows:
- (i) for up to the first A\$50,000 of cost, 16.5% of such cost;
 - (ii) for costs between A\$50,000 and A\$99,999.99, 11% of such cost;
 - (iii) for costs between A\$100,000 and A\$199,999.99, 8.25% of such cost; and
 - (iv) for any further costs, 5.5% of such cost.
- (b) For example, if a A\$75,000 refurbishment of the Property was undertaken, the project management fee payable to Augusta would be A\$11,000.

Refinancing fee

- (a) If Augusta refinances the Trust's debt facility, and the margin rate applying to the refinanced facility is equal to or lower than the margin rate applying to the debt facility prior to the refinance, Augusta is entitled to a fee of A\$22,000 increasing by the greater of 3% or CPI each year, for the term of the refinanced debt facility.

Capital raising fee

- (a) If the Trust raises further capital in addition to funds raised under this PDS, a capital raising fee of up to 3% of capital raised will be payable to Augusta. For example, if a further A\$1 million was raised from the issue of units, Augusta will be entitled to receive a capital raising fee of A\$30,000.

Removal fee

- (a) If investors resolve to remove Augusta in accordance with the terms of the Asset Management Agreement, a removal fee equal to one year's management fee (based on the annual management fee payable at the time of removal) will be payable to Augusta. The removal fee is payable on the date Augusta's appointment ceases.

- (b) For example, if the management fee payable to Augusta was A\$100,000 per annum and Augusta was removed pursuant to a resolution of investors, a removal fee of A\$100,000 would be payable to Augusta.

Trust winding up fee

- (a) If the Trust is wound up, Augusta is entitled to a fee equal to the then prevailing annual management fee divided by 12.
- (b) For example, if Augusta's management fee was A\$100,000 per annum, upon a winding up of the Trust Augusta would be entitled to be paid a winding up fee of A\$8,333 (in addition to receiving its management fee up until termination of the Asset Management Agreement).

Changes to fees

We do not expect the Trust expenses estimate (as disclosed in the table in section 6.2 above) to increase within the next 12 months. If the Trust estimate expenses materially increase during this period, we will give you 30 days' notice before those costs are paid.

Fee waivers

DDH Graham or Augusta may waive, assign, defer, or rebate any or all of their fees or their entitlement to reimbursement for expenses incurred.

Differential fee arrangements

We may negotiate different fee arrangements, such as fee rebates, waivers or reductions, for wholesale clients. Such differential fee arrangements will be by individual negotiation with us.

GST and stamp duty

All fees stated in this section 6 include (if applicable):

- (a) GST less any reduced input tax credits; and
- (b) stamp duty.

Incidental fees

Unit transfer fee

Where an investor utilises the secondary market facility offered by Augusta Funds Management to New Zealand resident investors to sell or dispose of units (as described in section 1.6), an administration fee is payable by the selling investor to Augusta Funds Management.

The current administration fee is equal to 2.3% of the transaction value for arm's length transfers of units (including NZ GST). For example, if an investor agreed to transfer a unit in the Trust to an unrelated party for an amount of A\$50,000, an administration fee of A\$1,150 (including NZ GST) will be payable to Augusta Funds Management. Where the transfer is to a related party, an administration fee of up to A\$575 will be payable.

The administration fee is payable at the time the transfer form is lodged with the Responsible Entity.

Fees payable under the Constitution

We may charge fees where provided for under the Corporations Act. For example, a A\$10 fee to provide a copy of the Constitution.

Transaction costs

Transaction costs, such as government taxes, duties, levies, bank charges and account transaction charges, associated with the acquisition and management of the Property will be paid from the Trust. The Trust is expected to incur stamp duty, registration and transfer fees of A\$1,697,881 associated with the purchase of the Property.

Taxes

For taxation information relating to the Trust, see section 10.

6.4 Example of annual fees and costs for the Trust

The following table gives an example of how fees and costs in the Trust can affect your investment over a one year period. You should use this table to compare this product with other managed investment products. Please note that this is just an example. In practice, the actual investment balance of an investment will vary frequently and the actual fees and expenses charged are based on the value of the Trust, which also fluctuates.

Example		Balance of A\$50,000 with a contribution of A\$5,000 during year ¹
Contribution fees	Nil	For every A\$5,000 you put in, you will be charged A\$0.
Plus management costs	2.29%	And, for every A\$50,000 you have in the Trust, you will be charged A\$1,147 ² each year.
Equals cost of the Trust		If you had an investment of A\$50,000 in the Trust at the beginning of the year and you put it an additional A\$5,000 during that year, you would be charged annual fees of A\$1,147. ²
		What it costs will depend on the investment option you choose and the fees you negotiate. ³

¹It is a requirement of the Corporations Regulations that the above example assumes a balance of A\$50,000 and an additional contribution of A\$5,000 which is made at the end of the year. In practice, we intend that there will be a single capital raising for the Trust and therefore it will not be possible to make further contributions after your initial investment.

²Responsible Entity management fees of A\$212, Augusta's management fees of A\$350 and operating expenses of A\$585. Management costs exclude the other fees payable to Augusta as described in section 6.3. Management costs also exclude our establishment fee of A\$16,500 and Augusta's establishment fee of A\$874,000, as they are one-off fees payable upon the completion of the Offer and issue of units and are not ongoing fees, and Offer costs of A\$945,407 as they are not ongoing expenses of the Trust.

³The management costs for the Trust are not negotiable.

7. FINANCIAL INFORMATION

7.1 Introduction

We have prepared the financial information contained in this section which includes:

- (a) forecast application and sources of Trust funds;
- (b) forecast pro-forma statement of financial position;
- (c) forecast income and distribution statement;
- (d) key forecast assumptions; and
- (e) sensitivity analysis.

The financial information has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards. However, the financial information is presented in an abbreviated form and does not contain all the disclosures, statements or comparative information as required by the Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

The significant accounting policies relevant to the financial information are disclosed in section 7.7.

The forecast pro-forma statement of financial position of the Trust assumes settlement of the purchase of the Property, the targeted subscription amount has been raised and the bank finance facility is drawn to A\$14,134,608. The forecast pro-forma statement of financial position should be read in conjunction with the best estimate assumptions and key accounting policies set out below and the investment risks set out in section 4.2.

The forecast pro-forma statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Trust's future financial position.

Also summarised in this section are:

- (a) the basis of preparation and presentation of the financial information; and
- (b) the assumptions underlying the forecast financial information.

Information in this section should be read in conjunction with the risks outlined in section 4.2, the basis of preparation of the financial information outlined in section 7.2, the assumptions outlined

in section 7.5, the sensitivity analysis outlined in section 7.6 and the other information contained in this PDS.

The Directors believe the forecasts contained within this section are reasonable and are based on best estimate assumptions as set out in this section. Although due care and attention has been taken in preparing the financial information many factors are outside the control of the Directors or are not capable of being foreseen or accurately predicted. As such, actual results may differ materially from forecasts contained within the financial information.

The Investigating Accountant's Report prepared by PKF Corporate Finance (NSW) Pty Limited is set out in section 8. Investors should note the scope and limitations of the Investigating Accountant's Report.

7.2 Forecast application and sources of Trust funds

Funds for the acquisition of the Property are assumed to be applied and sourced as set out below:

Application of funds	A\$	A\$
<i>Direct Property acquisition costs</i>		
Purchase price	28,250,000	
Stamp duty, registration and transfer fees	1,697,881	29,947,881
<i>Establishment fees</i>		
Augusta establishment fee	874,000	
Responsible Entity establishment fee	15,000	
Custodian fee	3,500	
Brokerage fees	408,250	
Bank fees	50,000	1,350,750
<i>Legal fees and due diligence costs</i>		
Legal fees	165,379	
Property due diligence report	14,800	
Property valuation	11,000	191,179

Application of funds (cont.)	A\$	A\$
<i>Other set up costs</i>		
Audit	20,000	
Printing, advertising and promotion	204,298	
Accountancy	35,000	
Chattels valuation	5,000	
Capital maintenance fund	125,000	
Other registration costs	5,500	394,798
Total establishment costs		31,884,608
Source of funds		
Funds raised under this Offer	17,750,000	
Borrowings	14,134,608	31,884,608

7.3 Forecast pro-forma statement of financial position

Set out below is the forecast pro-forma statement of financial position of the Trust. The pro-forma statement of financial position assumes settlement of the purchase of the Property, the targeted subscription amount has been raised and the bank finance facility is drawn to A\$14,134,608. The forecast pro-forma statement of financial position should be read in conjunction with the best estimate assumptions and key accounting policies set out within sections 7.5 and 7.7, and the investment risks set out in section 4.2.

	A\$
<i>Current Assets</i>	
Cash and cash equivalents	125,000
Total Current Assets	125,000
<i>Non-Current Assets</i>	
Property	28,250,000
Unamortised borrowing costs	171,739
Total Non-Current Assets	28,421,739
Total Assets	28,546,739
<i>Non-Current Liabilities</i>	
Borrowings	14,134,608
Total Liabilities	14,134,608
Net Assets	14,287,131
<i>Equity</i>	
Contributed equity	17,750,000
Capital raising costs	(1,505,388)
Distribution	-
Retained profit/(loss)	(1,957,481)
Total Equity	14,287,131

Details of the pro-forma adjustments are:

- settlement of the purchase of the Property is effected for A\$28.25 million;
- funds of A\$17.75 million are raised by the issue of units under this PDS; and
- loan funds of approximately A\$14.1 million are drawn down to assist with funding settlement of the purchase of the Property.

7. FINANCIAL INFORMATION (CONT.)

7.4 Forecast income and distribution statements

Set out below are the forecast income and distribution statements of the Trust for the financial period ending 30 June 2018, the financial year ending 30 June 2019 and the financial year ending 30 June 2020. The forecast income and distribution statements should be read in conjunction with the best estimate assumptions and key accounting policies set out in sections 7.5 and 7.7, and the investment risks set out in section 4.2.

The forecast distributions payable shows the profit available for distribution to investors by adjusting profit before fair value adjustments for certain non-cash and significant items.

	FY2018 10 months	FY2019 12 months	FY2020 12 months
Revenue	A\$	A\$	A\$
Net rental income	1,884,810	2,261,599	2,261,387
Interest income	630	840	840
Sub-total	1,885,440	2,262,439	2,262,227
Expenses			
Responsible Entity's management fee	(55,000)	(56,375)	(58,066)
Augusta's management fee (net of recoveries from Tenant)	(32,410)	(39,558)	(40,745)
Other Trust expenses	(45,300)	(70,210)	(72,306)
Sub-total	(132,710)	(166,143)	(171,117)

	FY2018 10 months	FY2019 12 months	FY2020 12 months
Net operating income before finance costs	1,752,730	2,096,296	2,091,110
Interest expense and borrowing costs	(494,759)	(597,251)	(598,726)
Net operating income	1,257,971	1,499,045	1,492,384
Change in fair value of investment property	(2,168,089)	(191,626)	(158,686)
Net profit	(910,118)	1,307,419	1,333,698
Non-cash adjustments			
Add: Change in fair value of investment property	2,168,089	191,626	158,686
Add: Amortised borrowing cost paid at settlement	47,705	57,246	57,246
Less: Adjustment due to fixed rental growth	(210,608)	(191,626)	(128,686)
Profit available for distribution	1,095,068	1,364,665	1,420,944
Distributions paid/payable	(1,087,188)	(1,357,875)	(1,420,000)
Surplus/(shortfall)	7,881	6,790	944
Forecast distribution per unit (A\$)	3,063	3,825	4,000
Forecast distribution per unit (per annum as a % of unit issue price)	7.35%¹	7.65%	8.00%

¹Calculated on an annualised basis.

7.5 Assumptions

The forecast pro-forma statement of financial position and forecast income and distribution statements (**Forecast Financial Statements**) are based upon a number of key ‘best estimate’ assumptions. These assumptions have been adopted by the Responsible Entity. Actual results may vary significantly from this forecast because future events may not occur in accordance with the assumptions.

The statements in this PDS which constitute forward-looking statements involve known and unknown risks, uncertainties and other factors which may impact on actual outcomes, many of which are outside the control of the Responsible Entity. These factors will cause the actual results, performance or achievements of the Trust to differ, perhaps materially, from the results, performance or achievements implied by forward-looking statements. The forward-looking statements do not constitute a representation that future results will be achieved and are presented to potential investors as a guide only. They are based on information known at the date of the PDS.

General assumptions

General assumptions underlying the Forecast Financial Statements are as follows:

- (a) no further property or financial asset acquisition or disposals occur during the forecast period;
- (b) the Lease is enforceable and performed in accordance with its terms;
- (c) there are no significant changes in political or economic or industry conditions as prevailing at the date of the PDS;
- (d) there are no significant changes in the legislative regimes and regulatory environments (including taxation) in the jurisdictions in which the Trust operates, other than as described in this PDS;
- (e) there is no loss of key management personnel for the Responsible Entity or Augusta, and sufficiently qualified staff are retained;
- (f) there are no changes in Australian Accounting Standards, other mandatory professional reporting requirements or the Corporations Act, which will have a material impact on the Trust’s financial performance, cash flow or financial position or the presentation of the same;

- (g) the Trust’s significant accounting policies remain consistent with those disclosed in the PDS;
- (h) there are no material beneficial or adverse effects arising from the actions of competitors;
- (i) there is no change in the capital structure of the Trust, other than as set out in, or contemplated by, the PDS; and
- (j) there is no material amendment to any material agreement or arrangement relating to the Trust, in particular the Constitution.

Specific assumptions

The specific assumptions include:

Settlement

Pursuant to the Purchase Agreement, settlement is expected to occur on 31 August 2017. Therefore, for the purpose of the prospective financials, rental income has been recognised from 1 September 2017.

The Property is assumed to be purchased by the Trust at a purchase price of A\$28,250,000.

Establishment costs

Total establishment costs are expected to be A\$31,884,608 (inclusive of the Property purchase price of A\$28,250,000 and a capital maintenance fund of A\$125,000) as set out in section 7.2. The establishment costs have been based on contractual obligations, quotes received or estimates using experience of establishing similar schemes. The capital maintenance fund will be held as a cash deposit and used for expenditure as the Responsible Entity and Augusta best see fit to fund any capital works for the Property or other Property-related costs. Stamp duty and property acquisition costs in relation to the purchase of the Property have been accounted for and adjusted in the pro-forma statement of financial position.

Certain establishment costs estimated at A\$214,677 (inclusive of New Zealand GST), being printing, advertising, promotion and New Zealand legal services, are based on quotes in New Zealand dollars. These have been converted at an exchange rate of NZ\$0.95:A\$1.

7. FINANCIAL INFORMATION (CONT.)

Investment property

A valuation of the Property has been obtained as at 20 March 2017 which supports the purchase price to be paid under the Purchase Contract. The future fair value gain or loss on the investment property cannot be reliably predicted due to changing market conditions, and accordingly the fair value of the Property at each balance date is assumed to equal the fair value of the Property at settlement being the purchase price of the Property adjusted for any amounts already allocated to other assets or liabilities.

Therefore, a change in fair value has been reflected in the Forecast Financial Statements which represents the write down of estimated capitalised establishment costs (which includes stamp duty to be paid) and the movement in the fixed rental accrual to recognise contractual lease income on a straight line basis.

The Trust as landlord is responsible for all works of a structural or capital nature. A capital maintenance fund of A\$125,000 will be established to cover such costs. The quantum is based on the cost of items that have been identified over the first five years. No capital expenditure has been forecasted for the period ending 30 June 2018 and the financial year ending 30 June 2019. A\$30,000 has been budgeted to be spent on capital works in the financial year ending 30 June 2020.

Rental income

Rental income has been forecast based on the Lease and assumes the Tenant pays rent and complies with its other obligations pursuant to the Lease and continues to occupy the Property. The rent has been assumed to be reviewed annually in accordance with the terms of the Lease.

Rental income within the net property income disclosed within the forecast income and distribution statement is after an accounting adjustment has been made to the rent receivable on a cash basis to account for future fixed rent reviews so to recognise income on a straight line basis in accordance with IAS 17 over the Lease term until the first right of renewal on 31 December 2028. In calculating the required adjustment no growth from the preceding year has been assumed for the market rent reviews so that it represents minimum contractual lease payments.

For the financial periods ending 30 June 2018, 30 June 2019 and 30 June 2020, it is assumed that there is no vacancy and no tenant default. It is also assumed that there are no delays in receipt of debtors.

Property operating expenses and recoveries

The Tenant is responsible for all operating costs including rates, insurance premiums (except loss of rents), utilities and certain maintenance obligations. It is assumed that all recoverable property operating cost payments will be made on time by the Trust (except insurance which is to be paid by the Tenant directly), then recovered from the Tenant and that there are no creditors associated with these operating costs.

Non recoverable property expenses include loss of rents insurance and a provision to cover any structural maintenance or repairs not recoverable from the Tenant at a rate of A\$1,750 per month. Costs are based on quotes received or estimates based on previous experience managing similar investment assets. Costs and recoveries have been assumed to increase by 3% CPI each year.

Net property income

Net property income is disclosed in the forecast income and distribution statement as the rental income (adjusted as described above to straight line the fixed rent reviews) less any non-recoverable operating expenses which include loss of rent insurance and a provision for non-recoverable structural repairs and maintenance.

Responsible Entity management fees

The annual management fees to be charged by the Responsible Entity in accordance with the Constitution are to be A\$55,000 for the first year commencing from settlement and to increase by CPI thereafter each year. A CPI rate of 3% has been assumed. Responsible Entity management fees will be paid monthly by the Trust.

Asset management fees

The annual asset management fees to be charged by Augusta Funds Management in accordance with the Asset Management Agreement are A\$100,000 for the first year commencing from Property settlement and increasing each year by the greater of 3% or CPI (and a CPI rate of 3% has been assumed). The Lease provides that the outgoings to be recoverable from the Tenant include management fees to manage the building and land capped at 3% of rent. Therefore, the cash flows assume that 3% of the rental income is recoverable from the Tenant. Asset management fees will be paid monthly by the Trust.

Other Trust expenses

Custodian, compliance committee, audit engagement, valuation and accounting fees are based on quotes received or estimates based on previous experience managing similar schemes. In addition, investor reporting costs and other miscellaneous expenses will be incurred. These costs have been forecast by taking into account factors likely to influence the level of these expenses, including the Trust's estimated gross asset value. Costs have been assumed to increase by 3% CPI each year.

Borrowings

It is assumed the Trust obtains a finance facility of A\$14,200,000 and A\$14,134,608 is drawn down to fund the balance of the purchase price and associated costs.

It is anticipated bank financing will be renewed every 3 years. A fee of A\$50,000 is payable upon initial drawdown to the lender.

The loan will be a fixed rate, interest only facility and for a term of 3 years from drawdown. It is assumed that an extension will be granted prior to the expiry on similar terms. There will be an LVR covenant not to be greater than 55% and an interest cover ratio covenant not to be less than 2.75 times. It is assumed that covenants are not breached and the rights of the lender are not exercised. The associated finance transaction costs are to be amortised over the initial term of the loan.

Interest expense

The interest expense is calculated at a fixed rate of 3.81% per annum and is based on no principal repayments (interest only) during a 3 year term of the loan. The rate is based on the letter of offer for a fixed rate facility, the terms of which are summarised in section 11.7. It is our intention to fix 100% of the loan at commencement.

GST

All forecasts including income, fees, charges and acquisition costs are shown net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

Taxation

Given the nature of the Trust's proposed investment activities, the Trust will be subject to trust taxation 'flow through' provisions under Australian tax legislation. Accordingly, by distributing all of its taxable income to its investors, the Trust does not incur a tax liability. The taxable income is forecasted to be \$nil for the period ending 30 June 2018 and for the financial years ending 30 June 2019 and 30 June 2020. The forecast taxable income has been calculated according to the Australian taxation legislation utilising estimated taxation allowances for low value pool, Division 40 (plant & equipment depreciation) and Division 43 (building allowance) assets using the diminishing value method.

Distributions to investors

Cash distributions are forecast to be paid out of cash reserves from the operating activities of the Trust monthly in arrears at a rate of 7.35% per annum for the financial period ending 30 June 2018, 7.65% per annum for the financial year ending 30 June 2019 and 8.00% per annum for the financial year ending 30 June 2020. These rates are disclosed as a percentage of the initial investment based on the forecast number of units on issue. Since the taxable income from the Trust is forecast to be \$nil for the period ending 30 June 2018 and the financial years ending 30 June 2019 and 30 June 2020, it is assumed that the Responsible Entity will opt to treat the distributions as a reduction of equity in a capital fund for these periods.

Capital raising

It is assumed that funds of A\$17.75 million are raised by the issue of units under this PDS.

7. FINANCIAL INFORMATION (CONT.)

7.6 Sensitivity analysis

The forecast financial information is based on a number of estimates and assumptions which are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Responsible Entity. These estimates and assumptions are subject to change.

Investors should be aware that future events cannot be predicted with certainty and, as a result, deviations from the figures forecast in the PDS should be expected.

The impact of changes in market interest rates is to be minimised through our intention to enter a fixed rate loan agreement. To assist investors in assessing the impact of future changes in interest rates once the fixed rate agreement expires (expected to be on 31 August 2020), the table below sets out the sensitivity of the Trust's pro-forma forecast adjusted net profit (profit available for distribution as shown in section 7.4) for the year ending 30 June 2020 to both increases and decreases in the fixed interest rate. The changes set out below are not intended to be indicative of the complete range of possible variations that may arise from other assumptions.

Annual interest rate	Forecast profit available for distribution per unit	Annualised forecast profit available for distribution as percentage of capital raised	Variance in profit available for distribution per unit
4.81%	3,602	7.20%	(398)
4.31%	3,801	7.60%	(199)
3.81%	4,000	8.00%	-
3.31%	4,199	8.40%	199
2.81%	4,398	8.80%	398

The estimated impact of changes in the rate of interest has been calculated in isolation from changes in other variables to illustrate the likely impact on the forecast financial information. In practice, the changes in variable may offset each other or may be cumulative.

7.7 Significant accounting policies

Summarised below is an extract of the significant accounting policies which have been adopted in the preparation of the forecast financial information.

Basis of accounting

The financial information has been prepared in accordance with the measurement and recognition (but not all the disclosure) requirements of applicable Australian Accounting Standards and other mandatory professional requirements in Australia using the accrual basis of accounting including the historical cost convention and the going concern assumption.

The Trust has not conducted any activities from the date of formation to the date of this PDS.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank and short term deposits held.

Assets attributable to investors

The Trust considers its capital to be investors' funds. The Trust manages its net assets attributable to investors as capital, notwithstanding net assets attributable to investors are classified as equity.

Investment property

Investment property comprises land, buildings and improvements and is held for long-term rental income. An investment property is initially recognised at cost, including transaction costs. Thereafter, it is measured at fair value which reflects market conditions. Fair value will be determined annually by external valuers and adjusted for any amounts already allocated to other assets or liabilities. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, allowances, and duties and taxes paid. The specific recognition criteria must also be met before revenue is recognised. Revenue includes rental income and outgoing recoveries from the property held by the Trust. Rental income from operating leases is recognised in income on a straight line basis over the lease term.

Sale of Property

Revenue and profits or losses from the sale of the Property are recognised on settlement of the sale. This represents the point when risks and rewards have passed to the buyer.

Distribution and taxation

Under current legislation the Trust is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the investors. The Trust fully distributes its distributable income, calculated in accordance with the Constitution and applicable laws.

Goods and services tax

The Forecast Financial Statements have been prepared using GST exclusive figures except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liability for at least 12 months after the date of the statement of financial position.

Also, if an entity expects, and has the discretion, to refinance or roll over an obligation for at least twelve months after the reporting period under an existing loan facility, it classifies the obligation as non-current, even if it would otherwise be due within a shorter period.

Establishment costs

Establishment costs are treated in a number of ways depending on the nature of the costs; (1) costs associated with respect to raising equity are deducted from the equity proceeds, (2) costs associated with obtaining finance are capitalised and amortised over the initial period of the borrowings, and (3) costs associated with purchasing the Property are capitalised as part of the investment property asset.



8. INVESTIGATING ACCOUNTANT'S REPORT

5 July 2017

Board of Directors
DDH Graham Limited
Level 9
324 Queen St
Brisbane Qld 4000

Dear Directors,

INVESTIGATING ACCOUNTANT'S REPORT INDEPENDENT LIMITED ASSURANCE REPORT ON THE PRO-FORMA PROSPECTIVE FINANCIAL INFORMATION AND FINANCIAL SERVICES GUIDE

1. Introduction

We have been engaged by DDH Graham Limited (“**DDHG**” or the “**Responsible Entity**”) to report on the prospective financial information (“**Prospective Financial Information**”) of the Augusta Nudgee Road Property Trust (“**ANRPT**” or the “**Trust**”) for inclusion in the Product Disclosure Statement to be dated on or about 7 July 2017 (the “**PDS**”) in relation to the issue of ordinary units to raise \$17.75 million (the “**Offer**”).

Expressions defined in the PDS have the same meaning in this report, unless otherwise specified.

PKF Corporate Finance (NSW) Pty Limited (“**PKFCF**”) holds Australian Financial Services Licence (“**AFSL**”) 295872. This report (“**Report**”) is both an Independent Limited Assurance Report, which scope of which is set out below, and a Financial Services Guide, as attached at **Appendix A**.

PKF Corporate Finance (NSW) Pty Limited
ABN 65 097 893 957
AFSL 295 872

Sydney
Level 8, 1 O'Connell Street
Sydney NSW 2000 Australia
GPO Box 5446 Sydney NSW 2001
p +61 2 8346 6000
f +61 2 8346 6099

Newcastle
755 Hunter Street
Newcastle West NSW 2302 Australia
PO Box 2368 Dangar NSW 2309
p +61 2 4962 2688
f +61 2 4962 3245

PKF Corporate Finance (NSW) Pty Limited is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

For our office locations visit www.pkf.com.au

2. Scope

You have requested PKFCF to provide a review opinion (negative assurance) with respect to the following Prospective Financial Information presented in the PDS comprising:

- the unaudited pro-forma statement of financial position (“**Pro-Forma Statement of Financial Position**”) assuming completion of the Offer;
- Prospective Income Statements for the 10 months ending 30 June 2018 and years ending 30 June 2019 and 30 June 2020;
- Prospective Statements of Financial Position at 30 June 2018, 30 June 2019 and 30 June 2020;
- Prospective Cash Flow Statements for the 10 months ending 30 June 2018 and years ending 30 June 2019 and 30 June 2020; and
- significant accounting policies and other notes accompanying the Prospective Financial Information.

The Prospective Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial report prepared in accordance with the Corporations Act 2001.

3. Directors' Responsibility

The Directors of the Responsible Entity are responsible for the preparation and presentation of the Prospective Financial Information.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine necessary to enable the preparation of financial information that is free from material misstatement.

4. Our Responsibility

Our responsibility is to express a negative assurance opinion on the Prospective Financial Information based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

Our procedures consisted of making enquiries of management of the Responsible Entity and Augusta Funds Management Limited ("Asset Manager"), primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures applied to the accounting records in support of the Prospective Financial Information.

These procedures are substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently, do not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the Financial Information.

Our engagement did not involve updating or re-issuing any previously issued audit or review opinion or report.

5. Conclusions

Based on our independent review, which is not an audit, nothing has come to our attention which causes us to believe that the Prospective Financial Information of the Trust described in Section 7 of the PDS does not present fairly;

- the unaudited pro-forma statement of financial position ("**Pro-Forma Statement of Financial Position**") assuming completion of the Offer;
- Prospective Income Statement for the 10 months ending 30 June 2018 and years ending 30 June 2019 and 30 June 2020;
- Prospective Statement of Financial Position at 30 June 2018, 30 June 2019 and 30 June 2020;
- Prospective Cash Flow Statement for the 10 months ending 30 June 2018 and years ending 30 June 2019 and 30 June 2020 (together "Prospective Financial Information")

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia set out in Section 7.7 of the PDS.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in the Trust, which are detailed in the PDS. Accordingly, prospective investors should have regard to the investment risks as described in Section 4.2 of the PDS.

We disclaim any assumption of responsibility for any reliance on this report, or on the Prospective Financial Information to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management of the Responsible Entity and Asset Manager, that all material information concerning the prospects and proposed operations of the Trust has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

6. Restrictions on Use

Without modifying our conclusions, we draw attention to Sections 7.1 and 7.5 of the PDS, which describes the purpose of the Prospective Financial Information, being for inclusion in the PDS. As a result, the Prospective Financial Information may not be suitable for use for another purpose.

7. Consent

PKFCF has consented to the inclusion of this Independent Limited Assurance Report in the PDS in the form and context in which it is included.

8. Liability

The liability of PKFCF is limited to the inclusion of this report in the PDS. PKFCF makes no representation regarding, and has no liability, for any other statements or other material in, or omission from the PDS.



9. Independence & Disclosure of Interest

PKFCF does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. PKFCF will receive a professional fee for the preparation of this Independent Accountant's Report.

Yours faithfully

PKF Corporate Finance (NSW) Pty Limited



Andrew Jones

Director

APPENDIX A - FINANCIAL SERVICES GUIDE

5 July 2017

What is a Financial Services Guide?

This Financial Services Guide (“**FSG**”) is an important document the purpose of which is to assist you in deciding whether to use any of the general financial product advice provided in the form of an independent limited assurance report (“**Report**”) prepared by PKF Corporate Finance (NSW) Pty Limited (ABN 65 097 893 957) (“**PKFCF**”). The use of “we”, “us” or “our” is a reference to PKFCF as the holder of Australian Financial Services Licence (“**AFSL**”) No. 295872.

The contents of this FSG include:

- who we are and how we can be contacted;
- what services we are authorised to provide under our AFSL;
- how we (and any other relevant parties) are remunerated in relation to any general financial product advice we may provide;
- details of any potential conflicts of interest; and
- details of our internal and external dispute resolution systems and how you can access them.

Information about us

What financial services are we licensed to provide?

The AFSL we hold authorises us to provide the following financial services to both retail and wholesale clients:

Provide financial product advice for the following classes of financial products:

- securities;
- interests in managed investment schemes excluding investor directed portfolio services; and

- deposit and payment products limited to;
 - basic deposit products;
 - deposit products other than basic deposit products; and
 - debentures, stocks or bonds issued or proposed to be issued by a government.

Our responsibility to you

We have been engaged by the Directors of DDH Graham Limited (“**Client**”) to prepare an independent limited assurance report providing a review opinion (negative assurance) with respect to the financial information set out in Section 7 of the PDS to be issued by the Client on or around 7 July 2017. You are not the party or parties who engaged us to prepare the Report. We are not acting for any person other than the party or parties who engaged us. We are required by law to give you an FSG because the Report is being provided to you.

The liability of PKFCF is limited to the contents of this FSG and the Report referred to in this FSG.

Information about the general financial product advice we provide

The financial product advice provided in the Report is known as “general advice” because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in the Report is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is being provided to you in connection with the acquisition or potential acquisition of a financial product issued by another party, we recommend you obtain and read carefully the relevant offer document provided by the issuer of the financial product. The purpose of the offer document is to help you make an informed decision about the acquisition of a financial product. The contents of the offer document will include details such as the risks, benefits and costs of acquiring the particular financial product.

Associations and relationships

PKFCF provides services primarily in the area of corporate finance and is partly owned by partners of the Sydney and Newcastle partnership of PKF, Chartered Accountants ("PKF"). PKF and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services. Our directors may be partners in the partnership of PKF. The financial product advice in the Report is provided by PKFCF and not by the partnership of PKF.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and the partnership of PKF (and its related bodies corporate) may from time to time provide professional services to financial product issuers in the ordinary course of business. Over the past two years we have not fees received from entities associated with the Trust. No individual involved in the preparation of the Report holds a substantial interest in or is a substantial creditor of the Client or has other material interests in the transaction.

How are we and our employees remunerated?

We charge fees for providing reports. Fees are agreed with the party or parties who actually engage us, and we confirm our remuneration in a written letter of engagement to the party or parties who actually engage us. Our fees are usually determined on an hourly basis. However they may be a fixed amount or derived using another basis. We may also seek reimbursement of any out-of-pocket expenses incurred in providing the services. The estimated fee for the Report is \$20,000 (exclusive of GST and out-of-pocket expenses).

Neither PKFCF, nor its directors and officers, receive any commissions or other benefits arising directly from providing the Report to you. The remuneration paid to our directors and staff reflects their individual contribution to the company and covers all aspects of performance. We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.

What should you do if you have a complaint?

If you have any concerns regarding the Report, you may wish to advise us. Our internal complaint handling process is designed to respond to your concerns promptly and equitably. Please address your complaint in writing to:

AFS Compliance Manager
PKF Corporate Finance (NSW) Pty Limited
GPO Box 5446
SYDNEY NSW 2001
Telephone: +61 2 8346 6000 Fax: +61 2 8346 6099

If you are not satisfied with the steps we have taken to resolve your complaint, you may contact the Financial Ombudsman Service ("FOS"). FOS provides free advice and assistance to consumers to help them resolve complaints relating to members of the financial services industry. Complaints may be submitted to FOS at:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Telephone: (03) 9613 7366 Fax: (03) 9613 6399
Internet: <http://www.fos.org.au>

The Australian Securities and Investments Commission ("**ASIC**") regulates Australian companies, financial markets, financial services organisations and professionals who deal and advise in investments, superannuation, insurance, deposit taking and credit. Their website contains information on lodging complaints about companies and individual persons and sets out the types of complaints handled by ASIC. You may contact ASIC as follows:

Info line: 1 300 300 630 Email: infoline@asic.gov.au
Internet: <http://www.asic.gov.au/asic/asic.nsf>

Contact details

You may contact us using the details located below.

PKF Corporate Finance (NSW) Pty Limited
Level 8
1 O'Connell Street
SYDNEY NSW 2000

GPO Box 5446
SYDNEY NSW 2001
Telephone: +61 2 8346 6000 Fax: +61 2 8346 6099

9. INDEPENDENT VALUATION OF THE PROPERTY

LMW ref: 133929_74366

20 March 2017

The Directors
DDH Graham
Level 4,
324 Queen Street
BRISBANE QLD 4000

Dear Directors,

Re: 741 Nudgee Rd Northgate QLD 4013

LMW has been instructed to provide a summary of the valuation report for inclusion in a Product Disclosure Statement (PDS) issued by DDH Graham for the Augusta Nudgee Road Property Trust.

This summary report outlines the key considerations and assumptions, adopted to arrive at our opinion of Market Value and has been prepared in accordance with the Australian Property Institute Australia and New Zealand Valuation and Property Standards January 2012 having regard to the Australian and New Zealand Valuation Guidance Note 8 (ANZVGN 8) Valuation For Use in Offer Documents.

For further information, please refer to the full report with the valuation date 20 March 2017 reference 133929_74366 which contains critical conditions, assumptions, disclaimers, limitations and qualifications that should be considered.

Definition of Market Value

“Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

My ascribed value is provided on the basis that the property will be offered for sale in an orderly fashion for a reasonable period with a formal marketing campaign by a recognised commercial agent.



LandMark White (Brisbane) Pty Ltd
ABN 99 102 262 288
ACN 102 262 288

Level 4, 120 Edward St, Brisbane QLD 4000
GPO Box 1046, Brisbane QLD 4001 Australia
Telephone: (07) 3226-0000
Facsimile: 1300 727-684

Brief Property Description

The property is situated on the corner of Nudgee Road and Toombul Road, located approximately 9.5 radial kilometres north-east of the Brisbane CBD. Surrounding developments predominately comprise light industrial and residential uses. Along the western side of Nudgee Road comprises established residential development and along the eastern side of Toombul Road comprises light industrial uses.

The property comprises a two level modern industrial office and warehouse building with laboratory and cold store facilities. It has a building area of approximately 8,764m² erected upon an amalgamation of two lots with a total site area of approximately 15,201m². The property exhibits a site cover of approximately 58%.

The facility comprises 2,794m² (32%) of good quality office space, 2,624m² (30%) of laboratory facilities across two levels, 659m² (8%) of cold/freezer store, and 2,687m² (30%) of warehouse.

The ground level predominately comprises entry lobby, warehouse, cold store, laboratories, staff lunchroom, and some ancillary office space. The upper level predominately comprises office space and laboratory areas. Throughout the facility there are ancillary areas such as amenities, locker rooms, plant rooms etc.

The improvements have been developed on staged basis between 2005 and 2007 specifically to the lessee’s requirements.

Rental Profile

The property is leased to Health World Limited, which has been a tenant of the building since the inception in 2005. The tenant manufactures and markets many well-known brands in the therapeutic goods market. The tenant appears to be very sound.

The lease originally had an initial term of 10 years, which was subsequently extended to expire in December 2028. Two further option terms of 3 years each are available thereafter.

A summary of the net income is as follows:

Item	Passing pa	\$/m2/\$pbpcm	Market pa	\$/m2/\$pbpcm
Rental/s	\$2,036,949	\$232	\$2,036,929	\$232
Total rental	\$2,036,949	\$232	\$2,036,929	\$232
Plus: recoveries	\$295,751	\$34	\$295,751	\$34
Total gross income	\$2,332,700	\$266	\$2,332,680	\$266
Less: outgoings	\$307,751	\$35	\$307,751	\$35
Net income	\$2,024,949	\$231	\$2,024,929	\$231

Passing rent is considered to be at market, however over the leasing period the passing rent is likely to exceed market rent.

The property has a WALE by income of 11.75 years at the date of valuation.

Valuation Methodology

In assessing the current market value subject to the existing lease, I consider the appropriate method of assessment to be reconciliation between the Capitalisation, Discounted Cash Flow and Direct Comparison methods of valuation.

The Capitalisation approach in this instance has been effected by capitalising the assessed current net market rental at a yield obtained through the analysis of sales evidence. Allowances have been made in the calculations for costs incurred in securing tenants for any vacant space including agent's commission, incentives and lost income during the leasing phase. In addition, allowances have been made to take into account any rent reversions.

The Discounted Cash Flow has been prepared utilising a proprietary model known as the Cougar Property system ("Cougar"). The Discounted Cash Flow approach calculates a price, which a hypothetical investor could pay for the property based on the projected income and the required rate of return. The net present value represents the present value of future cash flows including rental income and a projected sale price at the end of the investment horizon.

The Direct Comparison approach analyses the sales evidence on the basis of rate per square metre of lettable area, which is then directly compared to the subject property.

Valuation Considerations

In assessing the value of the property, consideration has been given amongst other things to the following points:

- The strength of the tenant covenant.
- The long weighted average lease expiry of 11.75 years.
- The age, location, condition and use of the property and improvements.
- Current investment market conditions in Brisbane.

Valuation Analysis and Assumptions

Item	Comment
Letting up period	9 months. Where different letting up periods are applied to different tenancies, this figure may represent an average letting up period for the property.
Incentives	15.00% average. Where different incentive levels are applied to different tenancies, this figure may represent an average incentive for the property.
Agents fees	15%. This rate is applied to both new leases and renewals.
Renewal Term	36 months. Where different renewal terms are applied to individual tenants, this figure may represent an average renewal term.

Item	Comment
Renewal likelihood	50.00%. Allowances impacted by the renewal probability are re-letting periods, leasing costs and make good allowances.
Reversion Horizon	24 months.
Acquisition Costs	5.75%
Disposal Costs	1.00%

All assumptions are within the full valuation report, as at 20 March 2017, (reference 133929_74366) held by DDH Graham.

Sales history

The property is under a Put and Call Option Deed contract for the sum of \$28,250,000 excluding GST.

I have perused the document and have summarised the details below. For further details please refer to the Put and Call Option Deed.

I am not a legal expert. Should further advice be required, I recommend a legal expert to be retained.

Put and Call Deed	
Grantor	Ethical Nutrients Pty Ltd as Trustee.
Grantee	Augusta Funds Management Limited.
Due Diligence Period	The Grantee is entitled to a due diligence period of 60 days from when the grantor delivers the amendment of lease to the grantee.
Equity Fundraising	The deed is subject to and conditional upon the Grantee successfully completing an equity fundraising exercise within 60 days after satisfaction or waiver of the due diligence condition.
Call option fee	Ten dollars (\$10.00).
Put option fee	Ten dollars (\$10.00).
Security Deposit	In addition to the call option fee, the grantee must pay the security deposit to the stake holder upon satisfaction or waiver of the condition in clause 2.1 (due diligence). The security deposit is \$100,000.

Put and Call Deed (cont.)	
Premium on non-exercise of option	Subject to due diligence and equity fundraising, should the grantee not exercise the call option and the grantor not exercise the put option, the call option fee and the security deposit will be absolutely forfeited to the grantor and the put option fee will be absolutely forfeited to the grantee.
Premium on exercise of option	Should the grantee or grantor exercise the call/put option, then the call option fee and the security deposit will form part of the purchase price or other monies payable under the contract.
Stamp Duty	The grantee must pay any stamp duty payable: <ul style="list-style-type: none"> • On the deed • On the contract • In relation to any transaction evidenced by the deed; and • In relation to or as the result of the exercise by the grantee of its rights under clause 17 (nomination).
GST	The deed is exclusive of GST. GST is payable in relation to any taxable supply in relation to the agreement whenever necessary by law.
Nomination	At any time on or before the call option expiry date, the grantee may nominate another person or entity as the person or entity entitled to exercise the call option.
Registration of amendment of lease	Upon satisfaction or waiver of the due diligence condition, the grantor must promptly arrange for the amendment of lease to be duly executed and lodged for registration at the Department of Natural Resources and Mines as soon as reasonably practicable. The amendment of lease which the deed references is the Amendment 3 summarised in 'Section 6.2 – Lease Structures' within the valuation report.

Assessed Market Value

Subject to the qualifications and assumptions contained within the body of our full report, I assess the Market Value “as is” subject to existing leases, as at 20 March 2017, to be \$28,250,000 excluding GST.

Adopted value, returns & running yields

Adopted value	\$28,250,000		
Initial yield	7.17%	Rate/m2:	\$3,223
Analysed market yield	7.10%	IRR (10 year):	8.16%
Reversionary yield	7.17%	Terminal yield:	7.75%

Qualifications

LMW has been engaged by DDH Graham, to provide a valuation of 741 Nudgee Rd Northgate QLD 4013. DDH Graham wishes to include a summary of this report in the PDS and has requested that LMW consent to the inclusion of this summary letter. LMW consents to the inclusion of this summary letter in the PDS and to be named in the PDS, subject to the comments, terms and assumptions contained within our full valuation report, this summary letter and the further condition that DDH Graham includes this Qualification.

1. This Letter is for the private and confidential use only of DDH Graham and for the specific purpose for which it has been requested. No third party is entitled to use or rely upon this report in any way and neither the valuer nor LMW shall have any liability to any third party who does.
2. This Letter is a summary of the valuation of the subject property, 741 Nudgee Rd Northgate QLD 4013 as at 20 March 2017 and has not been prepared for the purpose of assessing the property as an investment opportunity.
3. Recipients must seek their own advice in relation to the investment opportunity contained in the PDS.

4. In undertaking my valuation, I have relied upon various financial and other information submitted by the client. Where possible, within the scope of my retainer and limited to my expertise as a valuer, I have reviewed this information including by analysis against industry standards. Based upon that review, I have no reason to believe that the information is not fair and reasonable or that material facts have been withheld. However, my enquiries are necessarily limited by the nature of my role and I do not warrant that I have identified or verified all of the matters which a full audit, extensive examination or “due diligence” investigation might disclose. This valuation is conditional upon the information supplied being correct.

Liability Disclaimer

It should be noted that in the case of advice provided in this report which is of a projected nature, I must emphasise that specific assumptions have been made which appear reasonable based upon current market sentiment and forecasts. It follows that any one of the associated assumptions may change over time and no responsibility can be accepted in this event. The value performance indicated within this report is an assessment of the potential trend in value. Accordingly, the indicated figures should not be viewed as absolute certainty.

This report has been prepared subject to the conditions referred to in our Qualifications. Neither LMW nor any of its Directors makes any representation in relation to the PDS nor accepts responsibility for any information or representation made in the PDS, apart from this letter.

LMW has prepared this summary which appears in the PDS. LMW was involved only in the preparation of this summary and the valuation referred to herein, and specifically disclaims any liability to any person in the event of any omission from, or false or misleading statement included in the PDS other than in respect of the valuation and this summary. We confirm that this summary may be used in this PDS.

This valuation is current at the date of valuation only. It is subject to no significant event occurring between the date of inspection and the date of valuation that would impact upon the value of the subject property. The value assessed herein may change significantly and unexpectedly over a relatively short period including as a result of general market movements or factors specific to the particular property.

LMW does not accept liability for losses or damage arising from such subsequent changes in value including consequential or economic loss. Without limiting the generality of the above comment, LMW does not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

No part of this valuation summary nor the full valuation report described herein, or any reference to it may be included in any other document or reproduced or published in any way without written approval of the form and context in which it is to appear.

Neither the valuer nor LMW has any pecuniary interest giving rise to a conflict of interest in valuing the property.

The value assessed herein is based on the definition of market value unless otherwise stated in the report and does not represent the realisable value based on a mortgagee or receiver sale.

LMW is not providing advice about a financial product, nor the suitability of the investment set out in the PDS. Such an opinion can only be provided by a person who holds an Australian Financial Services Licence. LMW does not, nor does the valuer, hold an Australian Financial Services Licence and is not operating under such a licence in providing its opinion as to the value of the properties detailed in this report.

Valuers Experience and Interest

The valuer, Peter Roberts MRICS AAPI CPV 2417, Director, has had in excess of five (5) years continuous experience in the valuation of property of a similar type and is authorised by law to practice as a Valuer in Queensland.

Yours sincerely



Valuer Peter Roberts
MRICS AAPI CPV 2417
Director

Entity LandMark White (Brisbane) Pty Ltd
Office Brisbane



Reviewing Paul Robbins MRICS AAPI
party
Position National Commercial Director

Liability limited by a scheme approved under Professional Standards Legislation.

10. TAXATION

Australian and New Zealand tax laws are complex and are subject to constant change. The views in this PDS are based on law and announcements current in Australia and New Zealand as at the date of this PDS. It does not take into account or anticipate any changes in the tax law or future judicial interpretations of the law after this time, nor does it take into account the tax law of countries other than Australia and New Zealand.

The taxation comments in this section are general in nature by necessity and the taxation implications may vary for each investor depending on their particular circumstances. Accordingly, we recommend you seek your own professional advice regarding the taxation implications associated with an investment in the Trust.

In this respect, the taxation comments below are only relevant for Australian and New Zealand resident investors. They are not relevant for investors who may be subject to special tax rules such as banks, insurance companies, managed investment trusts, tax exempt organisations and dealers in securities.

You may be required to pay tax in relation to your investment in the Trust (generally income tax). However, you may be able to claim some tax offsets or have the benefits of some tax concessions.

Some tax information has been provided for you below. However, although every care is taken, it is never possible to rule out the risk that on a subsequent review, taxation liabilities for the Trust could be increased or the benefit of concessions reduced.

10.1 Tax status of the Trust

The primary purpose of the Trust, as disclosed in this PDS, is to invest in the Property and it is intended the Trust will apply the Managed Investment Trust (**MIT**) and Attribution Managed Investment Trust (**AMIT**) regimes for the purposes of Australian tax legislation, subject to the Trust meeting the eligibility criteria for those regimes.

Where the Property is the only asset of the Trust and is held for the primary purpose of deriving rent the Trust should be classified as a 'flow through' vehicle for tax purposes. This means that:

- (a) Australian resident investors will pay tax on the proportionate share of the Trust's net (taxable) income they receive at their marginal rate;

- (b) New Zealand resident investors are subject to a 15% non-resident withholding tax on their share of taxable income as set out in 10.3 below; and
- (c) the Trust will not pay income tax on its net income (provided it distributes all of the net income to investors each year).

We confirm our intention to distribute all of the net taxable income derived by the Trust to investors each year.

For completeness, we note that if the Trust 'controls' another entity that, for example, carries on a business other than passive investment activities, or itself carries on activities other than those directed towards the passive investment in property for the purpose of deriving rental income, the Trust's status as a 'flow through' entity for tax purposes may be impacted.

10.2 Australian taxation of Australian resident investors

Distributions of income to investors may include different components such as an assessable income component, a 'tax deferred' or 'tax sheltered' income component, a net capital gains component and a discount capital gains component - each of which has different tax implications for investors. Regardless of the type of income distributed, a distribution received from the Trust should be included in the investor's income tax return for the year of the distribution - even in circumstances where the distribution is actually paid in a subsequent year or reinvested.

The assessable income component of a distribution by the Trust will be taxable in the hands of investors and should be included in an investor's income tax return for the relevant year as assessable income. Investors will be required to pay tax at their marginal rate on this component of a distribution.

If the Trust's accounting and distributable income exceeds its taxable income (which commonly occurs as a result of the tax depreciation and building write-off deductions reducing a trust's taxable income below the accounting and distributable income to be paid to investors), the excess can be distributed to investors as a 'tax deferred' distribution. Such distributions will be treated as a return of capital, which will reduce the tax cost base of the investors' units.

A capital gain (or loss) may arise on the disposal of units in the Trust or when tax deferred distributions are made to the extent that the total tax deferred distributions during the period of ownership of a unit exceeds an investor's capital gains tax (CGT) cost base of their units.

On the disposal of units in the Trust the amount of the capital gain (or loss) will generally equal the excess (or shortfall) of the consideration received from the disposal of the units over the cost base (or reduced cost base) of those units. Units acquired under this PDS will generally have a cost base equal to the amount paid (reduced by any future tax deferred distributions). A capital gain as a result of accumulated tax deferred distributions may arise if distributions are paid as a return of capital to the extent that the cost base is depleted to nil so that further capital distributions are taxable. However, based on anticipated taxable income over the life of the Trust, this is not anticipated to occur.

Where an investor is an individual, trust or complying superannuation fund and has owned the units for more than 12 months, the CGT discount should be available to reduce any capital gain made on disposal of their units. Investors that are trustees of complying superannuation funds may receive a 33 1/3% discount. Investors who are individuals or the trustee of any other trust may be eligible for a 50% discount. Upon the ultimate sale of the Property, the Trust should also be entitled to apply the 50% CGT discount to any capital gain it makes (reducing that capital gain by half).

If an investor can also access the 50% CGT discount (e.g. individuals and trustees but not companies) then any distribution of the 50% discount amount will flow through as a tax-free amount to the investor (as noted above, the trustees of complying superannuation funds are only eligible to receive a 33 1/3% discount). Unlike the 'tax deferred' amount this distribution will not reduce the investor's tax cost base in their units.

10.3 Australian taxation of New Zealand resident investors

Pursuant to the MIT withholding tax regime, the Responsible Entity is required to withhold tax at a rate of 15% from distributions of net taxable income (including rent and capital gains, but excluding amounts of interest which are subject to 10% interest withholding tax) made to New Zealand resident investors. A summary of withholding tax payments made by the Responsible Entity will be provided to investors annually so that New Zealand resident investors can claim an overseas tax credit to the extent that tax is payable in New Zealand in respect of the investment.

No withholding tax will be deducted from any cash amounts that are more than the investor's portion of net taxable income for the year as these amounts will be considered to be returns of capital to the investors. Therefore, the withholding tax will not be exactly 15% of the cash distribution paid from cash available for distribution.

When the Property is sold and a capital gain arises, the distribution of the capital gain from the MIT to the New Zealand investors will be subject to the 15% withholding tax.

There is no obligation for New Zealand resident investors to file an Australian tax return in relation to the distribution of income from the MIT. The non-resident withholding tax is considered to be a final tax in Australia.

A capital gain (or loss) may arise on the disposal of units in the Trust or when tax deferred distributions are made to the extent that the total tax deferred distributions during the period of ownership of a unit exceeds an investor's capital gains tax (CGT) cost base of their units.

Generally, a New Zealand investor may be subject to CGT on the disposal of their units where their investment satisfies the requirements of being Taxable Australian Property under Australian tax law. One of these requirements is that the investor holds 10% or more of the units in the Trust (including interests held by associates).

10.4 New Zealand taxation of New Zealand resident investors

The investment in the MIT will be an investment in a Foreign Investment Fund (FIF) for New Zealand tax purposes. These rules are mandatory where the total combined cost of all of a taxpayer's investments that are categorised as FIFs is NZ\$50,000 or more. This will include all investments held in overseas companies, and other entities (including MITs), with a few exclusions being available, primarily in relation to certain companies registered on the Australian Securities Exchange.

The FIF rules provide several options for calculating FIF income, however a number of these options will not be able to be applied for the investment in the MIT as the required information will not be available. The default method (Fair Dividend Rate (FDR)) requires a market value of the investment to be available. Even though the MIT will obtain, and report on, the investment property market value annually, as the MIT itself is not a listed entity there is no 'market value' information available to be able to apply the FDR method to the investors' interests in the MIT.

If, as is the case here, it is not practical to use the FDR method then the Cost method may be used. The Cost method sets out several options to calculate the 'opening value' to be used, and 5% is applied to this balance each year to calculate taxable income, plus an adjustment is required if any units are bought or sold during the year.

10. TAXATION (CONT.)

Calculation of taxable income under the Cost method

To illustrate how the method operates, and based on an initial investment amount of A\$100,000 and for simplicity assuming the New Zealand dollar converted amount was NZ\$105,000, the opening value in year 1 will be nil as the MIT investment was not held as at the first day of the income tax year – so there is no income to return in year 1.

In year 1, there is no tax.

In year 2, the taxable income will be $5\% \times \text{NZ}\$105,000 = \text{NZ}\$5,250$

In year 3, the taxable income will be $5\% \times (\text{NZ}\$105,000 + \text{NZ}\$5,250) = \text{NZ}\$5,513$

In year 4, the taxable income will be $5\% \times (\text{NZ}\$105,000 + \text{NZ}\$5,250 + \text{NZ}\$5,513) = \text{NZ}\$5,788$, etc.

If there are repayments of capital made during the year (i.e. distributions received are more than the net taxable income for the year calculated under the Australian tax rules) then this will mean a reduction in the cost base to be used as the ‘opening value’ in the calculation in the following year.

The above example assumes no repayments of capital have been made, and the New Zealand dollar value of the original investment does not change over time with subsequent currency movements.

Timing for calculation of taxable income

The FIF rules must be applied as at 31 March each year, unless the investor has a non-standard balance date. The taxable income must be calculated as at 31 March each year for the majority of investors, and the available overseas tax credits will be based on withholding tax deducted for the year to 31 March each year, regardless of the 30 June balance date for the Trust.

Investors will be provided with a schedule including an amount of taxable income to be returned per investor, and the amount of available tax credit for each 31 March tax year end by the immediately following 30 June of each financial year. This information can be used by investors to complete their tax returns, or can be provided to an investor’s accountant or taxation advisor to assist with the completion of their tax returns.

An IR 449 disclosure form must be completed and submitted to IRD with the investor’s tax return for all investors who apply the cost basis. Investors will be provided with a template of this form to be used as a guide for investors when completing their tax returns and associated disclosures.

Tax treatment of distributions paid during the year

The cash distributions received during the year are non-taxable for New Zealand resident investors. The FIF rules must be applied to the investment held and the cash distributions are ignored for the purposes of the Cost method calculation.

Australian withholding tax – ability to claim as a tax credit in New Zealand

The 15% withholding tax deducted in Australia will be available to claim as an overseas tax credit for New Zealand resident investors, but only to the extent that income tax is payable on the investment. The taxable income will be calculated under the FIF rules by applying the Cost method as set out above, and each investor will be required to calculate their own income tax payable in relation to that income (as the amount of tax payable will depend on an investors total taxable income, or entity type). An overseas tax credit can be claimed to offset the amount of New Zealand income tax that is payable on the calculated FIF income.

If the overseas tax credit available is less than the New Zealand tax payable on the income as calculated under the FIF rules then New Zealand top-up tax will be payable by the New Zealand investor, up to the amount of New Zealand tax payable on the FIF income.

If the overseas tax credit available is more than the New Zealand tax payable on the income as calculated under the FIF rules then no further tax will be payable by the New Zealand investor. However, the extra tax credits will not be refunded by IRD as excess overseas tax credits are not a refundable tax credit.

10.5 Tax File and Australian Business Numbers

Australian resident investors need not quote an Australian Tax File Number (TFN) when applying for units. However, if a TFN is not quoted, or no appropriate TFN exemption claimed, we are required to deduct tax from the investor’s distributions at the highest marginal tax rate (45% for the 2017-18 year) plus the Medicare Levy (2% for the 2017-18 year).

An Australian resident investor who holds their units as part of their business is entitled to quote their Australian Business Number instead of their TFN.

10.6 Goods and Services Tax

The issue, acquisition or sale of units in the Trust will be input taxed supplies for GST purposes and will not be subject to GST. Similarly, distributions of income by the Trust to investors will not be taxable supplies and will also not be subject to GST.

An investment in the Trust, by itself, will not require investors to obtain an Australian Business Number or register for GST purposes.

10.7 Attribution Managed Investment Trust (AMIT) regime

The AMIT regime is a new set of rules for the taxation of managed investment trusts and their members. An AMIT is an MIT which has chosen to apply the new AMIT regime. One of the aims of the AMIT regime is to provide greater certainty in relation to the taxation position for MITs and their members.

One key aspect under the AMIT regime is that the Responsible Entity must allocate or 'attribute' the taxable income of the Trust to members on a fair and reasonable basis. Where the Trust does not choose to apply the AMIT regime, members are subject to tax on their proportionate share of the taxable income of the Trust based on the share of the income of the Trust to which they are presently entitled according to trust law principles as detailed above.

The AMIT regime may provide the following potential benefits for members of an AMIT:

- (a) greater clarity and certainty associated with the tax treatment of distributions and the character of income and capital of the AMIT, in contrast to the previous 'present entitlement' regime. In particular, a removal of the potential for double taxation that may arise for members where there are mismatches between the amount distributed and the taxable income of the AMIT;

- (b) flexibility for reconciling under-estimations or over-estimations of net income of a trust. This includes making adjustments to unit holder entitlements to trust income in the year the under- or over-estimate is discovered. The previous requirement was to amend previously lodged unit holder tax returns;
- (c) an AMIT will be deemed to be a 'fixed trust' and members will be treated as having vested and indefeasible interests in the income and capital of the AMIT throughout the income year, which can be relevant for:
 - (i) utilising trust losses; and
 - (ii) applying the franking credit provisions; and
- (d) where a member receives a distribution of cash that is less than their allocated share of the taxable trust components, members will be entitled to make upward adjustments to the cost base of their units in the AMIT.

The MIT withholding tax regime is available to MITs whether they are AMITs or not. There is no change to the current MIT withholding tax rate as detailed above.

We will only choose to adopt the AMIT regime for the Trust where it would be in the best interests of the investors as a whole.

10.8 Non-residents of Australia and New Zealand

As noted above, the information on taxation in this section applies to investors who are residents of Australia or New Zealand. Any investor who is not a resident of Australia or New Zealand should obtain their own taxation advice on the taxation effects of an investment in the Trust.

Non-residents of Australia and New Zealand may be subject to withholding tax on some or all of their distributions from the Trust.

10. TAXATION (CONT.)

10.9 Foreign Account Tax Compliance Act (FATCA)

FATCA is United States (**US**) tax legislation that enables the US Internal Revenue Service (**IRS**) to identify and collect tax from US residents that invest in assets through non-US entities.

If you are a US resident for tax purposes, you should note that the Trust is a 'Foreign Financial Institution' under FATCA and complies with its FATCA obligations, as determined by the inter-governmental agreement entered into by Australia and the US for the purposes of implementing FATCA. Under these obligations, the Trust must obtain and disclose information about certain investors to the Australian Taxation Office (**ATO**).

In order for the Trust to comply with its obligations, you are required to provide certain information about yourself, including your US Taxpayer Identification Number. We will determine whether the Trust is required to report your details to the ATO based on our assessment of the relevant information received.

10.10 Common Reporting Standard (CRS)

The CRS is a tax reporting regime developed by the Organisation for Economic Co-operation and Development (**OECD**). Australia has committed to implementing the CRS by signing the Multilateral Competent Authority Agreement with the OECD and passing appropriate supporting legislation enabling tax information to be exchanged between tax authorities.

From 1 July 2017, the CRS requires financial institutions to identify and report foreign resident account holder information to their local tax authority, which will in turn exchange the information with the tax authorities of participating foreign jurisdictions.

10.11 No tax advice

This tax summary is not tax advice. It is provided by us as a general statement relating to high level Australian and New Zealand tax implications for an investor in the Trust. It does not address all tax consequences of an investment in the Trust, or investments by the Trust. Investors should seek their own independent advice as to how an investment in the Trust might affect their personal tax position.

We are not licensed under the Australian tax agent services regime and cannot provide tax advice to investors. This section is intended to be a general guide only and is not intended to be definitive advice, nor relied upon as such. As the taxation outcomes will depend on individual investors' personal circumstances, it is recommended that you consult with your taxation adviser in relation to how these outcomes may apply to you.



11. MATERIAL AGREEMENTS

11.1 Background

We consider that certain documents are material to the operations of the Trust and may be relevant to you. A description of material documents, together with a summary of the more important details of each of these documents, is set out below.

11.2 Constitution

The Constitution establishes the Trust and governs your rights and obligations as an investor in the Trust. Investors are bound by the provisions of the Constitution. The Constitution and the Corporations Act regulate the operation of the Trust and set out the rights and liabilities of investors and of our responsibilities and duties as the responsible entity.

The Constitution includes provisions which relate to:

- (a) the responsible entity's powers, duties and obligations;
- (b) the rights and obligations of investors, including that each investor has a beneficial interest in the Trust assets as a whole;
- (c) the ability of investors to remove the responsible entity;
- (d) the issue and withdrawal of units;
- (e) the transfer and transmission of units;
- (f) the valuation of the Trust;
- (g) fees payable to the responsible entity;
- (h) the responsible entity's right to be indemnified by the Trust for expenses, losses and liabilities arising in its capacity as responsible entity providing it has properly performed its duties;
- (i) the winding up of the Trust;
- (j) meetings of investors;

- (k) complaints and procedures in relation to the Trust; and
- (l) the responsible entity's limitation of liability (subject to the Corporations Act).

We may amend the Constitution without investor consent where we reasonably believe the amendment will not adversely affect investors' rights. Otherwise, the Constitution can only be amended where at least 75% of votes cast by investors (at a meeting convened in accordance with the Constitution and the Corporations Act) vote in favour of the amendment.

We may retire or be removed as responsible entity by investors in accordance with the Corporations Act.

11.3 Compliance Plan

We have prepared a Compliance Plan which has been lodged with ASIC. The Compliance Plan is a document that outlines the principles and procedures in relation to the conduct of the Trust that we follow to ensure we comply with the provisions of the Corporations Act, ASIC policies and the Constitution.

The Compliance Plan deals with a wide range of issues including:

- (a) that the assets of the Trust are identified as assets of the Trust;
- (b) the assets of the Trust are valued at appropriate regular intervals; and
- (c) accurate records of the Trust's operations are kept.

Each year, adherence to the Compliance Plan is audited by an external Compliance Plan auditor and the audit report is lodged with ASIC.

The Compliance Plan may be viewed at our offices during normal business hours.

11.4 Property purchase agreements

The registered owner of the Property entered into a Put and Call Option Deed with Augusta Funds Management on 24 February 2017 as varied by two separate deeds dated 10 May 2017 and 17 May 2017. The Put and Call Option Deed grants Augusta Funds Management the option to purchase

(or nominate another entity to purchase) the Property as a going concern for A\$28.25 million (the **Call Option**) and prescribed the terms of the contract to be entered in to between the registered owner and Augusta Funds Management (or its nominee) upon exercise of that Call Option (**Purchase Contract**).

The Put and Call Option Deed is subject to:

- (a) Augusta Funds Management being satisfied (in its discretion) with the result of its due diligence investigations and giving notice of that satisfaction by 17 May 2017 (*Augusta Funds Management formally satisfied this condition on 17 May 2017*); and
- (b) Augusta Funds Management raising sufficient equity to acquire the Property within 90 days after satisfaction or waiver of the due diligence condition (*Augusta Funds Management is entitled to waive the benefit of this condition by giving written notice by 5.00 pm (Brisbane time) on 16 August 2017*).

Thereafter, the Put and Call Option Deed allows Augusta Funds Management until 5.00 pm (Brisbane time) on the date which is two Business Days after satisfaction or waiver of the equity fundraising condition, to exercise the Call Option (**Call Option Expiry**).

Augusta Funds Management is entitled, prior to the Call Option Expiry, to nominate any other entity to exercise the Call Option provided the prescribed notice is given to the registered owner before the exercise of the Call Option takes place.

Purchase Contract

Upon exercise of the Call Option, the Purchase Contract will come into effect on the terms prescribed by the Put and Call Option Deed.

The key commercial terms of the Purchase Contract prescribed by the Put and Call Option Deed are:

- (a) the purchase price is A\$28.25 million;
- (b) a deposit of A\$100,000 is payable on 17 May 2017 (Augusta has paid this deposit). A further deposit of A\$50,000 is payable by 17 July 2017;
- (c) the purchase is that of a going concern and does not attract GST;
- (d) settlement of the Purchase Contract is due on the later of: (i) 14 days after the Purchase Contract is formed; and (ii) 7 days after an amendment of the lease (reflecting the terms described in this PDS) is registered, and time is of the essence;
- (e) the registered owner is responsible for all outgoings in respect of the Property and is entitled to all rent and income from the Property, up to and including the settlement date and thereafter this responsibility and entitlement shifts to the purchaser;
- (f) the Property is purchased on an 'as is where is' basis subject to all faults, defects and inconsistencies; and
- (g) risk in the Property passes to the purchaser on the first business day after the contract date. Augusta is required to arrange insurance for this period.

11. MATERIAL AGREEMENTS (CONT.)

11.5 Lease

Lessee:	Health World Limited ACN 010 636 165.
Premises:	741 Nudgee Road, Northgate, Queensland.
Term:	Expires on 31 December 2028, with two options for a further term of 3 years each.
Current annual rent:	A\$2,036,948.84
Rent reviews:	Rent is to be reviewed annually with a 3% minimum and a 6% maximum increase. There is to be a market review every 3 years, with a ratchet clause and a maximum 8% increase.
Outgoings:	The lessee is responsible for rates and taxes (including land tax), insurance premiums excluding loss of rent, repairs and maintenance, management fees capped at 3% of rent and the costs of supplying all services to the premises.
Make good obligations/rights:	At the end of the Lease, the Tenant must return the building clean and in the condition required to be maintained under the lease.
Assignment/subletting rights:	The assignment and subletting of the premises by the Tenant is prohibited without the prior written consent of the landlord.
Maintenance obligations:	The Tenant must maintain, repair and keep the premises in good and substantial repair, order and condition having regard to the condition of the building as at the commencement date, fair wear and tear excepted.

11.6 Asset Management Agreement

We have entered into the Asset Management Agreement with Augusta appointing Augusta as the asset manager of the Trust and as authorised representative under our AFSL to provide financial services to us in connection with the management of the Property.

Augusta's duties as asset manager include managing the Property, liaising with the Tenant and monitoring its compliance with the Lease, advising the Responsible Entity of our obligations under the Lease, and managing the loan facility including the draw down of funds. Augusta is entitled to be paid the fees set out in sections 6.2 and 6.3 for, and to be reimbursed for expenses incurred in, performing its duties.

Upon settlement of the Property, the Trust must reimburse Augusta for the deposits paid under the Purchase Contract.

The Asset Management Agreement may be terminated in various circumstances specified in the agreement including if we cease to be the responsible entity of the Trust, if either party goes into liquidation, if a material breach is not remedied within 20 business days of notice being given to remedy the breach, if the Trust terminates, if investors pass an extraordinary resolution to remove Augusta as asset manager, or if the parties agree to terminate the agreement.

11.7 Letter of offer – debt facility

We have a letter of offer from an Australian bank setting out the following terms for the Trust's debt facility:

- (a) amount: A\$14,200,000 (we only anticipate drawing down A\$14,134,608);
- (b) anticipated security arrangements:
 - (i) first ranking registered mortgage over the Property, given by the Custodian;
 - (ii) general security agreement over all the assets and undertakings of the Trust from the Responsible Entity and the Custodian;
 - (iii) guarantee and indemnity given by the Custodian (limited recourse to the assets of the Trust); and
 - (iv) specific security over the Asset Management Agreement from Augusta;

- (c) loan term: 36 month facility;
- (d) establishment fee: A\$50,000;
- (e) LVR: the loan to value ratio is to be no greater than 55%;
- (f) interest rate: the interest rate will be 3.81% per annum for the loan term;
- (g) interest cover: net rent must not be less than 2.75 times the interest cost; and
- (h) principal payments: the loan facility is interest only and no principal repayments are required during the loan term.

11.8 Custodian Agreement

The Responsible Entity has entered into a Custodian Agreement appointing AET Structured Finance Services Pty Ltd as custodian of the Trust's assets. The Custodian is an independent custodian who will hold the assets of the Trust. The Custodian acts on the instructions of the Responsible Entity and the duties of the Custodian pursuant to the agreement include:

- (a) holding assets of the Trust as agent of the Responsible Entity of the Trust;
- (b) acting on the specific instructions given by the Responsible Entity or its authorised representatives; and
- (c) ensuring that the Custodian acts, insofar as its duties are concerned, in accordance with the Corporations Act.

Under the Custodian Agreement, the Responsible Entity indemnifies the Custodian in relation to its properly performed services as custodian of the Trust.



12. ADDITIONAL INFORMATION

12.1 Indemnity for Responsible Entity

To the extent permitted by the Corporations Act and the law, we, as responsible entity, are indemnified out of the Trust against any claim, action, damage, loss, liability, cost, expense or payment which we incur or are liable for, provided that it does not arise from our failure to properly perform our duties.

12.2 Unit pricing discretions

We will exercise any discretion that we have under the Trust's Constitution in unit pricing in compliance with our pricing policy. A copy of the Responsible Entity's unit pricing policy, and records of the discretions we exercise (if any), can be obtained at no charge by telephoning us on 1800 226 174 (within Australia) or + 61 7 3210 2277 (outside Australia) or accessed from www.ddhgraham.com.au.

12.3 Labour standards and social, ethical and environmental considerations

We do not explicitly take into account labour standards or environmental, social or ethical considerations when making a decision regarding the selection, retention or realisation of investments. Nor do we have a specific methodology for the extent to which these factors are considered in operating the Trust.

12.4 Complaints

If you have a complaint about any aspect of your investment in the Trust, please write to us at:

DDH Graham Limited – Compliance Officer
Reply Paid 330
Brisbane QLD 4001

Alternatively, you can phone us on 1800 226 174 (within Australia) or + 61 7 3210 2277 (outside Australia).

Our policy is to acknowledge any complaint immediately and follow certain procedures. In particular we are required to investigate, properly consider and decide what action (if any) to take and to communicate our decision to you within 45 days.

We are a member of, and participate in, the Financial Ombudsman Service Limited (FOS), an independent complaints resolution organisation. If you feel your complaint has not been satisfactorily resolved you are entitled to make a complaint to FOS at:

Financial Ombudsman Service Limited
GPO Box 3
MELBOURNE VIC 3001
Telephone: 1300 780 808
Facsimile: (03) 9613 6399
Website: <https://forms.fos.org.au/OnlineDispute>

Our complaints handling process, including the ability to refer your complaint to FOS, applies to Australian and New Zealand resident investors. However, investors who are 'wholesale clients' for the purposes of the Corporations Act are not eligible to refer a complaint about the Trust to FOS.

12.5 Disclosing entity

The Trust may become a disclosing entity in which case the following arrangements will apply.

As a disclosing entity, the Trust will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. You will have the right to obtain various financial reports lodged with ASIC for the Trust.

We will satisfy our continuous disclosure obligations for the Trust by publishing material information on our website at www.ddhgraham.com.au/augustanudgee.

Any material information affecting the Trust will be placed on our website.

Accordingly, given the disclosure of material information will be made on our website, we will not be required to lodge continuous disclosure notices for the Trust with ASIC.

12.6 Privacy and personal information

Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information.

We are committed to respecting the privacy of your personal information. Our privacy policy states how we manage personal information. We collect personal information in the Application Form, and may collect additional personal information in the course of managing your investment in order to provide this product to you and to establish and manage your investment in the Trust.

If you do not provide the information requested in the Application Form, we will not be able to process or accept your application.

We may routinely disclose your information to:

- (a) organisations performing administration or compliance functions in relation to our business;
- (b) organisations maintaining our information technology systems;
- (c) authorised financial institutions;
- (d) organisations providing services such as mailing, printing or data verification;

(e) a person who acts on your behalf (such as your financial adviser or your agent); and

(f) our solicitors, valuers and insurers.

We may also disclose your personal information in circumstances where we are required to do so by law. However, we are not likely to disclose your personal information overseas other than to Augusta in New Zealand who will deal your personal information in accordance with New Zealand privacy laws.

There are disclosure obligations to third parties for client identification purposes under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth).

You may access the personal information we hold about you, subject to permitted exceptions and subject to us still holding that information, by contacting us at:

DDH Graham Limited - Privacy Officer

GPO Box 330

Brisbane QLD 4001

Phone: 1800 226 174 (within Australia) or + 61 7 3210 2277 (outside Australia)

Fax: 07 3210 6986

Email: privacy@ddhgraham.com.au

If any of your personal information is incorrect or has changed, please let us know by contacting us on 1800 226 174 (within Australia) or + 61 7 3210 2277 (outside Australia) or email us at fundadmin@ddhgraham.com.au. To obtain a copy of our privacy policy or to access or update your personal information, please contact us using the details above.

12. ADDITIONAL INFORMATION (CONT.)

12.7 Warning statement – issues to New Zealand investors

If you are a New Zealand investor we are required to provide the following warning statement to you under New Zealand law.

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand laws. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the contents of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange risk

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

12.8 Electronic PDS

This PDS is available in electronic form at www.ddhgraham.com.au. We will send, on request, any person receiving this PDS electronically, a paper copy of the PDS (and attached Application Form) free of charge during the period of the Offer. Applications must be made by completing a paper copy of the Application Form.

We will not accept a completed Application Form if we have reason to believe that the applicant has not received a complete paper copy or electronic copy of the PDS, or if we have reason to believe that the Application Form or electronic copy of the PDS has been altered or tampered with in any way.

While we believe that it is extremely unlikely that during the period of the Offer the electronic version of this PDS will be tampered with or altered in any way, we cannot give any absolute assurance that this will not occur. If you are in doubt about the validity or integrity of an electronic copy of the PDS you should immediately request a copy of the PDS directly from us or your adviser.

12.9 Keeping us informed

Our records about you are important. Please inform us in writing of any changes to the personal details that you have given us. This may be a new postal address, a change of name or new account details for distribution or withdrawal payments. When requesting a change of personal details please give us:

- (a) the full name in which your investment is held and your account number;
- (b) the changes you are requesting;
- (c) a contact name and daytime telephone number; and
- (d) appropriate signatories on the request.

Some changes also require additional documents (such as a change of name request). Please note that we will only change your nominated account if we receive an original, signed, written request. We will send you written confirmation of any changes that you request us to make to your personal details.

12.10 Consents

None of the parties referred to below has made any statement that is included in this PDS or any statement on which a statement made in this PDS is based, except as specified below. Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this PDS, other than the reference to its name and a statement included in this PDS with the consent of that party, as specified below.

Augusta Funds Management Limited has given, and has not withdrawn, its consent to be named in the PDS as asset manager and as providing a secondary market facility for New Zealand investors in the form and context in which it is named and for the inclusion of the 'Letter to investors' in the form in context in which it is included.

LandMark White (Brisbane) Pty Ltd has given, and has not withdrawn its consent to be named as independent valuer in the form and context in which it is named and for the inclusion of its independent valuation report in section 9, the references to its valuation throughout the PDS, and the statement regarding passing rent attributed to it in section 2.2, in the form and context in which they are included.

PKF Corporate Finance (NSW) Pty Limited has given, and has not withdrawn its consent to be named as Investigating Accountant for pro-forma financial information in the form and context in which it is named and for the inclusion of its Investigating Accountant's Report on Pro-forma Financial Information in section 8 in the form and context in which it is included.

PKF Hacketts has given, and not withdrawn, its consent to be named in the PDS as Trust and Compliance Plan auditor in the form and context in which it is named. PKF Hacketts does not make, or purport to make, any statement that is included in this PDS and there is no statement in this PDS which is based on any statement by PKF Hacketts.

AET Structured Finance Services Pty Ltd has given, and has not withdrawn, its consent to be named in this PDS as custodian of the Trust in the form and context in which it is named. AET Structured Finance Services Pty Ltd does not make, or purport to make, any statement that is included in this PDS and there is no statement in this PDS which is based on any statement by AET Structured Finance Services Pty Ltd.

To the maximum extent permitted by law, AET Structured Finance Services Pty Ltd expressly disclaims and takes no responsibility for any part of this PDS other than the references to its name. AET Structured Finance Services Pty Ltd does not guarantee the repayment of capital or any particular rate of capital or income return.

12.11 Updated information

The information disclosed in this PDS is subject to change.

Where there is a change to information which is not material to investors this updated information will be made available on our website at www.ddhgraham.com.au/augustanudgee (**Updated Information**). If you require a paper copy of any Updated Information please contact us using the details in the Corporate Directory and it will be provided without charge on request.

While this PDS and any Updated Information are up to date at the time of preparation, changes may be made to the Trust from time to time. Investors should ensure that they keep up to date with the latest information on the Trust.

To obtain this information either:

- (a) visit our website at www.ddhgraham.com.au/augustanudgee; or
- (b) phone us on us on 1800 226 174 (within Australia) or + 61 7 3210 2277 (outside Australia).

A paper copy of the most recent information will be sent to you free of charge on request.

GLOSSARY

In this document:

AFSL	means Australian Financial Services Licence.
Applicant	means a person or entity who submits an Application Form.
Application Form	means the application form attached to or accompanying the PDS.
ASIC	means the Australian Securities and Investments Commission.
Asset Management Agreement	means the agreement between the Responsible Entity and Augusta pursuant to which Augusta is appointed to manage the Property, on the terms summarised in section 11.6.
Augusta or Augusta Funds Management	means Augusta Funds Management Limited (New Zealand company number 3760278).
Board	means the board of directors of the Responsible Entity.
Compliance Plan	means the compliance plan of the Trust as amended from time to time.
Constitution	means the constitution of the Trust as amended from time to time.
CPI	means consumer price index, being the Brisbane All Groups CPI Index Number published from time to time by the Australian Bureau of Statistics or, if that index number is no longer published, its substitute as a cumulative indicator of the inflation rate in Australia.
Corporations Act	means <i>Corporations Act 2001</i> (Cth) and includes the <i>Corporations Regulations 2001</i> (Cth).
Custodian or AET	means AET Structured Finance Services Pty Ltd ACN 106 424 088.
Director	means a director of the Responsible Entity.
Lease	means the lease of the Property to the Tenant, on the terms summarised in section 11.5.
Offer	means the offer of units under this PDS to raise A\$17.75 million.
PDS	means this product disclosure statement.
Property	means 741 Nudgee Road, Northgate, Queensland.
Purchase Contract	means the proposed contract to purchase the Property, on the terms summarised in section 11.4.
Responsible Entity, DDH Graham, our, we or us	means DDH Graham Limited ACN 010 639 219.
Tenant	means Health World Limited ACN 010 636 165.
TGA	Therapeutic Goods Administration.
Trust	means Augusta Nudgee Road Property Trust ARSN 619 503 472, a registered managed investment scheme.
WALE	means average lease expiry weighted by income.

CORPORATE DIRECTORY

Trust

Augusta Nudgee Road Property Trust
ARSN 619 503 472

Responsible Entity

DDH Graham Limited
ACN 010 639 219, AFSL No. 226319
Level 9, 324 Queen Street
Brisbane QLD 4000

Custodian

AET Structured Finance Services Pty Ltd
ACN 106 424 088
Level 22, 207 Kent Street
Sydney NSW 2000

Asset manager

Augusta Funds Management Limited
NZCO no. 3760278
Level 2, Bayleys House, 30 Gaunt Street
Auckland 1010

Trust and Compliance Plan auditor

PKF Hacketts
Level 6
10 Eagle Street
Brisbane QLD 4000



AUGUSTA
FUNDS MANAGEMENT



Indicitive boundary line only.

GUIDE TO COMPLETING THE APPLICATION FORM

IMPORTANT NOTICE

The Corporations Act prohibits any person from passing onto another person the Application Form which was attached to this Product Disclosure Statement dated 7 July 2017 (**PDS**) for the offer of units in the Augusta Nudgee Road Property Trust ARSN 619 503 472 (**Trust**), unless the Application Form is attached to or accompanying a complete and unaltered copy of the PDS. A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the PDS. Applications for Units will only be accepted if made on an Application Form attached to the PDS.

A	Enter the amount of application money you wish to invest. This must be a minimum of \$50,000 and subsequently in increments of \$50,000. Application money must be paid in Australian dollars.	O	Please provide the full principal place of business address for your company as it appears on the appropriate ASIC register or the register of the company.
B	Please choose an option indicating the manner in which you are investing funds in the Trust. Cheque attached Please make your cheque payable to 'AET Structured Finance Services Pty Ltd ACF Augusta Nudgee Road Property Trust'. Direct credit We will contact you with the bank account details for the transfer.	P	If the company is a proprietary company or a private company and is not a regulated company, please provide the name and residential address of any individual who owns through one or more shareholdings more than 25% of the issued capital of the company. Please annex additional information if required.
C	Enter here the appropriate selection which corresponds to the type of investor that you are. Remember, if you are a trustee, you must also complete Section 4 in relation to trusts. If you fall into the category 'Other Entity', please contact us for more details on 1800 226 714 if you are an Australian resident investor or Augusta Funds Management Limited (Augusta) on 09 300 6161 if you are a New Zealand resident investor. As required by the <i>Anti-Money Laundering & Counter-Terrorism Act 2006</i> , you must provide us with evidence of identity verification as set out in the following page.	Q	If the company is a majority owned subsidiary of a listed Australian company, please indicate this and provide the name of that company as registered by ASIC and the relevant exchange or market on which that company is listed (i.e. ASX).
D	Enter the full name you wish to appear on the register: Up to four joint applicants may register. You must refer to the table below for the correct forms of registrable name. Applications using the wrong form of name may not be accepted . Please also provide in this section your date of birth as it appears on your birth certificate and, for Australian residents only your full tax file number (TFN). Collection of TFNs is authorised by taxation laws and <i>Privacy Act 1988</i> . Quotation of your TFN is not compulsory and will not affect your application. However, if no TFN is quoted, any distribution may be taxed at the highest marginal tax rate plus the Medicare Levy.	R	Please indicate whether you are acting in a trustee capacity, and also complete Section 4.
E	Enter your residential address here.	S	Please indicate the name of the trust as it appears on the trust deed and the country in which the trust was established.
F	Enter your postal address for all correspondence. All communications to you from us will be mailed to the address as shown. For joint applicants, only one address can be entered.	T	Please indicate all trustees for the trust including their given name and surname (if they are individuals) or their company name and relevant ACN, New Zealand company number or other registered company number as applicable. Please also annex extra information as required.
G	Enter your telephone number. This will assist us to contact you if there are any problems with your application.	U	Please indicate the type of trust which is applying for the interests and any other relevant information relating to that trust.
H	Please insert your email address.	V	Please indicate the purpose and source of your investment funds.
I	It is important that we ascertain whether or not you are acting in a capacity as trustee, whether you are acting in a business capacity and also whether you are a politically exposed person, if you are acting in a capacity as trustee, in addition to completing this Section 2, you must also complete Section 4. Similarly, if you are acting in a business capacity, you must also complete Part K of this Section 1.	W	Insert name of account which is to be credited and all other relevant account details.
J	Please complete the details in relation to your business, including the full address of the principal place of business and an ABN, New Zealand company number or other identification number as applicable to your business.	X	Please indicate how you wish to receive the Fund's annual financial statements. If no election is made, the annual financial statements will not be sent to you but can be accessed on our website.
K	Please provide the full name of your company as registered with the Australian Securities & Investments Commission (ASIC) or New Zealand Companies Office. If your company is a foreign company or a foreign company which is registered by ASIC, please provide the name of that company as it has been registered. Similarly, please provide your ACN, New Zealand company number or other applicable identification number as registered by the relevant regulator and the name of that regulator.	Y	Australia participates in Automatic Exchange of Information (AEOI) regimes concerning the automatic exchange of financial account information with a number of foreign jurisdictions. These regimes are known as the Foreign Account Tax Compliance Act (FATCA) in the case of exchange with the United States of America and the Common Reporting Standard (CRS or Standard) in the case of exchange by Australia with other countries that have implemented the Standard. CRS and FATCA obligations are imposed on Australian financial institutions (AFIs) through the operation of the Taxation Administration Act 1953. A requirement of the legislation implementing FATCA and CRS is that AFIs must collect and report specified information to the Australian Taxation Office (ATO). The Trust is expected to be subject to the FATCA and CRS obligations. Section Y sets out the information required to be collected by us and all applicable applicants must provide responses to the questions in this section as appropriate. If you do not provide the information requested, we will not be able to process your application. We are not able to provide tax advice and cannot determine the impact or compliance obligations of FATCA or CRS on investors. We strongly encourage investors to seek the advice of an experienced tax advisor to determine what actions, if any, investors need to consider.
L	Please indicate whether your company is a proprietary company, a public company (and the relevant market or exchange on which it is listed), or acting in a capacity as trustee. Remember, if you are acting as a trustee, please also complete Section 4 of this Application Form.	Z	Joint applications for units must be signed by each joint applicant. Where units are to be held by a company, this Application Form must be signed by any two directors of the company or any director and the company secretary, in accordance with section 127 of the Corporations Act 2001. Persons applying for Units on behalf of the company must state the position within the company they hold (i.e. director or company secretary) next to their signature. For a trust, all trustees must sign.
M	Please indicate the country of incorporation of your company.		
N	Please provide the full registered address of your company as it appears on the appropriate ASIC register, New Zealand companies register or on the register of the company.		

Correct forms of Registrable name

Note that **ONLY** legal entities are allowed to hold Units. Applications must be in the name(s) of natural persons, companies or other legal entities acceptable to the us. At least one full given name and the surname is required for each natural person. The name of the beneficial or any other registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms of registrable names below. Please also provide documentation as required in the table below:

PLEASE CONTACT US IF YOU HAVE DIFFICULTY COMPLETING THIS FORM

Lodgement of applications

Send your completed Application Form by post or delivery with, when applicable, cheque attached to:

For investors in Australia:
 Augusta Nudgee Road Property Trust
 C/- DDH Graham Limited
 GPO Box 330
 Brisbane QLD 4001

For investors in New Zealand – post to:
 Augusta Nudgee Road Property Trust
 C/- Augusta Funds Management Limited
 PO Box 37953
 Parnell
 Auckland 1151

Or Courier to:
 Augusta Nudgee Road Property Trust
 C/- Augusta Funds Management Limited
 Level 2, 30 Gaunt Street
 Auckland 1010

Type of investor	Correct Form	Identification documents required to be provided
Individual <ul style="list-style-type: none"> Use given names, not initials 	John Alfred Smith	Please provide a certified ¹ copy of either: 1. applicant's current driver's licence; or 2. photo page from current passport, or 3. card issued under a law of Government containing a photo and date of birth. If you cannot satisfy the above, then: 4. Birth Certificate 5. An original notice issued by Government or a Government Body containing your name and residential address
Company <ul style="list-style-type: none"> Use company title, not abbreviations 	ABC Pty Ltd	Documents (if any) we advise as required. In relation to all controlling shareholders who are individuals, same as for individual above. For New Zealand incorporated companies a copy of the New Zealand Companies Office database and Australian incorporated companies a copy of the ASIC database showing full name of company, full company registered office address and place of business address (if any), Company Number, public or proprietary company status, company directors and if company is an unlisted public or proprietary company full name of shareholders, AND
Trusts <ul style="list-style-type: none"> Use trustee(s) personal name(s), Do not use the name of the trust 	Janet Smith <Janet Smith Family>	Identification as required for 'An Individual' for all account signatories. Please provide: <ul style="list-style-type: none"> a certified¹ copy of the trust deed or other documents we confirm to be acceptable; identification as required for: - Individual Trustees (refer to 'An Individual' above) - Corporate Trustee (refer to 'A Company' above);
Deceased Estates <ul style="list-style-type: none"> Use executor(s) personal name(s), Do not use the name of the deceased 	Michael Smith <Est John Smith A/C>	In relation to an Individual(s) acting as executor, refer to 'An Individual' above. In relation to a Company acting as Executor, refer to 'A Company' above.
Partnerships <ul style="list-style-type: none"> Use partners' personal name(s), Do not use the name of the partnership 	John Smith and Michael Smith <John Smith & Michael Smith A/C>	1. In relation to at all partners, refer to 'An Individual' above; and 2. certified ¹ excerpts from partnership deed.

¹The certified copy must include the statement "I certify this is a true copy of the original document" (or similar wording) and must be signed by an eligible certifier² (including an Australian JP or lawyer or other categories that can be confirmed by contacting us or Augusta). In New Zealand, the only persons who can certify a document are:

- A chartered accountant who is a member of Chartered Accountants Australia and New Zealand; or
- A notary public

You can also provide your original identification documentation to a Augusta or DDH staff member who will take a copy.

If you have any questions in completing this Application Form, please contact either DDH Graham Limited or Augusta Funds Management Limited, as follows:

DDH Graham Limited

Email: fundadmin@ddhgraham.com.au

Phone: 1800 226 174 (within Australia) or 61 7 3210 2277 (outside Australia).

In New Zealand

Augusta Funds Management Limited

Email: invest@augusta.co.nz

Phone: 09 300 6161 (within New Zealand).

Or

Bayleys Real Estate Limited

Email: syndications@bayleys.co.nz

Phone: 0800BAYLEYS (within New Zealand).

Privacy

DDH Graham Limited (DDH) is committed to respecting your privacy and complying with laws regulating how organisations deal with personal information. A copy of our Privacy Policy and Collection Statement is available on our website at www.ddhgraham.com.au which sets out how we handle personal information.

AET Structured Finance Services Pty Limited ABN 12 106 424 088 AFSL 258829 (**AET**) may collect your personal information for primarily purpose of providing custodial services to the DDH Graham Limited in its capacity as Responsible Entity and for ancillary purposes detailed in the Privacy Policy. AET may disclose your personal information, such as, your name and contact details, along with your account information to its related bodies corporate, DDH Graham Limited, professional advisers, the land titles office and/or as otherwise instructed by the DDH Graham Limited. We are also permitted to collect and disclose your personal information when required or authorised to do so by law. AET is not likely to disclose your personal information to overseas recipients. Your personal information will be used in accordance with AET's Privacy Policy. The Privacy Policy contains information about how you may access or correct your personal information held by AET and how you may complain about a breach of the Australian Privacy Principles. You may obtain a copy of the Privacy Policy at www.aetlimited.com.au/privacy

Privacy Act 1993 (For New Zealand investors)

You have a right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected. You acknowledge that you are authorised to provide this personal information. The personal information you have supplied may be used by us (and other related entities) for the purposes of enabling us to arrange and manage your investment, to contact you in relation to your investment, and to market other products and services to you. You authorise us to disclose your personal information to any third parties as needed to perform services on your behalf; to regulatory bodies or law enforcement agencies as required by law, and to meet our legal or regulatory obligations. We will provide you (on request) with the name and address of any entity to which information has been disclosed.

APPLICATION FORM

Pin cheque(s) here. Do not staple

Augusta Nudgee Road Property Trust

ARSN 619 503 472

Issuer

DDH Graham Limited
ACN 010 639 219, AFSL 226319
(‘Responsible Entity’)

APPLICATION FORM

This Application Form is important. If you are in doubt as to how to complete it, please contact a professional adviser. You should read the entire PDS carefully before completing the form.

Please insert your application amount. Must be a minimum of A\$50,000 and in subsequent increments of A\$50,000.

A

Investment Amount

A\$

B

Select investment method (please choose one)

- Cheque attached**
Please make your cheque payable to AET Structured Finance Services Pty Ltd ACF Augusta Nudgee Road Property Trust
- Electronic funds transfer**

If you select electronic funds transfer, we will contact you with the bank account details for the transfer.

Section 1 – Type of investment

C

Please tick appropriate option

- Individual investor**
(Go to section 2)
- Joint investors**
(Go to section 2)
- Other Entity**
(Contact either DDH Graham Limited or Augusta Funds Management Limited for more details)
- Company investor**
(Go to section 3)
- Trustee/Superannuation Fund/Partnership**
(Go to section 4)

Section 2 – Individuals and joint investors

TFNs are only required for Australian investors.

D

Investor 1

First name

Date of Birth

Surname

TFN:

Investor 2

First name

Date of Birth

Surname

TFN:

Section 2 – Individuals and joint investors (cont.)

D Investor 3

First name

Date of Birth

Surname

TFN:

Investor 4

First name

Date of Birth

Surname

TFN:

E Print your residential address here

(Street number/Street Name)

Suburb/Town/City

State (if in Australia)

Postcode

F Print your postal address here (if the same as residential write 'as above')

(PO Box number/Street name)

Suburb/Town/City

State

Postcode

G Telephone number

H Email Address

I Are you?

Yes

No

Acting in a capacity as a trustee?

(If "Yes", you must also complete section 4.)

Yes

No

Acting in a business capacity

(If "Yes", you must also complete part K)

Yes

No

A potential Politically Exposed Person

(A Politically Exposed Person is an individual, or a close family member or close associate of an individual, who holds a prominent public position or function in an Australian government body, or foreign government body, or an international organisation)

J Business details

(Complete only if you are acting in a business capacity)

Full business name

Address of principal place of business

Suburb/Town/City

State

Postcode

ABN (if any)

Section 3 – Company investors

K Company details

Full name of company

ACN/ABN/New Zealand company number/other registration number (if applicable)

Name of relevant foreign registration body (if applicable)

L Type of company

- Proprietary company Public company
(Relevant market/exchange)
- New Zealand Company Acting in capacity as trustee
(if 'Yes' you must also complete section 4)

M Country of Incorporation (if not in Australia)

N Full address of registered office

PO Box number/Street number/Street name

Suburb/Town/City

State (if in Australia)

Postcode

Country

O Full address of principal place of business

PO Box number/Street number/Street name

Suburb/Town/City

State (if in Australia)

Postcode

Country

P

Controlling shareholders (complete only if a proprietary company)

Please provide the full name and address of all shareholders who hold more than 25% of the issued capital in the company and their percentage holding. For individuals, you will also need to provide their date of birth and residential address and the required identification documents. Refer to page 2 for more information.

Additional shareholder details annexed

Q

Foreign companies

The company is a majority owned subsidiary of a listed Australian Company Yes No

R

Is your company operating as a trustee?

Yes No

(you must also complete section 4)

If 'Yes'

Name of Australian company: _____

Relevant exchange/market: _____

Section 4 – Trusts, superannuation funds

S

Name of trusts

Country in which trust established

T

Trustees

Given name(s) or company name

1. _____ Surname/ACN

2. _____

3. _____

U

Type of trust

ASIC Registered Scheme
Scheme ARSN: _____

ATO Supervised
Self Managed Superannuation Fund ABN _____

APRA Regulated Superannuation Fund APRA registration number _____

Other trusts

Please complete the following

Beneficial owner of trust (such as the appointor)

(a) Please confirm the beneficial owner of the trust. A beneficial owner is the person who controls the activities of the trust. The beneficial owner is the same as listed above:

OR

(b) The beneficial owner is not listed above. Please complete below and provide the required identification documents. Refer to page 2 for more information.

First name

Date of Birth

Surname

Residential address

(Street number/Street Name)

Suburb/Town

State

Postcode

Settlor of trust

Please confirm the settlor of the trust. The settlor is the person who made the initial contribution to the trust. Please complete below and provide the required identification documents unless the settlor is deceased or the initial contribution was less than \$10,000. Refer to page 2 for more information.

First name

Date of Birth

Surname

Residential address

(Street number/Street Name)

Suburb/Town

State

Postcode

Beneficiaries

Please indicate how the trust deed identifies beneficiaries/unit holders:

By names of individuals (please list the name of each beneficiary/unit holder below):

Beneficiary 1

First name

Date of Birth

Surname

Beneficiary 2

First name

Date of Birth

Surname

Beneficiary 3

First name

Date of Birth

Surname

U

Type of trust (cont.)

Beneficiary 4

First name

Date of Birth

Surname

(Please attach a separate piece of paper listing all beneficiaries if there are more than four (4) beneficiaries)

OR

By membership of a class (please list the name of each membership class below).

Section 5 – Fund and distribution method

V

Purpose of investment

Select all applicable options

Savings

Growth

Income

Retirement

Business account

Other (please specify):

Source of investment

Select all applicable options

Savings

Growth

Income

Retirement

Business account

Other (please specify):

Section 6 – Account details

W

Direct credit for distributions

Insert name of account which is to be credited

Bank

Branch

BSB number

Account number

Section 7 – Annual report and non-disclosure

X

I/we wish to receive the annual financial statement by post to the address shown above on this Application form or as otherwise notified to the Responsible Entity from time to time.

I/we wish to receive the annual financial statement electronically to the email address shown above on this Application Form or as otherwise notified to the Responsible Entity from time to time.

I/we wish/do not wish to be sent an annual financial statement, which, when available, will be accessible on the Responsible Entity's website.

Section 8 – Declaration of overseas tax status

Y

FATCA
Is the applicant (when an individual) or any shareholder (when a company), or beneficial owner (when a trust) a US citizen or resident of the US for tax purposes?

Yes

No

If 'Yes', complete the section below

Individual

Please insert your US Taxpayer Identification Number (TIN)

Investor 1*

Investor 2*

(*As identified in Part E of Section 2)

Companies

Please select one of the following categories and provide the information requested.

Financial Institution (A custodial or depository institution, an investment entity or a specified insurance company for FATCA purposes)

Provide the company's Global Intermediary Identification Number (GIIN), if applicable

If the company does not have a GIIN, please provide its FATCA status

If the company is a Financial Institution section 7 is now complete, proceed to section 8.

Non-Financial Public Company (Public companies that are not Financial Institutions as described above)
(If the company is a public company, section 7 is now complete, proceed to section 8.

Non-Financial Proprietary Company (Proprietary companies that are not Financial Institutions as described above) Are any of the beneficial owners (as per part Q of section 3) US citizens or residents of the US for tax purposes?

Yes

No

If Yes, provide the name and US Taxpayer Identification Number (TIN) of each beneficial owner who is a US citizen or resident of the US for tax purposes

Full given name(s)

Surname

US TIN

1.

2.

3.

FATCA (cont.)**Trusts**

Regulated super funds (self-managed superannuation funds, APRA regulated super funds, government super funds or pooled superannuation trusts) are not required to complete this section and can proceed to section 8

United States Trust (A trust created in the US, established under the laws of the US or a US taxpayer)

Provide the Trust's US Taxpayer Identification Number (TIN)

Is the Trust an exempt payee for US tax purposes?

Yes

No

Financial Institution or Trust with a Trustee that is a Financial Institute (A trust that is primarily established for custodial or investment purposes or a Trust that has a Trustee that is a Financial Institution in its own right)

Provide the Trust or Trustee's Global Intermediary Identification Number (GIIN), of applicable

if neither the Trust nor the Trustee has a GIIN, please provide the Trust's FATCA status

If the Trust is a Financial Institution or has a Trustee that is a Financial Institution section 7 is complete, proceed to section 8.

Other (Trusts that are not US Trusts, Financial Institutions or do not have Financial Institution Trustees)

Other foreign countries

Please complete this section if an individual or beneficial owner* that are party to this application has an overseas tax status in a country outside of Australia, other than the United States of America. For avoidance of doubt, this section must be completed by New Zealand investors. If the individual or entity is a tax resident of any other country outside of Australia or the United States of America (including New Zealand), please indicate the country(ies) in which they are a resident for tax purposes and each country's associated Tax Identification Number (TIN).

If a TIN is not available, please tick the appropriate reasons.

Name

Country

Tax Identification Number (IRD number for NZ Investors)

Reason if no TIN provided (please tick one)

Foreign TIN not issued by this country

Individual is under age

Foreign TIN pending issue by country's tax authority

Name

Country

Tax Identification Number

Reason if no TIN provided (please tick one)

Foreign TIN not issued by this country

Individual is under age

Foreign TIN pending issue by country's tax authority

*A beneficial owner means an individual who ultimately owns or controls (directly or indirectly) the customer. In the case of a company, trust partnership or association this is any individual who owns through one or more shareholdings, unitholdings or interests more than 25% of the issued capital, equity or voting rights. Note: Please attach a separate piece of paper listing all individuals or beneficial owners if there are more than two (2).

Section 8 - Declaration

Z

Signature

I/We declare that this application is completed according to the declarations/appropriate statements on the reverse of this form and:

- (a) agree to be bound by the Constitution of the Augusta Nudgee Road Property Trust;
- (b) acknowledge the following matters:
 - (i) I/We have read and understood the PDS to which this Application Form is attached.
 - (ii) DDH Graham Limited reserves the right to accept or reject any application in its absolute discretion.
 - (iii) I/We have had the opportunity to seek professional advice regarding all aspects of this investment.
 - (iv) I/We have not relied on any statements or representations made by any party (including DDH Graham Limited and its officers, employees and agents) prior to applying, other than those written representations made in the PDS.
 - (v) I/We have personally received a complete and unaltered copy of the PDS prior to completing the Application Form.
 - (vi) I/We have made an offer to become an investor in the Augusta Nudgee Road Property Trust which cannot be revoked.
 - (vii) I/We acknowledge that DDH Graham Limited, Augusta Funds Management Limited and any of their agents (including Bayleys Real Estate Limited) did not take my/our particular situation or goals into account when providing me/us with any instruction about the Trust or Property.
 - (viii) DDH Graham Limited and Augusta Funds Management Limited do not guarantee the repayment of capital or the performance of the Augusta Nudgee Road Property Trust.

I/We hold all necessary approvals, I/we require to make the investment and hold units.

Investor 1/Director 1	<input type="text"/>	Investor 2/Director 2 (if applicable)	<input type="text"/>
Investor 3 (if applicable)	<input type="text"/>	Investor 4 (if applicable)	<input type="text"/>

Office Use only	
S1:	<input type="text"/>
S2:	<input type="text"/>





AUGUSTA
FUNDS MANAGEMENT