

360 Capital Total Return Fund

11 April 2017

Company Announcement

360 Capital Total Return Fund – Notice under Paragraph 1012DAA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by 360 Capital FM Limited ACN 090 664 396 (**360 Capital**) as the responsible entity of 360 Capital Total Return Fund, the stapled entity comprising 360 Capital Total Return Active Fund ARSN 602 303 613 and 360 Capital Total Return Passive Fund ARSN 602 304 432 (**Fund**) under paragraph 1012DAA(2)(f) of the *Corporations Act 2001 (Cth)* (**Corporations Act**), as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*.

On 11 April 2017, 360 Capital announced an institutional placement to raise \$5.3 million (**Placement**) and an accelerated non-renounceable pro-rata entitlement offer (**Entitlement Offer**) of 1 new fully paid ordinary stapled unit in the Fund (**New Stapled Unit**) for every 1 existing stapled unit in the Fund held as at 7:00pm AEST on Thursday, 13 April 2017 by unitholders with a registered address in Australia or New Zealand to raise approximately \$35.3 million (together, the **Offer**).

A retail information booklet will be despatched to eligible retail securityholders on Thursday, 20 April 2017.

360 Capital advises that:

- (a) the New Stapled Units will be offered for issue without disclosure under Part 7.9 of the Corporations Act and without a product disclosure statement for the New Stapled Units being prepared;
- (b) this notice is being given under paragraph 1012DAA(2)(f) of the Corporations Act, as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*;
- (c) as a disclosing entity the Fund is subject to regular reporting and disclosure obligations;
- (d) as at the date of this notice, 360 Capital has complied with:
 - I. the provisions of Chapter 2M of the Corporations Act as they apply to the Fund; and
 - II. section 674 of the Corporations Act as it applies to the Fund;
- (e) as at the date of this notice, there is no excluded information of the type referred to in subsections 1012DAA(8) and 1012DAA(9) of the Corporations Act; and
- (f) the potential effect that the issue of the New Stapled Units will have on the control of the Fund, and the consequences of that effect, will depend on a number of factors, including investor demand under the Offer and the amount of any New Stapled Units acquired through any underwriting arrangements. The Offer will only proceed if an Underwriting Agreement is entered into to fully underwrite the Offer (including the Entitlement Offer). 360 Capital Property Limited (part of the stapled 360 Capital Group, ASX:TGP) has an interest in approximately 24.3% of stapled units in the Fund and has committed that it will take up all of its entitlements. TGP may also act as underwriter or sub-underwriter to the Entitlement Offer subject to it not holding more than 40% of stapled units in the Fund on completion of the Offer. Should TGP hold 40% on completion of the Offer, it may be in a position of control (including, it may have the ability to control any resolution relating to changing the responsible entity of the Fund). Details of the underwriting arrangements and any potential control implications will be announced to the market prior to the recommencement of trading of the Fund.

360 Capital Total Return Fund

Yours faithfully

360 Capital FM Limited
as Responsible Entity for 360 Capital Total Return Fund



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Managing Director

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