

**Falcon Capital Limited**  
Level 13, 350 Collins Street,  
Melbourne, 3000, Victoria  
AFSL 302538



20 May 2021

Dear Unitholder,

### **Notification of significant changes to your investment**

We are writing to you in our capacity as Responsible Entity for the Australian Opportunities Class ("AOC").

We wish to advise you of some important changes which become effective 20 May 2021 regarding the AOC Class in which you are a Unitholder.

We are of the opinion that these changes are not adverse to your interests in the Class and do not result in any increase in fee or charges. According to the *Corporations Act 2001* we, as the issuer of the product may provide notice of these changes between 3 and 12 months after implementation of such changes. We however believe it is appropriate to provide the information in a timely manner and accordingly provide you with this letter.

The position of Investment Manager will be taken on by First Guardian Capital Pty Ltd, relieving First Guardian Investments Pty Ltd of the role. The Class is now fully capitalised, to enable the two projects which it is currently developing to be completed and is closed to new applications. Total equity required to complete was \$11,496,656 which has now been raised in full. Accordingly, no further units will be issued for the Class.

Capital plus realised gains from the Classes' Narangba and Joyner projects will be returned to unitholders upon completion of each project as interim and final distributions. Current estimates for completion for both projects are May 2021 and January 2023 respectively.

### **Reduction of fees**

1. As a result of the Class being fully capitalised and the imminent completion of the Narangba project, the annual management fee will be reduced from 1.1% + GST of net AUM to 0.2% + GST of net AUM effective 31 March 2021. This fee reduction is being passed on, in full, to Unitholders.
2. **The Product Disclosure Statement you received when making your investment failed to identify capital raising and brokerage fees which we as the Responsible Entity were entitled to receive.**

Those fees totalled \$523,677 based on the total costs for the Classes' two projects.

**These fees have not been paid, and as they were not disclosed, they will not be paid to Falcon Capital Limited or any associated entity.**

**What will happen to the Fund whilst the Joyner project is completed?**

- McAndrews Development (“**the Developer**”) will complete the project over the remainder of the term of the Class.
- You will continue to receive quarterly project reports from the Developer.
- The Unit price will continue to be updated monthly, or such other period as determined, based on progress against milestones and changes to the risk profile for the projects as they approach completion.

**Benefits to you:**

- Mitigated investment risk following the achievement of a significant milestone in terms of fully capitalising the Fund and closing it to new applications.
- Return of capital plus realised gains over 3<sup>rd</sup> quarter 2021 and again on completion.
- Significant fee reduction on your investment

You are not required to take any action in relation to these changes but if you do have any concerns regarding the contents of this letter, please contact us on (03) 9988 7753.

Yours sincerely

Falcon Capital Limited  
AFSL 302538