

6 September 2016

Dear Securityholder

Industria REIT Entitlement Offer – Notification to Ineligible Retail Securityholders

On 1 September 2016, Industria REIT (**Industria**) announced a fully underwritten institutional placement (**Placement**) to raise approximately A\$19.8 million, and a fully underwritten 1 for 4 accelerated non-renounceable pro rata entitlement offer (**Entitlement Offer**) to raise a further approximately A\$65.2 million (the Entitlement Offer and the Placement together, the **Offer**).

The Entitlement Offer is fully underwritten and comprises an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**). The Institutional Entitlement Offer has already closed and raised approximately A\$28.4 million, and the Retail Entitlement Offer is expected to raise approximately A\$36.8 million. The proceeds of the Offer will be used to partly fund the acquisition of 1-3 WesTrac Drive, Tomago as set out in the Investor Presentation published on ASX on Thursday, 1 September 2016.

The Retail Entitlement Offer is being made to Eligible Retail Securityholders (as defined below) on the basis of 1 new stapled security in Industria (**New Stapled Security**) for every 4 existing stapled securities in Industria (**Stapled Securities**) held at 7.00pm (Melbourne time) on Monday, 5 September 2016 (**Record Date**), at an offer price of A\$2.12 per New Stapled Security.

Documents relating to the Retail Entitlement Offer were lodged with the ASX today and are also expected to be despatched to Eligible Retail Securityholders today.

Eligibility to participate in the Retail Entitlement Offer

An Eligible Retail Securityholder is a holder of Stapled Securities who:

- (a) was a registered as a holder of Stapled Securities as at the Record Date;
- (b) has a registered address in Australia or New Zealand;
- (c) is not in the United States and is not acting for the account or benefit of persons in the United States (to the extent such person holds securities in Industria for the account or benefit of such person in the United States);
- (d) is not an Eligible Institutional Securityholder (other than a nominee to the extent that nominee also holds Stapled Securities on behalf of an Eligible Retail Securityholder) or an Ineligible Institutional Securityholder (as defined in the Retail Offer Booklet lodged with ASX today); and
- (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Given the relatively small number of ineligible retail securityholders who do not satisfy the above criteria (**Ineligible Retail Securityholders**) and the cost and complexity of complying with the applicable legal requirements to enable the Entitlement Offer to be made to those Ineligible Retail Securityholders, Industria has decided not to extend the Entitlement Offer to those Ineligible Retail Securityholders.

Unfortunately, according to our records you do not satisfy the criteria for an Eligible Retail Securityholder, and therefore Industria is unable to extend to you the opportunity to participate in the Retail Entitlement Offer. If our records are incorrect on this matter, please contact the Offer Information Line on the details below.

As the Retail Entitlement Offer is non-renounceable, entitlements in respect of the New Stapled Securities you would have been offered if you were an Eligible Retail Securityholder will lapse and you will not receive any payment or value for those entitlements.

You do not need to respond to this letter. If you have questions, please contact the Offer Information Line on 1300 222 378 (within Australia) or +61 1300 222 378 (outside Australia) from 8.30am to 5.30pm (Melbourne time), Monday to Friday during the Retail Entitlement Offer period.

On behalf of the Board, we thank you for your continued support of Industria.

Yours faithfully

Geoff Brunsdon
Chairman

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Important Notices

This letter does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any stapled securities in Industria. In particular, this letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Neither the entitlements nor the New Stapled Securities that will be offered and sold in the Entitlement Offer have been, nor will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, entitlements may not be issued to or exercised by, and the New Stapled Securities may not be offered or sold, directly or indirectly, to persons in the United States or persons acting for the account or benefit of persons in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable U.S. state securities law. The entitlements and the New Stapled Securities to be offered and sold in the Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of persons in the United States, in each case, in "offshore transactions" in reliance on Regulation S under the Securities Act.