



Entitlement Offer Booklet

360 CAPITAL TOTAL RETURN FUND

(ASX: TOT)

20 April 2017

Details of a 1 for 1 non-renounceable pro-rata entitlement offer of fully paid ordinary New Stapled Units in the 360 Capital Total Return Fund at a price of \$1.15 per New Stapled Unit to raise approximately \$35.3 million. The Offer closes at 5.00pm AEST on 2 May 2017 (unless extended). Valid applications must be received before that time.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

If you are an Eligible Unitholder, this is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. Please call your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser or the 360 Capital Offer Information Line on 1300 082 130 if you have any questions.

This Offer Booklet is issued by 360 Capital FM Limited ABN 15 090 664 396 (AFSL 221 474) (Responsible Entity) in its capacity as responsible entity of the 360 Capital Total Return Fund (Fund), the stapled entity comprising 360 Capital Total Return Passive Fund (ARSN 602 304 432) and 360 Capital Total Return Active Fund (ARSN 602 303 613).

IMPORTANT NOTICE

Responsible Entity and Issuer

360 Capital FM Limited ABN 15 090 664 396 (AFSL 221 474) is the responsible entity (Responsible Entity) of 360 Capital Total Return Fund (Fund), the stapled entity comprising 360 Capital Total Return Passive Fund (ARSN 602 304 432) and 360 Capital Total Return Active Fund (ARSN 602 303 613) and is the issuer of this Offer Booklet (Offer Booklet).

The Offer Booklet contains an offer of ordinary New Stapled Units in the Fund to raise \$35.3 million on the basis of a non-renounceable entitlement offer of 1 New Stapled Unit for every 1 Stapled Unit held (Entitlement Offer) by Eligible Unitholders.

Entitlement Offer Booklet

Neither this Offer Booklet nor the Entitlement and Acceptance Form is a product disclosure statement, prospectus or other disclosure document for the purposes of the Corporations Act. These documents have not been lodged with ASIC. They may not contain all the information that an investor would expect to make an informed decision as to whether or not to accept this Entitlement Offer. As the Fund is a listed disclosing entity which meets the requirements of section 1012DAA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (and any ASIC relief applicable to the Responsible Entity or the Fund), the Entitlement Offer will be made without a prospectus or product disclosure statement. As a result, it is important for Eligible Unitholders to read and understand the information on the Fund and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. In particular, please refer to the information in this Offer Booklet, the Fund's annual reports and other announcements made available at www.360capital.com.au or www.asx.com.au

No cooling-off rights

No cooling-off rights apply to a subscription for New Stapled Units under the Entitlement Offer. This means that Eligible Unitholders cannot withdraw an application once it has been accepted (unless required by law).

Obtaining a copy of this Offer Booklet

A paper copy of this Offer Booklet is available free of charge to any person in Australia before the Closing Date of the Offer, by calling the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 9290 9600 (from outside Australia) between the hours of 8.30am and 5.00pm Monday to Friday Australian Eastern Standard time (AEST) (excluding public holidays).

This Offer Booklet may be accessed at www.360capital.com.au. If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet.

The Offer constituted by this Offer Booklet in electronic form is available only to Australian and New Zealand resident investors accessing the website from Australia or New Zealand. It is not available to persons in the United States or in any other jurisdiction.

Applications for New Stapled Units may only be made on an Entitlement and Acceptance Form accompanying this Offer Booklet. By making an Application, you declare that you were given access to the Offer Booklet, together with an Application Form.

Note to prospective investors

The information contained in this Offer Booklet is not financial product advice. This Offer Booklet has been prepared without reference to your investment objectives, financial situation and particular needs. It is important you read this Offer Booklet carefully and in its entirety before making a decision whether to invest. In particular, you should consider the risk factors that could affect the performance of the Fund. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your broker, solicitor, accountant, financial or other professional adviser before deciding whether to invest. Some of the key risk factors that should be considered by prospective investors are set out in Appendix A of the Investor Presentation. There may be risk factors in addition to these that should be considered in light of your personal circumstances. You should also consider the risk factors that could affect the Fund's business, financial condition and results of operations.

No performance guarantee

Neither the Responsible Entity, nor its associates or Directors, nor any other person named in this Offer Booklet guarantees the performance of the Fund, the repayment of capital or any particular rate of capital or income return.

While the Responsible Entity is a subsidiary of 360 Capital Group Limited ABN 18 113 569 136, neither 360 Capital Group Limited nor its other subsidiaries or related bodies corporate guarantee performance by the Responsible Entity of its obligations as the responsible entity of the Fund and are not responsible for any information in this Offer Booklet.

Updated information

Information relating to the Offer may change from time to time. The Responsible Entity may issue a supplementary offer booklet to supplement any relevant information not contained in this Offer Booklet or may update certain information on its website at www.360capital.com.au.

Any supplementary offer booklet or information should be read together with this Offer Booklet.

Defined terms and financial information

Certain terms used in this Offer Booklet have been defined in the Glossary of this Offer Booklet.

Times and dates in this Offer Booklet are indicative only and subject to change. Unless otherwise stated or implied, references to times in this Offer Booklet are AEST. Unless otherwise stated or implied, references to dates or years are calendar year references.

All financial and operational information contained in this Offer Booklet is stated as at the date of this Offer Booklet, unless

otherwise specified. Currency amounts are in Australian dollars unless otherwise stated. The financial information has not been audited.

Any discrepancies between totals and sums and components in tables contained in this Offer Booklet are due to rounding.

Offer restrictions

This Offer Booklet has been prepared to comply with the requirements of the laws of Australia. This Offer Booklet does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify New Stapled Units or the Offer, or to otherwise permit a public offering of New Stapled Units, in any jurisdiction outside Australia and New Zealand. The distribution of this Offer Booklet outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Booklet outside Australia should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

In particular, New Stapled Units have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, a US Person (as defined in Regulation S under the US Securities Act).

Disclosure

The Joint Lead Managers (whether in that capacity, or otherwise), together with each of their affiliates, are each a full service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, investment research, principal investment, hedging, market making, margin lending, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses. The Joint Lead Managers, in conjunction with each of their affiliates, are acting as joint lead managers, bookrunners and underwriters to the Offer for which they have received or expect to receive fees and recover expenses. The Joint Lead Managers (whether in that capacity, or otherwise) and/or each of their affiliates have performed, and may perform, other financial or advisory services for the Responsible Entity, and/or may have other interests in or relationships with the Responsible Entity and its related bodies corporate for which they have received or may receive customary fees and expenses.

In the ordinary course of their various business activities, the Joint Lead Managers (whether in that capacity, or otherwise) and each of their affiliates may purchase, sell or hold a broad array of investments and actively trade or effect transactions in equity, debt and other securities, derivatives, loans, commodities, currencies, credit default swaps and/or other financial instruments for each of their own accounts and for the accounts of each of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Fund, its related entities and/or persons and entities with relationships with the Fund and/or its related entities. The Joint Lead Managers (whether in that capacity, or otherwise) and/or each of their affiliates, or their respective officers, employees, consultants or agents

may, from time to time, have long or short positions in, buy or sell (on a principal basis or otherwise), and may act as market makers in, the securities or derivatives, or serve as a director of any entities mentioned herein. The Joint Lead Managers (whether in that capacity, or otherwise) and/or each of their affiliates currently hold, and may continue to hold, equity, debt and/or related derivative securities of the Fund and/or its related entities.

None of the Joint Lead Managers (whether in that capacity, or otherwise) nor any of their related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether Unitholders or their related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to Unitholders (or other statements upon which you may rely) concerning this Entitlement Offer or any such information. The engagement of the Joint Lead Managers by the Responsible Entity is not intended to and does not create any agency, custodial, fiduciary or other legal relationship between the Joint Lead Managers and any Unitholder or other investor.

Questions

If you have any questions about the Offer, please call the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 9290 9600 (from outside Australia) between the hours of 8.30am and 5.00pm Monday to Friday AEST (excluding public holidays).

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CHAIRMAN AND MANAGING DIRECTOR'S LETTER AND OVERVIEW

Dear Investor

On behalf of 360 Capital FM Limited ("**Responsible Entity**"), the responsible entity of 360 Capital Total Return Fund ("**TOT**" or the "**Fund**"), we are pleased to invite you to participate in a 1 for 1 non-renounceable entitlement offer of new ordinary stapled units in the Fund ("**New Stapled Units**") at an Offer Price of \$1.15 per New Stapled Unit ("**Entitlement Offer**").

TOT is a stapled entity comprising two funds: 360 Capital Total Return Passive Fund (ARSN 602 304 432) and 360 Capital Total Return Active Fund (ARSN 602 303 613).

Equity Raising

On 11 April 2017, the Responsible Entity announced its intention to raise approximately \$40.6 million, comprised of \$5.3 million via a placement to Institutional Investors ("**Institutional Placement**") and \$35.3 million via a non-renounceable 1 for 1 entitlement offer to eligible investors ("**Entitlement Offer**") (collectively the "**Equity Raising**").

The Institutional Placement and institutional component of the Entitlement Offer successfully raised \$22.7 million. 360 Capital Group Limited ("**TGP**") holds 24.3% of the Stapled Units in TOT and took up its full entitlement under the Entitlement Offer.

This Offer Booklet relates to the retail component of the Entitlement Offer, which is fully underwritten and is expected to raise further gross proceeds of approximately \$17.9 million. The Offer Price of \$1.15 per New Stapled Unit under the Entitlement Offer is the same issue price paid by Institutional Investors under the Institutional Placement.

The Offer Price under the Equity Raising is \$1.15 per New Stapled Unit, representing a 3.3% discount to the 5-day VWAP¹; and a 7.3% discount to the pro forma net tangible assets per Stapled Unit.

New Stapled Units issued under the Equity Raising will rank equally with Existing Stapled Units on issue from allotment and will be eligible for the forecast June 2017 quarter distribution of 2.4 cents per stapled unit (cpu)². The Offer Price and distribution guidance of 8.1cpu p.a. for FY2017 reflect a prospective Distribution Yield of 7.0%.

Eligible Unitholders are being sent this Offer Booklet with a personalised Entitlement and Acceptance Form so they may have the opportunity to subscribe for their entitlement of New Stapled Units.

Use of Proceeds

Proceeds from the Equity Raising will be used to expand and diversify the Fund's investments. The Fund has entered into agreements for two major transactions for a total of \$79.0 million comprising:

Equity Investment:

- 1 The acquisition of a 20% cornerstone stake in 360 Capital 2017 Private Equity Fund ("**360CPEREF**") for \$74.0 million, part funded by the Fund vending IDR units into 360CPEREF (\$40.5 million) with the remaining \$33.5 million being contributed by a cash payment, to partner alongside other potential private equity investors.
- 2 The acquisition of a 25.0% shareholding in 360 Capital 2017 PERE Pty Limited ACN 618 476 681, the investment manager to 360CPEREF for nominal consideration.

Investment in Debt:

- 1 TOT's capital commitment of \$5.0 million to mezzanine finance transactions in line with the Fund's strategy.
- 2 The acquisition of a 50.0% shareholding in Australian Mezzanine Finance Pty Limited ACN 120 390 749, a newly created mezzanine broking business for nominal consideration.

¹ Volume weighted average price is from 3 April to 7 April 2017.

² Full year forecast FY2017 distribution of 8.10 cents per Stapled Unit.

Details of your Entitlement

As an Eligible Unitholder, you are entitled to subscribe for 1 New Stapled Unit for every 1 Existing Stapled Unit held at 7.00pm AEST on 13 April 2017 ("**Entitlements**").

The Entitlement Offer is non-renounceable, which means that Entitlements are non-transferable and will not be tradable on ASX or otherwise transferable. Unitholders who do not take up all or any part of their Entitlements will not receive any payment or value in respect of those Entitlements not taken up and their equity interest in the Fund will therefore be diluted.

New Stapled Units issued under the Equity Raising will rank equally with Existing Stapled Units for the quarter ending 30 June 2017.

You will find enclosed within, or accompanying, this Offer Booklet the following important information:

- Key dates for the Entitlement Offer;
- Instructions on "How to apply" detailing how to accept all or part of your Entitlement;
- The Investor Presentation dated 11 April 2017;
- ASX announcements relating to the Entitlement Offer;
- Additional information; and
- A personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions provided.

Taking up your Entitlements

It is important to note that the Entitlement Offer closes at 5.00pm AEST on 2 May 2017.

To participate in the Entitlement Offer, you need to ensure your completed Entitlement and Acceptance Form and your Application Monies are received by the Unit Registry before the Entitlement Offer closes OR you have paid your Application Monies via BPAY by that time and date pursuant to the instructions that are set out on the Entitlement and Acceptance Form. See the "How to apply" section of this Offer Booklet for further information about payment methods. Application Monies (including payments made via BPAY) will be held by the Responsible Entity on trust for Applicants until any New Stapled Units are issued. No interest will be paid on Application Monies.

Further Information

Unless otherwise indicated capitalised terms in this letter have the same meaning as set out in the Offer Booklet. This Offer Booklet contains further details of the Entitlement Offer. A description of the main risks associated with an investment in New Stapled Units in the Fund is set out in Appendix A of the Investor Presentation. We encourage you to read the entire Offer Booklet carefully and consider the key risks before deciding whether to participate in the Entitlement Offer.

You should consult your stockbroker, accountant or other independent professional adviser when evaluating whether or not to participate in the Entitlement Offer.

For further information regarding the Entitlement Offer, please call the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 9290 9600 (from outside Australia) between the hours of 8.30am and 5.00pm Monday to Friday AEST (excluding public holidays) or visit www.360capital.com.au

On behalf of the Directors of the Responsible Entity, we invite you to consider this investment and to participate in the next stage of the Fund's evolution into a high quality total return property investment.

Yours sincerely



David Van Aanholt
Independent Chairman
360 Capital FM Limited



Tony Pitt
Managing Director
360 Capital Group

20 April 2017

01

KEY
DATES

1.1 What are the key dates?

Event	Date
Enter trading halt	Monday, 10 April 2017
Announcement of Institutional Placement, Institutional Entitlement Offer and Retail Entitlement Offer	Tuesday, 11 April 2017
Trading resumes	Thursday, 13 April 2017
Record Date for the Entitlement Offer (7.00pm AEST)	Thursday, 13 April 2017
Settlement of Institutional Placement and Institutional Entitlement Offer	Wednesday, 19 April 2017
Allotment of New Stapled Units issued under the Institutional Placement and Institutional Entitlement Offer	Thursday, 20 April 2017
Expected trading of New Stapled Units issued under the Institutional Placement and Institutional Entitlement Offer on a normal basis	Thursday, 20 April 2017
Retail Entitlement Offer opens and dispatch of this Offer Booklet	Thursday, 20 April 2017
Retail Entitlement Offer closes (5.00pm AEST)	Tuesday, 2 May 2017
Announcement of results of Retail Entitlement Offer	Friday, 5 May 2017
Settlement of Retail Entitlement Offer and Allotment of New Stapled Units issued under the Retail Entitlement Offer	Tuesday, 9 May 2017
Expected trading of New Stapled Units issued under the Retail Entitlement Offer on a normal basis	Wednesday, 10 May 2017
Dispatch of holding statements	Thursday, 11 May 2017

The Responsible Entity reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer without prior notice, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, or to withdraw the Entitlement Offer without prior notice.

Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible. Unless required by law, no cooling-off rights apply to applications submitted under the Entitlement Offer. The commencement of quotation of New Stapled Units is subject to confirmation from ASX. Eligible Unitholders are to make payment of their Application Monies so that payment is received by no later than 5.00pm (AEST) on 2 May 2017. Application Monies (including payments made via BPAY) will be held by the Responsible Entity on trust for Applicants until any New Stapled Units are issued. No interest will be paid on Application Monies.

The Entitlement Offer is non-renounceable, which means that Entitlements are non-transferable and will not be tradable on ASX or otherwise transferable. Unitholders who do not take up all or any part of their Entitlements will not receive any payment or value in respect of those Entitlements not taken up and their equity interest in the Fund will therefore be diluted.

New Stapled Units issued under the Entitlement Offer will rank equally with Existing Stapled Units for the quarter ending 30 June 2017.

02

HOW TO
APPLY

The Entitlement Offer is an offer to raise \$35.3 million worth of New Stapled Units in the Fund to be issued at a price of \$1.15 per New Stapled Unit. The offer of 1 New Stapled Unit for every 1 Existing Stapled Unit has been made to Eligible Unitholders who have a registered address in Australia or New Zealand on the Record Date.

No brokerage, commission or stamp duty is payable by Applicants on the acquisition of New Stapled Units under the Entitlement Offer.

2.1 Entitlement Offer

2.1.1 Who may apply under the Entitlement Offer

Eligible Unitholders may apply for New Stapled Units under the Entitlement Offer. Eligible Unitholders are those Existing Unitholders who:

- are registered as Existing Unitholders as at the Record Date being 7.00pm (AEST) on 13 April 2017;
- have a registered address in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Eligible Unitholders are being offered the opportunity to subscribe for 1 New Stapled Unit for every 1 Existing Stapled Unit held at 7.00pm (AEST) on 13 April 2017 at the Offer Price of \$1.15 per New Stapled Unit (rounded up to the nearest whole Unit).

If Eligible Unitholders do not take up all or part of their Entitlements under the Entitlement Offer, any associated right to participate will lapse.

If you are an Eligible Unitholder, your Entitlements are set out on the accompanying personalised Entitlement and Acceptance Form.

If you have more than one holding of Existing Stapled Units, you will be sent more than one personalised Entitlement and Acceptance Form. Each separate holding will have separate Entitlements which you will be unable to combine when making an Application as part of the Entitlement Offer.

2.1.2 Nominees

The Entitlement Offer is being made to all Unitholders on the register of the Fund at 7.00pm (AEST) on 13 April 2017 with an address in Australia or New Zealand, that are not in the United States and are not acting for the account or benefit of a person in the United States. The Fund is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Existing Stapled Units. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws. Return of a duly completed Entitlement and Acceptance Form or receipt of Application Monies by BPAY will constitute a representation that there has been no breach of such laws or regulations. Unitholders who are nominees are therefore advised to seek independent advice as to how they should proceed.

Any person in the United States with a holding through a nominee may not participate in the Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States. The Responsible Entity is not able to advise on foreign laws.

2.1.3 Consider the Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant, solicitor or other independent professional adviser if you have any queries or are uncertain about any aspects of the Entitlement Offer. You should also refer to the Key Risks in Appendix A of the Investor Presentation.

2.1.4 Choices available to Eligible Unitholders

If you are an Eligible Unitholder you may do any one of the following:

- take up all or part of your Entitlements (refer to section 2.1.5); or
- do nothing, in which case all of your Entitlements will lapse and you will not receive any value in respect of those Entitlements not taken up.

2.1.5 Taking up all or some of your Entitlements

If you decide to take up your Entitlements in part or in full, please complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies or pay your Application Monies via BPAY by following the instructions set out on the personalised Entitlement and Acceptance Form.

The Responsible Entity will treat you as applying for as many New Stapled Units as your payment will pay for in full. Amounts received by the Fund in excess of your Entitlements ("Excess Amount") will be refunded in accordance with section 2.1.6 of this Offer Booklet.

If you are paying by BPAY, please make sure to use the specific Biller Code and unique Customer Reference Number (CRN) on the front of your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements, your application may be rejected.

If you take no action, you will not be allocated New Stapled Units and your Entitlements will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Unitholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

If you take up and pay for all or part of your Entitlements before the close of the Entitlement Offer at 5.00pm (AEST) on 2 May 2017, you will be allotted your New Stapled Units on 9 May 2017. The Responsible Entity's decision on the number of New Stapled Units to be allocated to you will be final.

The Responsible Entity also reserves the right (in its absolute discretion) to reduce the number of New Stapled Units allocated to Eligible Unitholders, or persons claiming to be Eligible Unitholders, if their claims prove to be overstated or otherwise incorrect or if they or their nominees fail to provide information to substantiate their claims.

In this situation, the Responsible Entity may require the relevant Unitholder to transfer excess New Stapled Units to the Joint Underwriters at the Offer Price per New Stapled Unit. If required, the relevant Unitholder may need to transfer Existing Stapled Units held by them, or buy additional Stapled Units on-market in order to comply with this obligation. The relevant Unitholder bears any losses and expenses.

By applying under the Entitlement Offer, Unitholders acknowledge and agree to the above as required by the Responsible Entity, and acknowledge that there is no time limitation on the Responsible Entity's ability to require any of the above actions.

2.1.6 Payment

Payment via BPAY®

For payment by BPAY, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique CRN). You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions.

Please note that if you choose to pay by BPAY:

- while you are not required to submit the personalised Entitlement and Acceptance Form, you are taken to have made the declarations on that Entitlement and Acceptance Form; and
- you are deemed to have taken up your Entitlements in respect of such whole number of New Stapled Units as is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY payment is received by the Registry by no later than 5.00pm (AEST) on 2 May 2017 (subject to variation). You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

Any Application Monies received for more than your final allocation of New Stapled Units (but only where the amount is \$2.00 or greater) will be refunded as soon as possible after the Offer closes. No interest will be paid to Applicants on any Application Monies received or refunded.

Note: If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when making payment via BPAY only use the CRN specific to the relevant holding set out in the applicable Entitlement and Acceptance Form. If you do not use the correct CRN specific to that holding, as set out in the applicable Entitlement and Acceptance Form, your Application may be rejected.

Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form (mailed to you with this Offer Booklet) in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order.

Your cheque, bank draft or money order must be:

- for an amount equal to the full Application Monies (being \$1.15 multiplied by the number of New Stapled Units that you are applying for);
- in Australian currency drawn on an Australian branch of a financial institution; and
- made payable to "360 Capital Total Return Fund Application Account" and crossed "Not Negotiable".

You should ensure that sufficient funds are held in any relevant account(s) to cover the full amount of the Application Monies. If the amount of your payment for Application Monies is insufficient to pay in full for the number of New Stapled Units you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Stapled Units as your cleared Application Monies will pay for (and to have specified that number of New Stapled Units on your personalised Entitlement and Acceptance Form). Alternatively, your Application will not be accepted.

Cash payments will not be accepted and receipts for payment will not be issued.

To participate in the Entitlement Offer, your payment must be received no later than the close of the Offer, at 5.00pm (AEST) on 2 May 2017.

Unitholders who make payment via cheque, bank draft or money order should return their completed personalised Entitlement and Acceptance Form together with Application Monies:

- BY MAIL using the reply paid envelope provided with this Offer Booklet (no postage required if posting from within Australia); or
- BY MAIL to the following address:
**360 Capital Total Return Fund
Boardroom (Victoria) Pty Limited
GPO Box 3993
Sydney NSW 2001**

For the convenience of Eligible Unitholders in Australia, a reply paid envelope addressed to the Registry has been enclosed with this Offer Booklet. If mailed in any country outside of Australia, correct postage must be affixed.

Applications will only be accepted by the methods above. Applications will not be accepted in person.

As described above, where you have more than one holding of Existing Stapled Units, you will be sent more than one personalised Entitlement and Acceptance Form, and must complete the relevant Entitlement and Acceptance Form for each separate Entitlement you hold.

2.1.7 How to obtain a copy of this Offer Booklet and an Entitlement and Acceptance Form

You can obtain a copy by contacting the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 9290 9600 (from outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday (excluding public holidays) during the Offer Period.

2.1.8 Foreign persons

The Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to who, it would not be lawful to make such an offer or invitation. By submitting an Entitlement and Acceptance Form and/or paying or transferring Application Monies you represent and warrant that there has been no breach of such laws.

The distribution of this Offer Booklet outside of Australia or New Zealand may be restricted by law and persons who come into possession of it should seek advice and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Responsible Entity disclaims all liabilities to such a person.

2.1.9 Warranties made on acceptance of the Entitlement Offer

By completing and returning your personalised Entitlement and Acceptance Form or paying the Application Monies by BPAY you will be deemed to have acknowledged, agreed, represented and warranted that you, and each person on whose behalf you are acting:

- acknowledge that you have fully read and understood both this Offer Booklet and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Offer Booklet and the Entitlement and Acceptance Form;
- agree to be bound by the terms of the Entitlement Offer, the provisions of this Offer Booklet and the constitution of the Fund;
- authorise the Responsible Entity to register you as the holder(s) of New Stapled Units allotted to you;
- declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- acknowledge that once the Responsible Entity receives your Entitlement and Acceptance Form or any payment of Application Monies via BPAY, you may not withdraw your Application or funds except as allowed by law;
- agree to apply for and be issued up to the number of New Stapled Units specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY, at the Offer Price per New Stapled Unit;

CONTINUED

- authorise the Responsible Entity, the Joint Lead Managers, the Registry and their respective officers or agents to do anything on your behalf necessary for New Stapled Units to be issued to you, including to act on instructions of the Registry and using the contact details set out in your Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the Stapled Units indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your Entitlement and Acceptance Form is not investment advice or financial product advice nor have they been prepared taking into account your investment objectives, financial circumstances or particular needs or circumstances. You acknowledge that this Offer Booklet and your Entitlement and Acceptance Form is not a recommendation that New Stapled Units are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus, product disclosure statement or other disclosure document and does not contain all of the information that you may require in order to assess an investment in the Fund and is given in the context of the Fund's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the summary of the key risks in Appendix A of the Investor Presentation and that investments in the Fund are subject to risk;
- acknowledge that none of the Responsible Entity, the Joint Lead Managers, or their respective related bodies corporate, affiliates or respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantee the performance of the Fund, nor do they guarantee the repayment of capital from the Fund;
- agree to provide (and, if applicable, direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Existing Stapled Units on the Record Date;
- authorise the Responsible Entity to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- represent and warrant that the law of any place does not prohibit you from being given this Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Stapled Units and are

eligible under all applicable laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification; and

- represent and warrant that your acceptance of the Entitlement Offer does not breach any laws in a jurisdiction outside Australia or New Zealand.

By completing and returning your personalised Entitlement and Acceptance Form or paying the Application Monies by BPAY, you will also be deemed to have acknowledged, agreed, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that you are an Eligible Unitholder and otherwise eligible to participate in the Entitlement Offer and:

- you are not in the United States and you are not acting on behalf of a person in the United States (to the extent you are holding Existing Stapled Units on behalf of such person in the United States) and are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements, New Stapled Units under the Entitlement Offer and under any applicable laws and regulations;
- you understand and acknowledge that none of the Entitlements or the New Stapled Units have been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia and New Zealand. Accordingly, the Entitlements may not be taken up by, and the New Stapled Units may not be offered or sold to, persons in the United States or any jurisdiction other than Australia and New Zealand;
- you and each person on whose account you are acting have not and will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States;
- if in the future you decide to sell or otherwise transfer the New Stapled Units, you will only do so in regular way transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is not in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person in the United States.

2.2 Brokerage, commission and stamp duty

No brokerage, commission or stamp duty is payable by Applicants upon the acquisition of New Stapled Units under the Offer.

2.3 No withdrawals

You cannot withdraw your application once it has been accepted unless required by law. Cooling-off rights do not apply to an investment in New Stapled Units. The Responsible Entity reserves the right to withdraw the Entitlement Offer at any time before the issue of New Stapled Units to Eligible Unitholders, in which case the Responsible Entity will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to Applicants.

2.4 Confirmation of your application and managing your holding

You may access information on your holding, including your Record Date balance and the issue of New Stapled Units from this Offer, and manage the standing instructions the Registry records on your holding on the Investor Centre website www.investorserve.com.au. To access the Investor Centre you will need your Security Reference Number (SRN) or Holder Identification Number (HIN) as shown on your Issuer Sponsored/CHESS statements.

2.5 Enquiries

If you require assistance to complete the Entitlement and Acceptance Form, you should contact the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 9290 9600 (from outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday (excluding public holidays) during the Offer Period.

If you are unclear in relation to any matter or are uncertain as to whether the Fund is a suitable investment for you, you should seek professional advice from your stockbroker, lawyer, accountant or other professional adviser.



03

ASX RELEASE AND INVESTOR PRESENTATION

360 Capital Total Return Fund



11 April 2017

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

360 Capital Total Return Fund announces \$40.6 million capital raising

360 Capital FM Limited as Responsible Entity for the 360 Capital Total Return Fund (Fund or ASX: TOT) is pleased to announce today that it is undertaking a placement to institutional investors ('Institutional Placement') of new fully paid ordinary Stapled Units ('New Stapled Units') to raise \$5.3 million and a 1-for-1 non-renounceable entitlement offer to raise further gross proceeds of \$35.3 million ('Entitlement Offer') (collectively the 'Equity Raising').

The Offer Price under the Equity Raising is \$1.15 per New Stapled Units, representing a 3.3% discount to the 5-day VWAP¹; and a 7.3% discount to the pro forma net tangible assets per Stapled Unit.

New Stapled Units issued under the Equity Raising will rank equally with existing Stapled Units on issue from allotment and will be eligible for the forecast June 2017 quarter distribution of 2.4 cents per Stapled Unit (cpu)². The Offer Price and distribution guidance of 8.1cpu p.a. for FY2017 reflect a prospective distribution yield of 7.0%.

Moelis Australia Advisory Pty Ltd and Morgans Corporate Limited are acting as Joint Lead Managers and Bookrunners to the Equity Raising.

The Equity Raising is conditional on an underwriting agreement being entered into to fully underwrite each of the Institutional Placement and Entitlement Offer components. It is anticipated that 360 Capital Group (ASX:TGP) ('TGP') will act as sub-underwriter to the Entitlement Offer subject to it not holding more than 40% of Stapled Units in TOT on completion of the Equity Raising. Further details of such underwriting arrangements will be provided to the market prior to TOT re-commencing trading.

Use of Proceeds

Proceeds from the Equity Raising will be used to expand and diversify the Fund's investments. To this end, the Fund has entered into agreements for two major transactions for a total of \$79.0 million:

1. Investment in new private equity fund:

TGP has established the 360 Capital 2017 Private Equity Real Estate Fund ("PERE Fund"). TOT has agreed to acquire a 20% cornerstone stake in the PERE Fund for \$74m, together with a 25% stake in the investment manager of the PERE Fund for nominal consideration.

The PERE Fund will be seeking to raise \$370m in equity from private equity groups. Currently the PERE Fund is wholly owned by TOT. However, following completion of the PERE Fund capital raising, it is expected TOT will hold 20% of equity in the PERE Fund. The PERE Fund holds TOT's strategic 15.3% stake in Industria REIT (ASX: IDR). TOT's investment in the PERE Fund is funded through contributing IDR units to the PERE Fund (\$40.5m) together with a \$33.5m cash investment for the balance.

¹ Volume weighted average price is from 3 April 2017 to 7 April 2017

² Full year forecast FY2017 distribution of 8.10 cents per Stapled Unit.

ASX Release | Media Release

360 Capital Total Return Fund



TGP intends to make the PERE Fund available to a select number of private equity investors seeking an investment in a private equity real estate fund focused on opportunities within the Australian real estate marketplace.

The PERE Fund will be managed by a new investment management company, 360 Capital 2017 PERE Pty Limited ('Investment Manager'). TOT has a 25% stake in the Investment Manager, with a further 24.9% being made available to private equity investors and the balance 50.1% being owned by TGP³. TGP has a pre-emptive right whereby it can acquire TOT's 25% stake in the Investment Manager for nominal consideration where TOT is subject to a change of control.

2. Investment in mezzanine debt and business debt business:

TOT has also acquired 50% of Australian Mezzanine Finance Pty Limited ('AMF') for nominal consideration. AMF will provide alternative lending and structured financing solutions to Australian real estate investors and developers. The other 50% will be held by TGP.

TGP has a pre-emptive right whereby it can acquire TOT's 50% stake in AMF for nominal consideration where TOT is subject to a change of control.

TOT will also commit \$5.0m for mezzanine financing transactions in line with TOT's investment strategy.

Following completion of the Equity Raising, TOT will be debt free.

The Equity Raising is part of TOT's strategy of growing its asset base and making TOT the flagship ASX listed managed fund of the 360 Capital Group.

TGP currently holds approximately 24.3% of Stapled Units in TOT and has agreed to take up its full entitlement under the Entitlement Offer.

Institutional Placement

The Institutional Placement will be conducted via an institutional bookbuild and will raise gross proceeds of approximately \$5.3 million for the Fund. Settlement under the Institutional Placement is expected to be completed on 13 April 2017, with New Stapled Units under the Institutional Placement expected to be able to be traded on 18 April 2017. New Stapled Units issued under the Equity Raising will be issued at \$1.15 and will rank equally with existing Stapled Units on issue from allotment and will be eligible for the forecast June 2017 quarter distribution of 2.4 cents per Unit (cpu)².

Entitlement Offer

The Entitlement Offer will give Eligible Unitholders the opportunity to acquire 1 New Stapled Unit for every 1 Existing Stapled Units held at 7.00pm AEST on 13 April 2017 ('Entitlements').

The Entitlement Offer will raise approximately \$35.3 million at the same Offer Price as the Institutional Placement (being \$1.15 per Stapled Unit). The institutional component of the Entitlement Offer will be accelerated and will open on Tuesday 11 April 2017 and settle on 13 April 2017. Further details regarding the timetable for the Entitlement Offer are included in the Appendix to this announcement.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on ASX or otherwise transferable. Unitholders who do not take up all, or any part, of their Entitlements will not receive any payment or value in respect of those Entitlements not taken up and their equity interest in the Fund will therefore be diluted.

³ The terms of the management agreement and shareholders agreement are to be finalised in consultation with PERE Fund investors. Details will be made available to the market when finalised.



360 Capital Total Return Fund

New Stapled Units issued under the Entitlement Offer will rank equally with existing Fund Stapled Units on issue from allotment and will be eligible for the forecast June 2017 quarter distribution of 2.4 cents per Unit (cpu)².

It is the responsibility of Unitholders to inform themselves of the eligibility criteria for the exercise of their Entitlements. Further details on eligibility criteria to exercise Entitlements will be included in the Entitlement Offer Booklet to be lodged with ASX and sent to Eligible Unitholders on 20 April 2017.

Eligible Unitholders are encouraged to carefully read the Entitlement Offer Booklet for further details relating to the Entitlement Offer. If Unitholders wish to obtain more information in the interim, please call the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 9290 9600 (from outside Australia) between the hours of 8.30am and 5.00pm Monday to Friday (AEST) (excluding public holidays).

The Entitlement Offer Booklet may also be accessed on the ASX web site under the Fund's announcement under ASX code TOT once available.

Recommendation of trading

The Responsible Entity expects ASX to lift the trading halt and for TOT's Stapled Units to recommence trading on ASX from market open on Thursday, 13 April 2017.

More information on TOT can be found on the ASX's website at www.asx.com.au using the Fund's ASX code "TOT", on the Fund's website www.360capital.com.au, or by calling the 360 Capital Information Line on 1300 082 130 or emailing investor.relations@360capital.com.au

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Timetable

Event	Date
Enter trading halt	Monday, 10 April 2017
Announcement of Institutional Placement, Institutional Entitlement Offer and Retail Entitlement Offer	Tuesday, 11 April 2017
Trading resumes	Thursday, 13 April 2017
Record Date for the Entitlement Offer (7pm AEST)	Thursday, 13 April 2017
Settlement of Institutional Placement and Institutional Entitlement Offer	Wednesday, 19 April 2017
Allotment of New Units issued under the Institutional Placement and Institutional Entitlement Offer	Thursday, 20 April 2017
Expected Trading of New Units issued under the Institutional Placement and Institutional Entitlement Offer on a normal basis	Thursday, 20 April 2017
Retail Entitlement Offer opens and dispatch of Retail Offer Booklet	Thursday, 20 April 2017
Retail Entitlement Offer closes	Tuesday, 2 May 2017
Announcement of results of Retail Entitlement Offer	Friday, 5 May 2017
Settlement of Retail Entitlement Offer and Allotment of New Units issued under the Retail Entitlement Offer	Tuesday, 9 May 2017
Expected Trading of New Units issued under the Retail Entitlement Offer on a normal basis	Wednesday, 10 May 2017
Dispatch of holding statements	Thursday, 11 May 2017

About 360 Capital Total Return Fund (ASX code TOT)

360 Capital Total Return Fund aims to provide total returns with a performance hurdle of 12% per annum to investors through a selective and disciplined investment philosophy, combined with access to real estate based investment opportunities available to the Fund through the 360 Capital platform. The Fund is externally managed by 360 Capital Group, a leading ASX-listed real estate investor and fund manager that operates under a transparent fee structure and is co-invested the Fund to ensure ongoing alignment of interests with Unitholders.

About 360 Capital Group (ASX: TGP)

360 Capital Group is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The Group actively invests in direct property assets, property securities, real estate debt and various corporate real estate investments within Australian real estate markets on a private and public equity basis.

About 360 Capital

360 Capital is a property investment and funds management group concentrating on strategic investment and active investment management of property assets. The company was formed in 2006 and has been actively investing in direct property assets, property securities and various corporate real estate acquisitions within Australian real estate markets on a private equity basis.

Issued by

This announcement has been prepared by 360 Capital FM Limited (Responsible Entity) as responsible entity for the 360 Capital Total Return Fund (the Fund) in connection with a placement to institutional investors (Institutional Placement) and a non-renounceable entitlement offer (Entitlement Offer) of Stapled Units in the Fund (New Stapled Units). The Entitlement Offer is being made without the release of a prospectus or product disclosure statement, in accordance with section 1012DAA of the Corporations Act. Prospective investors should have regard to the Fund's periodic and continuous disclosure announcements to ASX in addition to this and any other announcement made in connection with the Entitlement Offer.

Disclaimer

This announcement contains summary information about the Fund and its activities and has been prepared in accordance with information available to the Responsible Entity as at 10 April 2017. The information in the announcement has been prepared in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the currency, accuracy, reliability or completeness of this information. The announcement should be read in conjunction with the Fund's other periodic and continuous disclosure announcements to ASX in addition to this and any other announcement made in connection with the Entitlement Offer.

Not financial product advice

The information contained in this announcement is not financial product advice. This announcement and the associated offer documentation have been prepared without reference to your investment objectives, financial situation and particular needs. It is important you read this announcement and the accompanying offer documentation in their entirety, together with the Fund's periodic and continuous disclosure announcements to ASX, before making a decision whether to invest. If you are in any doubt, you should consult your broker or financial or other professional adviser.

Investment risk

An investment in the Fund's Units is subject to investment and other known and unknown risks, some of which are beyond the control of the Fund. The Responsible Entity and the Fund do not guarantee any particular rate of return or the performance of the Fund. Persons should have regard to the risks outlined in this announcement and the associated offer documentation.

Not an offer

This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any Stapled Units and neither this announcement nor anything contained in it will form the basis of any contract or commitment.

Financial information

All financial and operational information contained in the announcement and the associated offer documentation is stated as at the date of this announcement, unless otherwise specified. Currency amounts are in Australian dollars.

Entitlement Offer restrictions

The Entitlement Offer will be conducted in accordance with the requirements of the laws of Australia. No New Stapled Units are being offered to any person whose registered address is outside Australia or New Zealand. No action has been taken to register New Stapled Units or otherwise permit a public offering of New Stapled Units in any jurisdiction outside of Australia or New Zealand. This announcement and the related offer documents do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of the announcement and associated offer documentation in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of it who are not in Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Governing law

This announcement, the Entitlement Offer and any contracts made in connection with the acceptance of the Entitlement Offer are governed by the laws of NSW, Australia. Each person who applies for New Units submits to the jurisdiction of the courts of NSW.

Forward looking statements

This announcement and the associated offer documentation contain forward looking statements which are subject to known and unknown risks, uncertainties and other factors that could cause the actual results, performance or achievements of the Fund to vary materially from those expressed or implied in such forward looking statements. Some of the risk factors that impact on forward looking statements are set out in the Risks section of the associated offer documentation.

Past performance

Past performance is not a reliable indicator of future performance.

INVESTOR PRESENTATION

11 April 2017

360 Capital Total Return Fund (ASX: TOT)

Capital Raising Presentation

April 2017

NOT FOR RELEASE IN THE UNITED STATES

JOINT LEAD MANAGERS

MOELIS & COMPANY



Disclaimer

This presentation has been prepared by 360 Capital FM Limited (ACN 090 644 396, AFSL 221974) as responsible entity of the 360 Capital Total Return Fund (comprising 360 Capital Total Return Passive Fund ARSN 602 304 432 and 360 Capital Total Return Active Fund ARSN 602 303 613). The opportunities to participate in the Institutional Placement and the Institutional Entitlement Offer referred to in this presentation are only being offered to 'wholesale clients' (within the meaning of Section 761G of the Corporations Act 2001 (Cth) ('Corporations Act')) and are therefore exempt from disclosure requirements of Part 7.9 of the Corporations Act.

All information and statistics in this presentation are current as at 11 April 2017 unless otherwise specified. It contains selected summary information and does not purport to be all-inclusive or to contain all of the information that may be relevant to any particular transaction or which a prospective investor may require to evaluate a possible investment in the Fund. It should be read in conjunction with the Fund's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au. The recipient acknowledges that circumstances may change and that this presentation may become outdated as a result. This presentation and the information in it are subject to change without notice and the Responsible Entity is not obliged to update this presentation.

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All dollar values are in Australian dollars (\$) or A\$ unless stated otherwise. The recipient should note that this presentation contains pro forma financial information, including a pro forma balance sheet.

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Investment in the Fund is subject to investment risk, including possible delays in payment or loss of income and principal invested. Neither the Responsible Entity, nor its associates or directors, nor any other person named in this presentation guarantee the performance of the Fund, the repayment of capital or any particular rate of capital or income return. While the Responsible Entity is a subsidiary of 360 Capital Group Limited, neither 360 Capital Group Limited nor its other subsidiaries guarantee performance by the Responsible Entity of its obligations as the Responsible Entity and are not responsible for any information in this presentation.

Some of the key risk factors that should be considered by prospective investors are set out in Appendix A- 'Key Risks' of the presentation. There may be risk factors in addition to these that should be considered in light of your personal circumstances. You should also consider the risk factors that could affect the Fund's business, financial condition and results of operations.

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The Responsible Entity reserves the right to vary the timetable included in this presentation.

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1. Transaction Overview

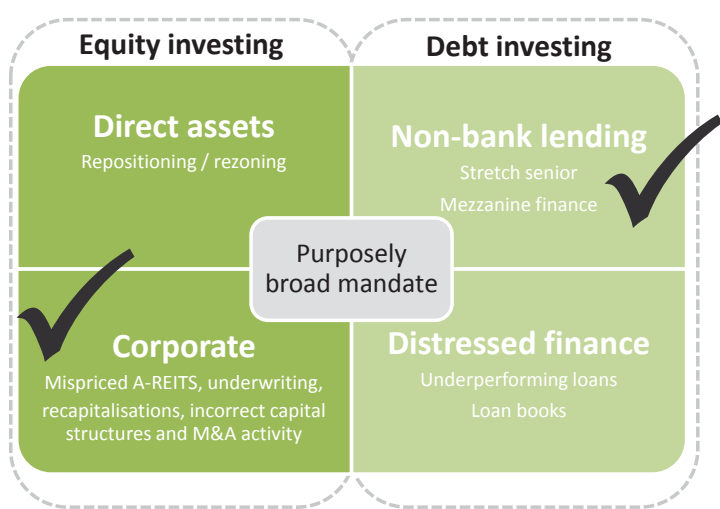
5 | TOT April 2017 Capital Raising Presentation

360 Capital Total Return Fund

TOT's investment mandate

TOT

"TOT is well positioned to take advantage of volatility in real estate and capital markets..."



TGP

"TOT is TGP's flagship ASX listed managed fund"

- TGP's strategy is to remain capital light
- TGP's intent to maintain 25% ownership of TOT, sponsoring its growth and aligning interests
- TOT provides investors access to TGP sourced private equity real estate opportunities
- TGP will continue to partner with TOT on potential transactions

6 | TOT April 2017 Capital Raising Presentation

360 Capital Total Return Fund

- 360 Capital Total Return Fund (“TOT” or “Fund”) has entered into agreements for two major transactions
 - \$74.0m equity investment¹
 - 20% cornerstone stake in the 360 Capital 2017 Private Equity Real Estate Fund (“360CPEREF”). This will be part funded by TOT vending its IDR units into 360CPEREF for \$40.5m². 360CPEREF will also be offered to private equity investors. TOT currently owns 100% of the units in 360CPEREF
 - 25% shareholding in 360 Capital 2017 PERE Pty Limited, the investment manager of 360CPEREF (“Investment Manager”) for nominal consideration
 - \$5.0m investment in debt or debt-oriented investment strategies:
 - Allocation to mezzanine finance transactions in line with the Fund’s strategy
 - 50% shareholding in Australian Mezzanine Finance Pty Limited, a newly created mezzanine broking business for nominal consideration
- The above major transactions will be funded via a \$40.6m capital raising (“Offer”) comprising:
 - a placement to institutional investors of \$5.3m (“Institutional Placement”); and
 - a 1 for 1 Entitlement Offer to raise \$35.3m (“Entitlement Offer”)

1. Refer to Slide 22 for more detail

2. This is in addition to 360CPEREF’s existing IDR holding (\$14.3m) which was funded by a loan from TGP (of \$14.3m) and which will be repaid on completion of the capital raising in TOT. TOT currently owns 100% of the units in 360CPEREF.

- The Offer Price will be \$1.15 per Stapled Unit (representing a 3.3% discount to the 5-day VWAP)
- Moelis Australia Advisory Pty Limited (“Moelis”) and Morgans Corporate Limited (“Morgans”) have been appointed as Joint Lead Managers
- 360 Capital Group Limited (“TGP”) will take up its full entitlement (24.3% or \$8.6m)
- Each of TGP’s directors will take up their entitlements in full (2.1% or \$0.8m)
- It is expected that prior to the completion of the Institutional Placement, an Underwriting Agreement will be entered into. The Entitlement Offer and the Institutional Placement will only proceed if an Underwriting Agreement is entered into to fully underwrite the Offer. TGP intends to underwrite or sub-underwrite a component of the Entitlement Offer subject to it not holding more than 40.0% of the Stapled Units in TOT on completion of the Offer

Key highlights

EARNINGS	↑	5.1% increase in FY17 EPS to 8.4 cps ¹ (7.3% yield at Offer Price)
DISTRIBUTIONS	↑	6.6% increase in FY17 DPS to 8.1 cps ¹ (7.0% yield at Offer Price)
MARKET CAP	↑	115.0% increase in the market capitalisation of TOT to \$75.8m ²
ACTIVE EARNINGS		Introduction of operating/trading revenue through investment in 360 Capital 2017 PERE Pty Limited and Australian Mezzanine Finance Pty Limited
DIVERSIFICATION		Diversification of revenue streams
FOCUS		TOT has become TGP's flagship listed fund; TGP and its Directors have committed \$18.7m ² of capital towards TOT
OPPORTUNITIES		Market conditions and tighter credit policy are starting to provide opportunities
ACCESS		Through an investment in TOT, public capital may indirectly access 360CPEREF

1. As compared with FY17 Forecast EPS and DPS. Based on the weighted average number of securities issued on the Offer
2. Based on the Offer Price of \$1.15 per Stapled Unit and pro forma securities on issue post completion of the Offer

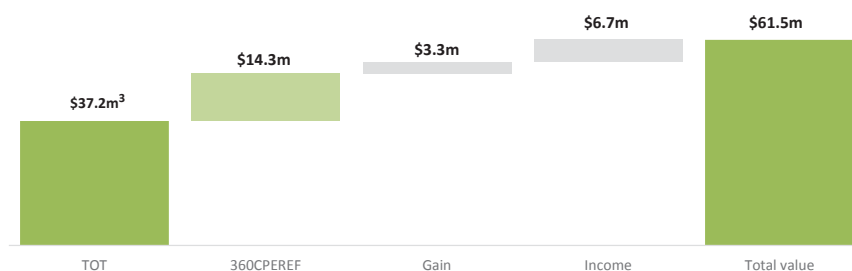
Key offer matrix

Capital raising metrics	Offer Price	\$1.15 per Stapled Unit
	Total Offer amount	\$40.6m
	Institutional Placement ¹	\$5.3m
	1 for 1 Entitlement Offer ¹	\$35.3m
	Forecast FY17 EPS / operating earnings yield ¹	8.4 cents / 7.3%
	Forecast FY17 DPS / distribution yield ¹	8.1 cents / 7.0%
	Ranking for distribution	Full June 2017 quarter (2.4cps)
	Units to be issued under the Offer	35.3m
	Pro forma NTA per Unit ²	\$1.24
	Offer Price ¹ discount to pro forma NTA per Unit	(7.3%)
	Discount to 5 day VWAP ³	(3.3%)
	Pro forma gearing	Nil
	Pro forma market capitalisation ¹	\$75.8m
	20% of 360CPEREF ⁴	\$74.0m
Transactions overview	25% of 360 Capital 2017 PERE Pty Limited (360CPEREF Investment Manager)	Nominal consideration
	Allocation to mezzanine transactions	\$5.0m
	50% shareholding in Australian Mezzanine Finance Pty Limited	Nominal consideration

1. Based on the Offer Price of \$1.15 per Stapled Unit
2. Based on the proforma TOT balance sheet post the Offer, including the value of the 360CPEREF investment in Industria REIT at \$2.20 per unit
3. VWAP is calculated over the period 3 April to 7 April 2017 as the total 5 day value divided by the 5 day total volume of Securities sold on ASX up to and including that date
4. At the close of the Offer Period, TOT will own 100% of 360CPEREF. Subject to sell down, TOT will hold a long-term investment of 20% in 360CPEREF

TOT's underlying investment returns to date

- TOT accumulated a \$54.8m¹ investment in Industria REIT ("IDR") (a 15.3% ownership stake holding 24.9m IDR units)
 - Average entry price of \$2.07 per IDR unit versus a trading price of \$2.20 per Unit
 - TOT will have received a total of \$6.7m in distributions from IDR (inc. June 2017 distribution)
 - IDR investment has delivered an IRR of 15.2%²
- TOT has transferred its holding to 360CPEREF as part of its cornerstone investment in the newly established vehicle. TOT currently owns 100% of the units in 360CPEREF.
- 360CPEREF is now the second largest Unitholder in IDR, with TGP owning a further 1.8%



- Based on an IDR trading price of \$2.20 per unit. TOT currently owns 100% of the units in 360CPEREF. Refer to slide 22 for more details.
- IRR is based on the sale of TOT's holding in IDR to 360CPEREF at \$2.20 per unit
- Based on the purchase price of TOT holding
- Inclusive of TGP's loan to the 360CPEREF of \$14.3m

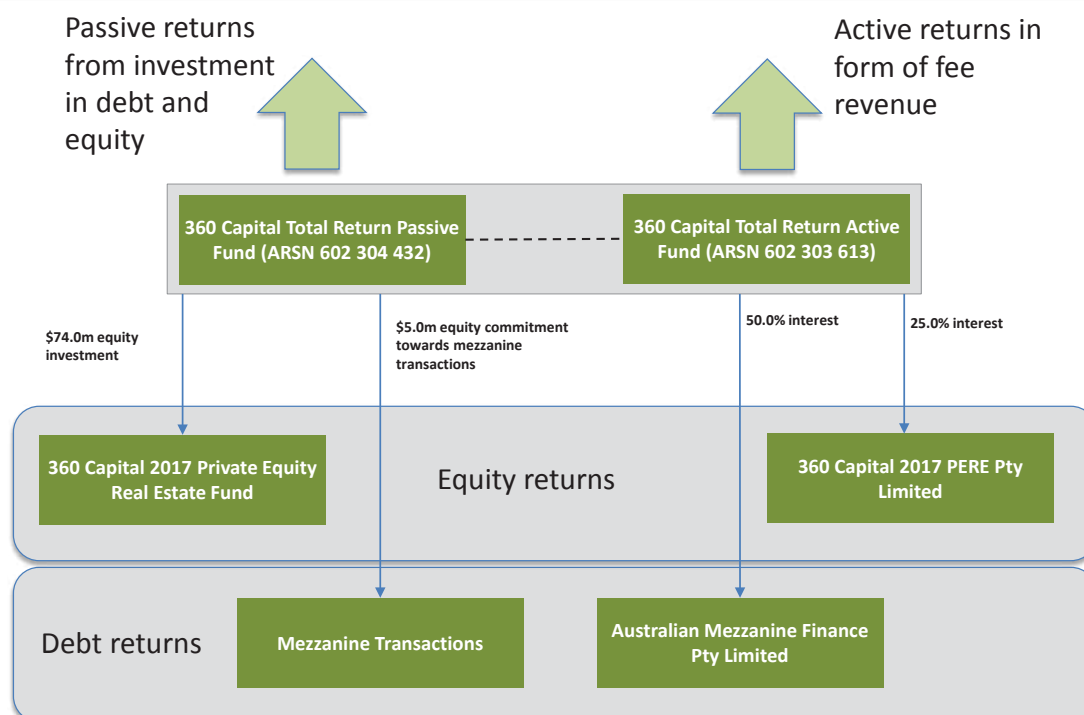
IRR on investment
15.2%

Capital gain
\$3.3m

Income received
\$6.7m

Capital invested⁴
\$51.5m

Transaction structure



2. The Investments

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360 Capital Total Return Fund

Investment in 360CPEREF

TOT's investment	\$74.0m investment in 360CPEREF¹, funded through the following: \$40.5m from the sale of IDR units to 360CPEREF at \$2.20 per unit \$33.5m in cash
360CPEREF offering	360 Capital Group has established 360CPEREF as the first of a potential series of funds to partner on opportunities within the Australian real estate market - Targeting a 12% IRR on equity invested (net of base management fees) comprising a running yield from the Fund and Investment Manager and potential capital growth from the portfolio and value created in the Investment Manager - Multiple exit options for Fund and Investment Manager 6 year Fund term
Investment strategy	- The series of funds will have a mandate to focus on opportunistic and special situations in the Australian real estate market including: - A-REIT M&A situations - Distressed loans, recapitalisations, and incorrect capital structures - Value add direct opportunities
Capital commitment	- TOT has committed \$74.0m as a 20%² co-investment in Fund - Targeting equity partners for a further ~\$296m of equity capital

1. Refer to slide 22 for more details

2. At the close of the Offer Period, TOT will own 100% of 360CPEREF. Subject to sell down, TOT will hold a long-term investment of 20% in 360CPEREF

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360 Capital Total Return Fund

Investment in 360 Capital 2017 PERE Pty Limited

TOT's investment	25% interest acquired for nominal consideration - Pre-emptive right allowing TGP to acquire TOT's interest for nominal consideration where TOT is subject to a change of control
Company	360 Capital 2017 PERE Pty Limited, the investment manager for 360CPEREF
Directors of Investment Manager	Tony Pitt and David Van Aanholt (TGP), James Storey (TOT), plus Board representation by 360CPEREF investors
Investment committee	An investment committee will be established with TOT representation
Shareholder agreement	Shareholders will need to enter into a shareholders agreement to subscribe for shares including pre-emptive rights on change of control

Allocation to mezzanine finance transactions

Rationale	- Identified an opportunity to incorporate a specialised finance provider, Australian Mezzanine Finance Pty Limited, to focus on structured capital solutions for high quality real estate projects and operators 50/50 partnership with TGP, ability to bring in third party funds from private equity investors in line with TGP's strategy
Target returns and deal size	- Secured returns of >12% per annum (weighted average) - Establishment fees of 1 - 2% on facility limit - Target facility size of \$5m - \$20m (potential to partner on larger transactions) - Term 1 – 2 years
Investment strategy	- Mezzanine (junior) finance - mezzanine funding for development and investment projects which provide a short to medium term horizon and a defined exit - Preferred equity - balance sheet and third party capital which may be invested alongside experienced developers and operators on a credit enhanced basis - Stretch (senior) finance - senior debt positions where gearing may be beyond traditional senior gearing levels or where security, timing or project complexity may be outside the scope of traditional lenders
Capital	- Initial capital of \$5.0m - Australian Mezzanine Finance Pty Limited is mandated to recycle and grow the lending book beyond TOT's seed investment capital
TOT's Investment	50% interest in Australian Mezzanine Finance Pty Limited acquired for nominal consideration - Pre-emptive right allowing TGP to acquire TOT's interest for nominal consideration where TOT is subject to a change of control

3. Capital Raising

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360 Capital Total Return Fund

Sources and applications

- \$74.0m for investment in 360CPEREF and \$5.0m allocation to mezzanine finance transactions
- Capital raising at \$1.15 per Stapled Unit to be structured as follows:
 - Institutional Placement of \$5.3m
 - 1 for 1 Entitlement Offer to raise \$35.3m comprising an:
 - Accelerated Institutional Entitlement Offer; and
 - Retail Entitlement Offer.

Sources	(\$m)	Applications	(\$m)
Institutional Placement	5.3	Equity investment in 360CPEREF ¹	74.0
Entitlement Offer	35.3	Allocation to mezzanine finance transactions	5.0
Sale of IDR units ¹	40.5	Working capital	0.8
		Transaction costs	1.2
Total	81.0	Total	81.0

1. Currently TOT owns 100% of 360CPEREF. 360CPEREF holds TOT's investment in IDR units. TOT's investment in 360CPEREF of \$74.0m will be funded by TOT effectively contributing IDR units for \$40.5m, with the balance of \$33.5m to be paid in cash. It is anticipated that TOT will hold 20% of 360CPEREF following the admission of additional private equity investors

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360 Capital Total Return Fund

Entitlement Offer details

Entitlement Offer structure and size	1 for 1 non-renounceable Entitlement Offer resulting in the issuance of 30.7m New Securities to Eligible Unitholders, raising \$35.3m¹. The Entitlement Offer is comprised of the following components: - an accelerated Institutional Entitlement Offer to existing Institutional Investors; and - a Retail Entitlement Offer to existing Retail Investors that return an Entitlement and Acceptance Form or pay by Bpay before 5:00pm (AEST) on 2 May 2017. If Retail Investors wish to apply for New Securities in accordance with the accelerated timetable of the Institutional Entitlement Offer, they should immediately contact 360 Capital FM Limited.
Key dates	- Key dates in relation to the Entitlement Offer are as follows: - the Institutional Entitlement Offer opens 11 April 2017 and closes on 12 April 2017 - the Retail Entitlement Offer opens 20 April 2017 and closes 2 May 2017 - Record date for the Entitlement Offer is 7.00pm (AEST) on 13 April 2017
Non-renounceable	Entitlement Offer is non-renounceable and securityholders will not receive any value for entitlements not taken up
Ranking	New Securities issued will rank equally with all other securities and be entitled to participate fully in the June 2017 quarter distribution
Underwriting	It is expected that prior to the completion of the Placement, an Underwriting Agreement will be entered into. The Entitlement Offer and the Institutional Placement will only proceed if an Underwriting Agreement is entered into to fully underwrite the Offer. TGP intends to underwrite or sub-underwrite a component of the Entitlement Offer

1. Based on the Offer Price of \$1.15 per Stapled Unit

Indicative capital raising timetable

Enter trading halt	Monday, 10 April 2017
Announcement of Institutional Placement, Institutional Entitlement Offer and Retail Entitlement Offer	Tuesday, 11 April 2017
Trading resumes	Thursday, 13 April 2017
Record Date for the Entitlement Offer (7pm AEST)	Thursday, 13 April 2017
Settlement of Institutional Placement and Institutional Entitlement Offer	Wednesday, 19 April 2017
Allotment of New Securities issued under the Institutional Placement and Institutional Entitlement Offer	Thursday, 20 April 2017
Expected Trading of New Securities issued under the Institutional Placement and Institutional Entitlement Offer on a normal basis	Thursday, 20 April 2017
Retail Entitlement Offer opens	Thursday, 20 April 2017
Retail Entitlement Offer closes (5pm AEST)	Tuesday, 2 May 2017
Announcement of results of Retail Entitlement Offer	Friday, 5 May 2017
Settlement of Retail Entitlement Offer and Allotment of New Securities issued under the Retail Entitlement Offer	Tuesday, 9 May 2017
Expected Trading of New Securities issued under the Retail Entitlement Offer on a normal basis	Wednesday, 10 May 2017
Dispatch of holding statements	Thursday, 11 May 2017

Note: All dates and times are indicative only and subject to change at the discretion of TGP. All dates and times are references to Australian Eastern Standard Time.

4. Financial Information

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360 Capital Total Return Fund

Pro-forma balance sheet

TOT pro-forma balance sheet¹

(\$m)	Pro-forma 31-Dec-16 (post balance date adj.)	Transaction adjustments	Pro-forma 31-Dec-16 (post Offer)
Cash	1.5	0.8	2.3
Receivables	1.0	-	1.0
Listed securities	40.5	(40.5) ²	-
360CPEREF co-investment	-	74.0 ³	74.0 ³
Mezzanine investment	-	5.0 ⁴	5.0
Total assets	43.0		82.3
Payables	0.1		0.1
Distributions	0.6		0.6
Interest bearing liabilities	-		-
Total liabilities	0.7		0.7
Net assets	42.3		81.6
Securities on issue (m)	30.7	35.3 ⁵	66.0
NTA per securities (\$)	1.38		1.24

360CPEREF pro-forma balance sheet

(\$m)	Pro-forma Post Offer
Cash	19.2 ⁶
Industria REIT	54.8 ⁶
Total assets	74.0
Payables	0.0
Total liabilities	0.0
Net assets	74.0

- TOT pro-forma balance sheet excluding assets and liabilities of 360CPEREF shown separately
- Sale of \$40.5m holding in IDR
- Currently TOT owns 100% of 360CPEREF. 360CPEREF holds TOT's investment in IDR units. TOT's investment in 360CPEREF of \$74.0m will be funded by TOT effectively contributing IDR units for \$40.5m, with the balance of \$33.5m to be paid in cash. It is anticipated that TOT will hold 20% of 360CPEREF following the admission of additional private equity investors
- Allocated for investment in mezzanine finance transactions in line with the Fund's strategy
- 35.3m units issued under the Institutional Placement and Entitlement Offer
- TOT's investment in 360CPEREF is funded by transferring 18.4m IDR units at \$2.20 per unit (\$40.5m) and \$33.5m in cash. Of this cash, \$14.3m will be used to repay the loan from TGP to 360CPEREF which was a short term facility which 360CPEREF used to acquire an additional 6.5m IDR units. In total, 360CPEREF owns 24.9m IDR units. TOT currently owns 100% of 360CPEREF.

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360 Capital Total Return Fund

Forecast operating income statement

(\$m)	FY17 forecast	Transaction adjustments	FY17 reforecast
Distribution income – listed	2.9	(1.5) ¹	1.4
Distribution income – 360CPEREF	-	2.2 ²	2.2
Finance investments	-	-	-
Finance income	-	-	-
Total revenue	2.9	0.7	3.6
Management fees	(0.3)	-	(0.3)
Other trust expenses	(0.2)	-	(0.2)
Interest expense	-	-	-
Total expenses	(0.5)	-	(0.5)
Operating earnings	2.4	0.7	3.1
Weighted securities on issue (m)	30.7	6.4 ³	37.1
Forecast earnings per security	8.0		8.4
Forecast distributions per security	7.6		8.1

1. Reduction in distribution income from disposal of IDR units

2. Distribution income from holding in 360CPEREF, shown separately from consolidated results of TOT

3. Weighted securities on issue calculation based on a time-weighted adjustment to the securities issued under the Offer for the number of months remaining in the current financial year. Based on 70% of New Securities allotted under the accelerated Institutional Entitlement Offer and 30% of New Securities allotted under the Retail Entitlement Offer.

5. About TGP – Board, Management and Track Record



- Founded in 2006 as an Australian property investment and funds management company
- Focused solely on Australian property markets
- Philosophy of co-investing alongside our partners/investors
- Debt free after recently selling majority of real estate platform for ~\$300m in 2017
- Focused business with three area of business
 - Public Capital - 360 Capital Total Return (ASX: TOT)
 - Institutional Capital – partnerships / platform creation
 - Private Capital - private equity
- TGP's investment approach is buying undervalued assets/platforms, actively managing them to maximise the cycle and returns
- ASX Code: TGP

 Market cap.
~\$200m

 Free cash¹
~\$140m

 Management ownership
>28%

 10 year history
>\$3.0bn
 transactions

1. TGP cash position post repayment of Centuria vendor loan of \$50.0m

360 Capital board of directors



DAVID VAN AANHOLT, CHAIRMAN & INDEPENDENT DIRECTOR

David has over 25 years of experience in the property and funds management industry. Prior to establishing his own property group in 2007, David was the Chief Executive Officer (Asia Pacific) of the ASX listed Goodman Group (previously known as Macquarie Goodman). In that role David was responsible for Goodman's operations in Australia, New Zealand, Hong Kong and Singapore. David worked for Goodman for more than a decade and before joining them he was a Fund Manager at Paladin Australia Limited (acquired by Deutsche Bank) and an Associate Director of CDH Properties (acquired by KPMG).



TONY PITT, MANAGING DIRECTOR

Tony is a founding Director of 360 Capital and has worked in the property and property funds management industries for over 15 years.

As Managing Director, Tony is responsible for the performance of 360 Capital's various investments and funds, including the investment analysis, management, acquisitions and disposal and overall Group and investment strategy. In particular, this includes repositioning of the Group since December 2010 through the disposal of in excess of \$340 million in underlying Fund and Trust assets and the refinancing of approximately \$0.5 billion in debt.



ANDREW MOFFAT, INDEPENDENT NON EXECUTIVE DIRECTOR

Andrew has in excess of 20 years of corporate and investment banking experience, including serving as a director of Equity Capital markets and Advisory for BNP Paribas Equities (Australia) Limited. Andrew is the sole principal of Cowoso Capital Pty Ltd, a company providing corporate advisory services.

Andrew is also Chairman of Pacific Star Network Limited, a Director of Rubik Financial Limited and a Director of CCK Financial Solutions Limited. His past public company directorships include iX Group Limited and Infomedia Limited.



JOHN BALLHAUSEN, INDEPENDENT NON EXECUTIVE DIRECTOR

John is a financial services professional. He provides services to a number of organisations and is a Responsible Manager for several Australian Financial Services Licences. John founded Rimcorp Property Limited and became its Managing Director. In 2008, Rimcorp was successfully sold with approximately \$100 million in funds under management spread over four registered property schemes.

Before 2002 John held the position of Chief Investment Officer with HIH Insurance, with responsibility for more than \$3 billion of funds across fixed interest, equities and property asset classes.



GRAHAM LENZNER, INDEPENDENT NON EXECUTIVE DIRECTOR

Graham has had a career spanning four decades, with particular emphasis on funds management and financial markets. Graham was an Executive Director of the Armstrong Jones Group for 12 years, the last four years as Joint Managing Director. Other previous roles include Finance and Deputy Managing Director of Aquila Steel, General Manager Finance and Investments of MMI Insurance Limited and Director Head of Equities with Schroder Darling Management Limited. Graham has served on the Board of a number of public and private companies. He is currently Chairman of Device Technologies Australia Pty Limited.

Key management team



TONY PITT, MANAGING DIRECTOR

Tony is a founding Director of 360 Capital and has worked in the property and property funds management industries for over 15 years. As Managing Director, Tony is responsible for the performance of 360 Capital's various investments and funds, including the investment analysis, management, acquisitions and disposal and overall Group and investment strategy. In particular, this includes repositioning of the Group since December 2010 through the disposal of in excess of \$340 million in underlying Fund and Trust assets and the refinancing of approximately \$0.5 billion in debt.



BEN JAMES, CHIEF INVESTMENT OFFICER

Ben joined 360 Capital in 2010 and is responsible for all fund investment activities within the group. Ben has over 19 years' experience in Real Estate Funds Management and Investment across the office, retail, industrial, hotel and car park sectors. Prior to joining 360 Capital, Ben was the Trust Manager of Mirvac Property Trust, the \$4.5 billion investment vehicle of the ASX listed Mirvac Group. He also held positions in property management and investment sales with Colliers International.



GLENN BUTTERWORTH, CHIEF FINANCIAL OFFICER

Glenn is responsible for all 360 Capital's financial management activities. Prior to joining 360 Capital, Glenn spent 11 years at Mirvac, most recently as Financial Controller of the Investment Division. Glenn was responsible for Mirvac Property Trust, listed and wholesale managed funds and partnership structures and has a wealth of transactional and financial management skills, gained from over 20 years' industry experience. Prior to Mirvac, Glenn held a number of senior finance roles including Financial Controller at McGrath Estate Agents. Glenn is a chartered accountant and commenced his career at Deloitte.



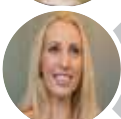
JAMES STOREY, FUND MANAGER, 360 CAPITAL TOTAL RETURN FUND

James has over 11 years' experience in real estate funds management including such areas as asset management, capital transactions, analytics and valuations. Prior to his current role, James was the fund manager of the ASX listed 360 Capital Industrial Fund and 360 Capital Office Fund with combined gross assets of over \$1.2bil. James previously held roles at Brookfield and worked for Ernst & Young within the Transaction Advisory team.



JENNIFER VERCOE, COMPANY SECRETARY

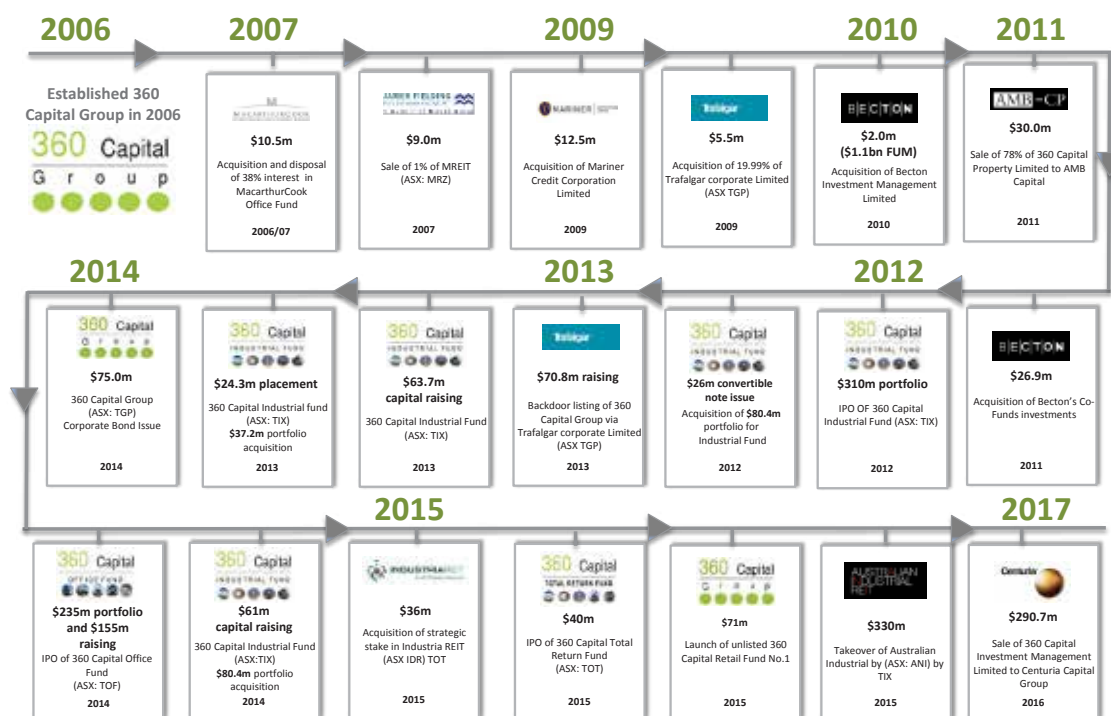
Jennifer has over 15 years' experience in finance and funds management within the property industry. Jennifer is the Company Secretary to 360 Capital Group and Financial Controller of TT Investments. Prior to this she held finance and funds management roles at Stockland, Valad Property Group and AMP Capital Investors. Jennifer is a Chartered Accountant and has a Certificate in Applied Finance and Bachelors of Commerce and Business Administration from Macquarie University.



AINSLIE MCFARLAND, FINANCE MANAGER

Ainslie joined 360 Capital in June 2014 and is responsible for the finance function of the 360 Capital Group, in a role covering management and statutory reporting, compliance, treasury control and taxation. Ainslie has over 8 years' experience in investment and asset management. Previously at Mirvac for 4 years, Ainslie was part of the finance team responsible for the Mirvac Property Trust, and prior to this she worked for the prestigious asset management firm Harrods Estates in London. Ainslie is a qualified Chartered Accountant, holding a Bachelor of Commerce (Accounting & Finance) from the University of Wollongong and a Graduate Diploma of Chartered Accounting.

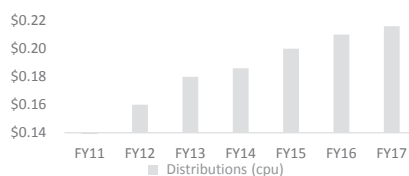
Track record – 10 years of corporate real estate



Case study: 360 Capital Industrial Fund (ASX:CIP)

Co-investment returns to TGP

- Total purchases: \$59.2m (2010-15)
- Sold: \$82.9m (2016)
- Distributions over 6 years: \$21.2m



Funds management returns to TGP

- Purchased: \$600k (equiv) (2010)
- Sold: \$58.8m (equiv) (2016)
- Fees received in 6 years: \$19.4m

Total ROC to TGP

- Purchased: \$59.8m (2010-15)
- Sold: \$141.7m (2016)
- Fees and distributions over 6 years: \$40.6m

Co-investment
IRR p.a.

23%

FM returns
IRR p.a.

>1,000%

Overall ROC
IRR p.a.

48%



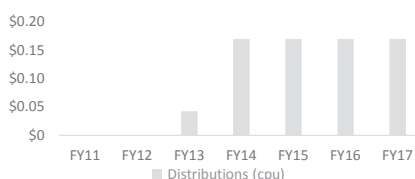
- ✓ Acquired as part of Becton Portfolio in 2010
- ✓ First A-REIT IPO on ASX post GFC
- ✓ Grew portfolio from \$330m to \$900m over 6 years
- ✓ Listed on ASX in 2012 and recapitalised fund
- ✓ Active portfolio management- ~\$300m acquisitions, \$150m disposals, WALE increased from 3 years to 5 years
- ✓ Leased over 300,000 sqm, extended facilities, capex
- ✓ Grew organically and through M&A activity (ANI takeover 2015)
- ✓ Active asset management and responsible capital management enabled distributions to increase every year
- ✓ Focused on core Australian industrial markets
- ✓ Returns driven from generic well leased industrial facilities
- ✓ Disposed co-investment and FM rights to Centuria in 2016

Note: past performance is no indicator of future performance. TGP's historical performance is no indicator of TOT's performance

Case study: 360 Capital Office Fund (ASX:CUA)

Co-investment returns to TGP

- Total purchases: \$37.2m (2012-13)
- Sold: \$47.4m (2016)
- Distributions over 6 years: \$13.6m



Funds management returns to TGP

- Purchased: \$450k (equiv) (2010)
- Sold: \$13.9m (equiv) (2016)
- Fees received in 6 years: \$10.0m

Total ROC to TGP

- Purchased: \$37.7m (2010-13)
- Sold: \$61.3m (2016)
- Fees and distributions over 6 years: \$23.6m

Co-investment
IRR p.a.

23%

FM returns
IRR p.a.

>6,000%

Overall ROC
IRR p.a.

39%



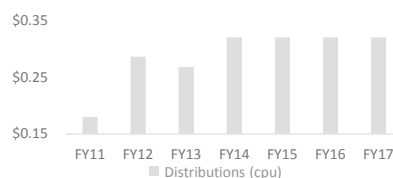
- ✓ Acquired as part of Becton Portfolio in 2010
- ✓ Active portfolio management program
- ✓ Sale of over \$250m of assets; acquisition of >\$180m of assets
- ✓ Refinanced over \$150m of senior debt and CMBS
- ✓ Recapitalised and acquired \$135.5m of A-grade office fund listed on the ASX
- ✓ First metro/suburban office fund listed post GFC
- ✓ Focus on core income producing A-grade assets in major office markets
- ✓ Disposed co-investment and FM rights to Centuria in 2016

Note: past performance is no indicator of future performance. TGP's historical performance is no indicator of TOT's performance

Case study: 360 Capital 111 St Georges Terrace Property Trust

Co-investment returns to TGP

- Total purchases: \$21.0m (2010-15)
- Sold: \$30.5m (2016)
- Distributions over 6 years: \$14.4m



Funds management returns to TGP

- Purchased: \$191k (equiv) (2010)
- Sold: \$9.2m (equiv) (2016)
- Fees received in 6 years: \$9.3m

Total ROC to TGP

- Purchased: \$21.2m (2010)
- Sold: \$48.9m (2016)
- Fees and distributions over 6 years: \$23.7m

Co-investment
IRR p.a.
18%

FM returns
IRR p.a.
>1,600%

Overall ROC
IRR p.a.
29%



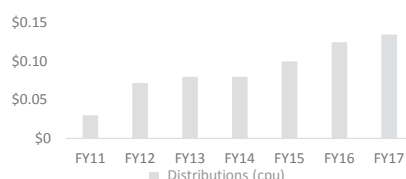
- ✓ Acquired as part of Becton Portfolio in 2010
- ✓ Purchased initial co-investment from distressed seller at a discount to NTA
- ✓ Leased over 20,000sqm, the entire NLA of the asset
- ✓ Undertook \$13m major refurbishment and repositioning
- ✓ Increased NTA per unit from \$2.88 to \$3.73
- ✓ Increased distributions per unit from 18cpu to 32cpu
- ✓ Extended the length of the trust by 7 years
- ✓ Crystallised exit fees of \$3.3m
- ✓ Disposed co-investment and FM rights to Centuria in 2016

Note: past performance is no indicator of future performance. TGP's historical performance is no indicator of TOT's performance

Case study: 360 Capital Subiaco Square Shopping Centre Trust

Co-investment returns to TGP

- Total purchases: \$4.5m (2010-15)
- Sold: \$9.4m (2016)
- Distributions over 6 years: \$1.7m



Funds management returns to TGP

- Purchased: \$50k (equiv) (2010)
- Sold: wound up fund (2016)
- Fees received in 6 years: \$2.0m

Total ROC to TGP

- Purchased: \$4.6m (2010)
- Sold: \$9.4m (2016)
- Fees and distributions over 6 years: \$3.7m

Co-investment
IRR p.a.
22%

FM returns
IRR p.a.
>1,200%

Overall ROC
IRR p.a.
29%



- ✓ Acquired as part of Becton Portfolio in 2010
- ✓ Implemented active asset management strategy, including:
 - Re-leasing and repositioning specialty shops
 - Developed podium residential scheme to maximise exit value
- ✓ Increased in value from \$26.5m to \$38.4m
- ✓ Increased distributions from 3.0cpu to 13.5cpu through active leasing and asset management
- ✓ Sold direct real estate asset as provided highest exit return

Note: past performance is no indicator of future performance. TGP's historical performance is no indicator of TOT's performance



Opportunity

- ✓ ASX Listed A-REIT (ASX:ANI)
- ✓ Considered sub-scale
- ✓ Trading at NTA
- ✓ 1,600 investors
- ✓ Externally managed REIT
- ✓ Scrip bid

Gross assets
\$330m

WALE
4.6 yrs

Equivalent
property yield
8.3%

Market
capitalisation
~\$220m

ANI run sheet

- TGP approached ANI management with proposal to buy management rights – November 2014 (proposal was rejected by ANI)
- TGP bought 12.9% stake in December 2014 (\$27m) for \$2.12 per unit
- 18 December 2014 TIX made formal takeover offer and TGP formally offered to buy management rights (proposal was rejected by ANI)
- Formal bid sent to unitholders on 3 February 2015 – implied value of \$2.48 per unit (NTA of \$2.04 per unit, TIX trading at premium also)
- 31 March 2015 – acceptances >20%
- 7 April 2015 – TIX calls meeting to remove ANI management (shareholder meeting/vote unsuccessful)
- 19 May 2015 – removed all bidding conditions (28.4% acceptances)
- 22 September 2015 – TIX increases offer to \$2.47 per ANI unit (TIX price had traded down)
- 25 September 2015 – TIX calls meeting to remove ANI management (33.3% acceptances)
- 30 September 2015 – ANI announces competing proposal
- 9 October 2015 – ANI takes TIX to takeovers panel; Failed application; TIX reaches 36%; ANI Board recommended bid
- 13 October 2015 – TIX reaches 74.9% of ANI
- 23 October 2015 – Compulsory Acquisition made
- 26 October 2017 – TGP appointed Responsible Entity of ANI
- 1 December 2015 – acquisition completed

Appendix A: Key Risks



Fund investment risks

- **Capital values:** The ongoing value of an investment is influenced by changes in market conditions including supply, demand, capitalisation rates and rentals. There is no guarantee that an investment will achieve a capital gain on its sale or that the value of the investment will not fall as a result the assumptions which the relevant valuations are based proving to be correct.
- **Income returns:** Distributions to Stapled Unitholders will include a degree of dependency upon the income return received in connection with the investments of the Fund. There is a risk that the contracts associated with investments may fall into default which could result in a reduction in income and additional expenses associated with enforcement action. Defaults may have an adverse impact on the net income and distributions of the Fund, its ability to satisfy its debt facility covenants, an investments capital value and potentially the NTA per Stapled Unit and the trading price per Stapled Unit. The earnings of the Fund may be volatile due to the uncertain timing in relation to making opportunistic investments, receiving income from (if any), and realising of, these investments.
- **General fundamental exposure:** Underlying risks in investments may include: changes in Australian and international economic conditions, inflation, changes in interest rates, changes in equity market conditions, environmental concerns, regulatory/compliance issues, geopolitical instability or changes in investor sentiment.
- **Refinancing risk and gearing:** The ability of the Fund to raise funds, including both debt and equity, on favourable terms (including fees and the interest rate margin payable) for future refinancing, capital expenditure, or acquisitions depends on a number of factors including general economic conditions, political, capital and credit market conditions and the reputation, performance and financial strength of the Fund. Any change in these factors could increase the cost of funding, or reduce the availability of funding, as well as increase the refinancing risk of the Fund for maturing debt facilities. The ability of the Fund to refinance its debt facilities as they fall due will depend upon market conditions, the performance of the assets of the Fund and the financial position of the tenants of property of the Fund. If the debt facilities are not refinanced, or need to be repaid, it is possible that the Fund will need to realise assets for less than their fair value, which would impact the NTA per Stapled Unit. The Fund is a geared investment product. The level of the Fund's LVR will magnify the effect of any movements in the value of the property portfolio.

Fund investment risks (cont'd)

- **Due diligence:** Some investments may be made based on limited due diligence conducted only in respect of publicly available information. This may increase the risk of individual investments and could lead to material adverse effects on the performance of the Fund.
- **Trading price of TOT:** The market price of the Stapled Units will fluctuate due to numerous factors including general movements in interest rates, the Australian and international general investment markets, economic conditions, global geo-political events and hostilities, investor perceptions and other factors that may affect the financial performance and position of the Fund. The price of the Stapled Units may also fluctuate due to changes in the market rating of the Stapled Units relative to other listed and unlisted property investments, other investment options such as debentures or interest bearing deposits and investor sentiment towards the Fund. There can be no guarantee that liquidity will be maintained, and the number of potential buyers or sellers of the Stapled Units on the ASX at any given time may vary. This may increase the volatility of the market price of the Stapled Units and therefore affect the market price at which holders are able to buy or sell Stapled Units. Stapled Unitholders who wish to sell their Stapled Units may be unable to do so at a price acceptable to them. The market price of the Stapled Units could trade on the ASX at a discount to NTA per Stapled Unit.
- **Ranking:** If the Fund is wound-up, Stapled Unitholders will rank behind secured and unsecured creditors of the Fund. If there is a shortfall of funds on winding-up, there is a risk that Stapled Unitholders will receive less than the NTA per Stapled Unit.
- **Responsible Entity risk:** By investing in the Fund, investment decisions are delegated to the Responsible Entity. The performance of the Fund is affected by the performance of the Responsible Entity and that of the external service providers engaged by the Responsible Entity and is therefore not assured.
- **Conflict of interest risk:** The Responsible Entity is a member of the 360 Capital Group. The directors of the 360 Capital Group are the same as the Directors of the Responsible Entity. This creates the potential for a conflict of interest in assessing and procuring investment opportunities. 360 Capital will follow formal procedures to ensure that an investment opportunity sourced by 360 Capital is offered to the most appropriate 360 Capital entity based on the relevant entity's investment mandate.

Fund investment risks (cont'd)

- **Dilution:** Future capital raisings and equity-funded acquisitions made by the Fund may dilute the holdings of Stapled Unitholders. In the normal course of managing the Fund the Responsible Entity is seeking to increase distribution income to Stapled Unitholders and provide the potential for capital growth. In order to provide this growth, capital raisings may be undertaken to acquire property investments. In certain circumstances, a capital raising may need to be undertaken to reduce debt in order for the Fund to remain compliant with its debt covenants.
- **Distributions may vary:** The ability of the Fund to pay distributions is dependent upon it having sufficient cash resources and distributable income. Whilst the level of income derived from direct property investments from year to year is expected to be relatively certain, default in payment of rent by any of the lessees of the properties, variances in the costs of operating the Fund, or variances in returns from other investments held or made by the Fund, may affect the level of income available for distribution as well as the timing of distributions.
- **Natural phenomena (including flooding, terrorist attacks or force majeure events):** There is a risk that natural phenomena may affect an investment. There are certain events for which insurance cover is not available or for which the Fund does not have cover. If the Fund is affected by an event for which it has no insurance cover, this would result in a loss of capital and a reduction to the Fund's NTA and Unitholder returns. This could also result in an increase in insurance premiums applicable to other areas of cover.
- **Property contamination:** Property income, distributions or property valuations could be adversely affected by discovery of an environmental contamination or incorrect assessment of costs associated with an environmental contamination or with property preservation. This risk may occur irrespective of whether the contamination was caused by the Fund or prior owners.
- **Execution of business strategy:** There is no guarantee that either 360CPEREF or Australian Mezzanine Finance Pty Limited will be able to execute their respective investment strategies or source investments on suitable terms. In addition 360CPEREF may not be successful in raising third party capital.
- **Success of Offer:** the capital raise is conditional on entry into an underwriting agreement to fully underwrite the capital raise. If an underwriting agreement is not entered into, the capital raise contemplated in this presentation will not proceed.

General investment risks

- **Economy and market conditions:** There is the risk that changes in economic and market conditions may affect asset returns and values and may decrease the Unit price. The overall performance of Units may be affected by changing economic or property market conditions. These may include movements in interest rates, exchange rates, securities markets, inflation, consumer spending, employment and the performance of individual local, state, national and international economies.
- **Insurance:** Any losses incurred due to uninsured risks may adversely affect the Fund's performance. Increases in insurance premiums may also affect the performance of the Fund. Insurance premium increases could occur if the Fund claims under any insurance policy for significant losses in respect of a Property. Any failure by the company or companies providing insurance (or reinsurance) may adversely affect the Fund's ability to make claims under its insurance. All insurance policies have a minimum excess.
- **Litigation.** In the ordinary course of operations, the Fund or the Responsible Entity may be involved in disputes and possible litigation. These include tenancy disputes, environmental and occupational health and safety claims, industrial disputes, native title claims, and any legal claims or third party losses. It is possible that a material or costly dispute or litigation could affect the value of the assets or expected income of the Fund.
- **Legal and regulatory matters.** There is the risk that changes in any law, regulation or Government policy affecting the Fund's operations (which may or may not have a retrospective effect) will have an effect on the Property portfolio and/or the Fund's performance. This may include changes to taxation regimes.
- **Forward looking statements.** There can be no guarantee that the assumptions and contingencies on which the forward looking statements, opinions and estimates are based will ultimately prove to be valid or accurate. The forward looking statements, opinions and estimates depend on various factors, many of which are outside the control of the Responsible Entity.

Appendix B: Glossary

Key risks (cont'd)

Term	Definition
360 Capital Group	means TGP and each of its subsidiaries
360CPEREF	means 360 Capital 2017 Private Equity Real Estate Fund
360 Capital 2017 PERE Pty Limited	means the investment manager of 360CPEREF, 360 Capital 2017 PERE Pty Limited (ACN 618 476 681)
360 Capital Total Return Passive Fund	means 360 Capital Total Return Passive Fund (ARSN 602 304 432)
360 Capital Total Return Active Fund	means 360 Capital Total Return Active Fund (ARSN 602 303 613)
Australian Mezzanine Finance Pty Limited	means Australian Mezzanine Finance Pty Limited (ACN 120 390 749)
A-REIT	means Australian real estate investment trust
ASX	means ASX Limited ACN 008 624 691 or the market that it operates (as the context requires)
Corporations Act	means the Corporations Act 2001 (Cth)
Eligible Unitholder	means a Stapled Unitholder who holds Stapled Units on the Record Date and has an address in Australia or New Zealand
Entitlement Offer	means the 1 for 1 non-renounceable entitlement offer in TOT to raise \$33.5m as described in this presentation
DPS	means distributions per security
EPS	means earnings per security
Fund	means the stapled entity comprising 360 Capital Total Return Passive Fund and 360 Capital Total Return Active Fund (ASX: TOT)
IDR	means the stapled entity comprising Industria Trust No.1 (ARSN 125 862 875), Industria Trust No.2 (ARSN 125 862 491), Industria Trust No.3 (ARSN 166 150 938), Industria Trust No.4 (ARSN 166 163 186) and Industria Company No.1 Pty Limited (ACN 010 794 957) (ASX: IDR)
Institutional Entitlement Offer	means the accelerated component of the Entitlement Offer open to participation by Institutional Investors
Institutional Investor	means a wholesale client for the purposes of section 761G of the Corporations Act

Key risks (cont'd)

Term	Definition
Institutional Placement	means the placement to Institutional Investors to raise \$5.3m as described in this presentation
Investment Manager	means the investment manager of 360CPEREF, 360 Capital 2017 PERE Pty Limited
IPO	means initial public offering
IRR	means internal rate of return
Joint Lead Managers	means Moelis and Morgans
LVR	means loan to value ratio
Moelis	Moelis Australia Advisory Pty Limited (ACN 142 008 446)
Morgans	means Morgans Corporate Limited (ACN 010 539 607)
New Stapled Units or New Securities	means the Stapled Units which will be issued pursuant to the Offer
NTA	means net tangible assets.
Offer	means the capital raising in TOT of an amount of \$40.6m as described in this presentation, comprising the Institutional Placement and the Entitlement Offer
Record Date	means 7:00pm AEST on Thursday, 13 April 2017
Retail Entitlement Offer	means the retail component of the Entitlement Offer open to participation by Eligible Unitholders
Retail Investors	means a Stapled Unitholder who is not an Institutional Investor
Responsible Entity means	360 Capital FM Limited (ACN 090 644 396) (AFSL 221974)
ROC	means return on capital
Stapled Units or Securities	means a stapled unit in TOT
Stapled Unitholders	means the holder of a Stapled Unit

Key risks (cont'd)

Term	Definition
TGP	means the stapled entity comprising 360 Capital Group Limited (ACN 113 569 136) and 360 Capital Investment Trust (ARSN 104 552 598) (ASX: TGP)
TOT	means the stapled entity comprising 360 Capital Total Return Passive Fund and 360 Capital Total Return Active Fund (ASX: TOT)
VWAP	means volume weighted average price



04

IMPORTANT INFORMATION

4.1 Additional Information

This Offer Booklet (including the ASX announcement and the Investor Presentation reproduced in it) and the accompanying personalised Entitlement and Acceptance Form have been prepared by the Responsible Entity. The information in this Offer Booklet is dated 20 April 2017 (other than the Investor Presentation dated 11 April 2017, the ASX announcement published on the ASX website on 11 April 2017 and as otherwise specified).

No party other than the Responsible Entity has authorised or caused the issue of the information in this Offer Booklet, or takes any responsibility for, or makes any statements, representations or undertakings in this Offer Booklet.

This information is important and requires your immediate attention. You should read the information in this Offer Booklet carefully and in its entirety before deciding whether to invest in New Stapled Units. In particular, you should consider the key risk factors outlined in Appendix A of the Investor Presentation, any of which could affect the operating and financial performance of the Fund or the value of an investment in the Fund.

You should consult your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to evaluate whether or not to participate in the Entitlement Offer.

The Responsible Entity has applied to ASX for the grant of official quotation of the New Stapled Units. It is expected that normal trading on ASX will commence in relation to New Stapled Units issued under the Offer on 10 May 2017. The Responsible Entity will have no responsibility and disclaims all liability (to the maximum extent permitted by law, including for negligence) to persons who trade New Stapled Units before they are quoted on ASX or before they receive their confirmation of issue, whether on the basis of confirmation of the allocation provided by the Responsible Entity, the Registry or otherwise. Neither ASX nor any of its officers take any responsibility for the contents of this Offer Booklet.

4.2 Eligible Unitholders

The information in this Offer Booklet contains an offer of New Stapled Units to Eligible Unitholders in Australia and New Zealand. Eligible Unitholders are those holders of Existing Stapled Units who:

- are registered as a holder of Existing Stapled Units as at the Record Date;
- have a registered address on the Fund's Unit register in Australia or New Zealand;
- are not in the United States and are not acting on behalf of a person in the United States (to the extent such person holds Existing Stapled Units on behalf of a person in the United States); and

- are eligible under all applicable laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification.

The Responsible Entity, in its absolute discretion, reserves the right to determine whether a Unitholder is an Eligible Unitholder and is therefore able to participate in the Entitlement Offer, or an Ineligible Unitholder and is therefore unable to participate in the Entitlement Offer. The Responsible Entity disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Unitholder is an Eligible Unitholder or an Ineligible Unitholder.

The Entitlement Offer is not being extended to any Unitholders outside Australia and New Zealand.

By returning a completed Entitlement and Acceptance Form or paying the Application Monies by BPAY you will be taken to have represented and warranted that you, and each person on whose account you are acting, satisfy each of the criteria listed above. Eligible Unitholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States.

4.3 Ineligible Unitholders

The Responsible Entity has decided that it is unreasonable to make offers under the Offer to retail investors who are holders of Existing Stapled Units and who are in the United States or are acting on behalf of a person in the United States (to the extent that such persons hold Existing Stapled Units on behalf of a person in the United States) or have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Stapled Units that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places.

As the Offer is non-renounceable, the right to subscribe for New Stapled Units that would otherwise have been offered to Ineligible Unitholders will lapse.

The Institutional Placement will not settle until 19 April 2017 and therefore participants in the Institutional Placement will be Ineligible Unitholders.

4.4 No cooling-off rights

Cooling-off rights do not apply to an investment in New Stapled Units. Unless required by law, you cannot withdraw your application once it has been accepted.

4.5 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded up to the next whole number of New Stapled Units.

4.6 No Entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

4.7 Not investment advice or financial product advice

The Entitlement Offer to which the information in this Offer Booklet relates is being made pursuant to section 1012DAA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84, and any ASIC relief applicable to the Responsible Entity or the Fund. The information in this Offer Booklet is not a prospectus, product disclosure statement, disclosure document or other offering document under the Corporations Act (or any other law) and has not been lodged with ASIC.

The information in this Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Stapled Units, nor does it contain all the information which would be required in a product disclosure statement prepared in accordance with the requirements of the Corporations Act.

It should be read in conjunction with the Fund's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.asx.com.au

The information in this Offer Booklet is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs or circumstances.

Before deciding whether to apply for New Stapled Units, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits and risks involved. You should conduct your own independent review, investigation and analysis of the Fund and the Entitlement Offer. If, after reading this Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser.

4.8 Foreign jurisdictions

The information in this Offer Booklet has been prepared to comply with the applicable requirements of the securities laws of Australia and New Zealand.

The information in this Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Stapled Units, in any jurisdiction outside of Australia or New Zealand. Return of the personalised Entitlement and Acceptance Form or payment of the Application Monies by BPAY will be taken by the Responsible Entity to constitute a representation by you that there has been no breach of any laws of a jurisdiction outside Australia or New Zealand.

The distribution of this Offer Booklet (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

The New Stapled Units are not being offered to the public within New Zealand other than to existing Unitholders of the Fund with registered addresses in New Zealand to whom the offer is being made in reliance on the *Financial Markets Conduct Act 2013* (New Zealand) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (New Zealand).

This Offer Booklet or material accompanying it has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This Offer Booklet or material accompanying it is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

4.9 Governing law

The information in this Offer Booklet, the Entitlement Offer, and dealings in the Entitlements and the contracts formed on acceptance of the Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Unitholder who applies for New Stapled Units submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

4.10 Taxation

Set out below is a general summary of the potential Australian tax implications of the Entitlement Offer for Unitholders who are resident individuals, complying superannuation entities and companies of Australia for tax purposes and who hold their Stapled Units on capital account.

The summary below does not deal with the tax implications for Eligible Unitholders who are not residents of Australia for tax purposes. It also does not deal with the tax implications for Eligible Unitholders:

- who hold their Stapled Units (or will hold their Entitlements) as revenue assets or trading stock;
- who are banks, insurance companies, partnerships and taxpayers carrying on a business of share trading;
- who have acquired their Stapled Units for the purposes of resale at a profit;
- who change their tax residence while holding their Stapled Units; or
- who acquired their Stapled Units (or will hold their Entitlements) under an arrangement that constitutes an 'employee share scheme' for Australian tax purposes.

It is intended as a general guide only and is not an authoritative or complete statement of all potential tax implications for each Eligible Unitholder.

The summary below is not advice and should not be relied on as such. It also does not take account of any individual circumstances of any particular Eligible Unitholder. Taxation is a complex area of law and the taxation consequences for each Eligible Unitholder may differ depending on their own particular circumstances.

Accordingly, Eligible Unitholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.

The summary below is based on the law in effect as at the date of this Offer Booklet. Future changes in Australian taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of an investment in Stapled Units or the holding and disposal of Stapled Units.

Issue of Entitlements

The issue of the Entitlements should not itself result in any amount being included in the assessable income of an Eligible Unitholder.

Entitlements not taken up

Any Entitlements not taken up under the Offer will lapse and the Eligible Unitholder will not receive any consideration as a result of the expiration of the Entitlements. On this basis, in these circumstances, there should not be any income tax implications for an Eligible Unitholder.

Sale of Entitlements

There is no opportunity for Eligible Unitholders to sell their Entitlements.

Exercise of Entitlements

For Eligible Unitholders who exercise their Entitlements and are allocated New Stapled Units:

- the Entitlements will cease to exist and a CGT event will occur, but any capital gain or loss made on the exercise of the Entitlements should be disregarded for tax purposes;
- the New Stapled Units acquired as a result of exercising the Entitlements will be treated for CGT purposes as having been acquired on the day on which the Entitlements are exercised; and
- the New Stapled Units should have a cost base for CGT purposes equal to:
 - where the Eligible Unitholder's Existing Stapled Units were acquired (or are taken to be acquired) on or after 20 September 1985, the Offer Price payable by them for those New Stapled Units plus certain non-deductible incidental costs they incur in acquiring them; or
 - where the Eligible Unitholder's Existing Stapled Units were acquired (or are taken to be acquired) before 20 September 1985, the sum of the market value of the Entitlements when they were exercised and the Offer Price payable by them for those New Stapled Units plus certain non-deductible incidental costs they incur in acquiring them.

New Stapled Units

Eligible Unitholders who exercise their Entitlements will acquire New Stapled Units in the Responsible Entity's absolute discretion.

Any future dividends or other distributions made in respect of those New Stapled Units will be subject to the same taxation treatment as dividends or other distributions made on Existing Stapled Units held in the same circumstances.

On any future disposal of New Stapled Units, Eligible Unitholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of those Stapled Units.

Any capital gain arising to Eligible Unitholders who are individuals and trusts (other than trusts that are complying superannuation funds) can generally be reduced by one-half (after first offsetting available current year or carried forward net capital losses from previous years) if the New Stapled Units are held for at least 12 months between the date the New Stapled Units are acquired and the date of disposal. For Eligible Unitholders which are complying superannuation funds, any capital gain can generally be reduced by one-third (after first offsetting available current year or carried forward capital losses from previous years) if the New Stapled Units are held for at least 12 months between the date the New Stapled Units are acquired and the date of disposal. The CGT discount is not available to Eligible Unitholders that are companies.

New Stapled Units will be treated for the purposes of the CGT discount as having been acquired when the Eligible Unitholder exercised the Entitlement to subscribe for them.

Taxation of Financial Arrangements (TOFA)

Australian income tax law includes specific TOFA rules. In summary, the TOFA rules can operate to make assessable or deductible, gains or losses arising from certain "financial arrangements".

As the application of the TOFA rules is dependent on the particular facts and circumstances of the taxpayer, Eligible Unitholders should obtain their own advice in relation to the potential applicability of the TOFA rules, in light of their own individual facts and circumstances.

Other Australian taxes

No GST is payable and no stamp duty should be payable in respect of the grant or exercise of the Entitlements or the acquisition of New Stapled Units.

Eligible Unitholders who acquire New Stapled Units should obtain their own advice in relation to the GST and stamp duty consequences, in light of their own individual facts and circumstances.

Other issues

Unitholders would have been invited to provide the Fund their Tax File Numbers (TFN) or Australian Business Number (ABN) when they first acquired their Stapled Units. If no TFN or ABN has been quoted, tax will be deducted from gross distributions made by the Fund in respect of the New Stapled Units at the highest marginal tax rate.

4.11 Underwriting and control implications

Underwriting

On 12 April 2017, the Responsible Entity entered into an underwriting agreement with the Joint Lead Managers, under which the Joint Lead Managers have agreed to manage and underwrite the Entitlement Offer. The Joint Lead Managers will be remunerated by the Responsible Entity for providing these underwriting and offer management services at market rates and may be reimbursed for certain expenses.

In respect of the fees payable for their services, the Joint Lead Managers will receive an underwriting fee of up to 3.0% (excluding GST) of the proceeds from the Entitlement Offer and Institutional Placement excluding the aggregate Entitlements of 360 Capital, its subsidiaries and its directors. This means the amount of the underwriting fee will be approximately \$0.937 million.

In accordance with the Underwriting Agreement and as is customary with these types of arrangements:

- the Responsible Entity has (subject to certain usual limitations) agreed to indemnify the Joint Lead Managers, each of their related bodies corporate and affiliates, and their directors, officers, partners, advisers and employees (**Indemnified Parties**) against any losses arising directly or indirectly in connection with the Entitlement Offer, or a breach by the Responsible Entity of any provision, including representation or warranty of, the Underwriting Agreement;
- the Responsible Entity and the Joint Lead Managers have given representations, warranties and undertakings in connection with (among other things) the conduct of the Entitlement Offer;
- the Joint Lead Managers may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events on or prior to the final settlement date of the Entitlement Offer, including (but not limited to) where:
 - in a material respect a statement contained in the offer materials is or becomes misleading or deceptive or likely to mislead or deceive or the offer materials omit any information they are required to contain (having regard to the relevant Corporations Act requirements and the Responsible Entity fails to take acceptable corrective action);
 - the Fund ceases to be admitted to the official list of ASX or if the Stapled Units are suspended from official quotation on ASX;
 - there are material adverse changes to the financial markets of key countries, certain falls in the ASX/S&P 300 Index or hostilities commence or escalate in key countries; or

- there is a material adverse change, or event involving a prospective material adverse change, in the assets, liabilities, financial position or performance, profits, losses or prospects of the Fund.

Please note that the above is not an exhaustive list of the termination events in the Underwriting Agreement.

None of the Joint Lead Managers (whether in that capacity, or otherwise) nor any of their related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Offer Booklet and take no responsibility for any information in this Offer Booklet or any action taken by you on the basis of such information, and have not made or purported to make any statement in this Offer Booklet and there is no statement in this Offer Booklet which is based on any statement by any of them. To the maximum extent permitted by law, the Joint Lead Managers (whether in that capacity, or otherwise) and each of their related bodies corporate and affiliates and each of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability, for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and the information in this Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

See also the information under section 4.17 “Disclaimer of representations”.

Control implications

The Entitlement Offer is structured as a pro-rata issue and if all of the Fund's existing Unitholders take up their entitlements under the Entitlement Offer, the Entitlement Offer will have no effect on the control of the Fund.

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 Entitlement Offer. Nevertheless, the Responsible Entity does not expect the Equity Raising to have any control implications for the Fund.

360 Capital Property Limited (ABN 46 146 484 433) holds an economic interest in approximately 24.3% of Existing Stapled Units and has taken up its entitlement. Post the Equity Raising, 360 Capital Property Limited will have an economic interest in approximately 22.6% of Stapled Units.

Directors' intentions

Each of the Directors have taken up their full entitlement under the Entitlement Offer.

4.12 Financial data

All dollar values in this Offer Booklet are in Australian dollars (\$ or A\$) unless otherwise stated. The financial information has not been audited.

4.13 Information availability

Eligible Unitholders in Australia and New Zealand can obtain a copy of this Offer Booklet during the Offer Period by calling the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 9290 9600 (from outside Australia) between the hours of 8.30am and 5.00pm Monday to Friday AEST (excluding public holidays) during the Offer Period. Persons who access the electronic version of this Offer Booklet should ensure that they download and read the information in this Offer Booklet in its entirety. The electronic version of this Offer Booklet on the Fund's website will not include a personalised Entitlement and Acceptance Form.

A replacement Entitlement and Acceptance Form can be requested by calling the 360 Capital Information Line during the Offer period. Neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed to or relied upon by, persons that are in the United States or otherwise distributed in the United States.

4.14 Forward-looking statements and future performance

Neither the Responsible Entity, its officers, employees, agents, associates and advisers, nor any other person warrants or guarantees the future performance of the New Stapled Units or any return on any investment made pursuant to the information in this Offer Booklet. Forward-looking statements, opinions and estimates provided in the information in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Any forward-looking statements including projections, guidance on sales, earnings, dividends, distributions, and other estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Responsible Entity and the Directors, including the key risks described in Appendix A of the Investor Presentation, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward-looking statements in this Offer Booklet.

4.15 Past performance

Past performance and financial information given in this Offer Booklet is provided for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. The historical information in this Offer Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

4.16 Notice to nominees and custodians

Nominees and custodians who hold Existing Stapled Units as nominees or custodians will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Entitlement Offer is not available to Ineligible Unitholders.

4.17 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Responsible Entity, or its related bodies corporate, in connection with the Offer.

Except as required by law, and only to the extent so required, none of the Responsible Entity, the Directors or any other person, warrants or guarantees the future performance of the Fund or any return on any investment made pursuant to this Offer Booklet.

4.18 Privacy

If you are an Existing Unitholder in the Fund, the Responsible Entity and the Registry would have already collected personal information about you. If you apply for New Stapled Units, the Responsible Entity and the Registry may update that personal information or collect additional personal information about you. Such information may be used to assess your acceptance of New Stapled Units, service your needs as a Unitholder, provide facilities and services that you request and carry out appropriate administration.

To do that, the Responsible Entity and the Registry may disclose your personal information for purposes related to your unitholding to their agents, contractors or third party service providers to whom they outsource services, including to the Joint Lead Managers in order to assess your acceptance of New Stapled Units, the Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation and distribution of information to Unitholders and for handling of mail, or as otherwise authorised under the *Privacy Act 1988* (Cth).

If you do not provide the Responsible Entity or the Registry with the required personal information then your application may not be able to be processed. You can request access to your personal information by contacting the Fund through the Registry as follows:

Boardroom (Victoria) Pty Limited
GPO Box 3993
Sydney NSW 2001

1300 082 130 (within Australia) or
+61 2 9290 9600 (from outside Australia)

between the hours of 8.30am and 5.00pm Monday to Friday (AEST) (excluding public holidays) during the Offer Period.

05 GLOSSARY

The following is a glossary of the terms used in this Booklet.

Term	Definition
\$ or A\$ or cents	Australian currency
360 Capital, or 360 Capital Property Group	360 Capital Group, the stapled entity comprising 360 Capital Investment Trust (ARSN 104 552 598) and 360 Capital Group Limited ABN 18 113 569 136
Active Fund	360 Capital Total Return Active Fund (ARSN 602 303 613)
AEST	Australian Eastern Standard Time
AFSL	Australian Financial Services Licence
Allotment	The allocation of New Stapled Units following acceptance of an Application
Application	An application made by an Applicant using their personalised Entitlement and Acceptance Form
Applicant(s)	Eligible Unitholders who submit an Application on the conditions set out in this Offer Booklet
Application Monies	Monies received from Applicants subscribing for New Units pursuant to the terms of the Offer
ASIC	Australian Securities & Investments Commission
ASX	ASX Limited ABN 98 008 624 691 or the market operated by it as the context requires
Business day(s)	A day other than a Saturday or Sunday on which trading banks are open for general banking business in Sydney and Melbourne and the ASX is conducting trading in Sydney and Melbourne
CGT	Capital gains tax
Closing Date	Closing date of the Offer being 5.00pm (AEST) 2 May 2017, unless extended by the Responsible Entity
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Director/s	A director of the Responsible Entity
Distribution Yield	The rate of return derived by dividing the distribution per Unit by the Offer Price of the Unit
Eligible Unitholders	A Unitholder with an Australian or New Zealand registered address as at 7.00pm (AEST) on the Record Date and otherwise meets the criteria set out in section 2.1.1
Entitlement(s)	The entitlement of an Eligible Unitholder to take up a certain number of New Stapled Units pursuant to the Offer based on the number of Existing Stapled Units held on the Record Date
Entitlement and Acceptance Form	A personalised acceptance form accompanying this Offer Booklet which Eligible Unitholders may use to apply for New Stapled Units
Entitlement Offer	The 1 for 1 non-renounceable entitlement offer comprising an accelerated Institutional Entitlement Offer and Retail Entitlement Offer
Equity Raising	Raising of new equity comprising the Institutional Placement and the Entitlement Offer
Existing Unitholders	Any registered holder of Stapled Units
Existing Stapled Units	Stapled Units on issue as at the Record Date
Fund	The 360 Capital Total Return Fund, the stapled entity comprising 360 Capital Total Return Passive Fund (ARSN 602 304 432) and 360 Capital Total Return Active Fund (ARSN 602 303 613)
GST	Goods and services tax
HIN	Holder identification number
IDR	Industria REIT, the listed and stapled entity comprising Industria Trust No. 1 (ARSN 125 862 875), Industria Trust No. 2 (ARSN 125 862 491), Industria Trust No. 3 (ARSN 166 150 938), Industria Trust No. 4 (ARSN 166 163 186) and Industria Company No. 1 Ltd ABN 61 010 794 957
Ineligible Unitholder(s)	A Unitholder who the Responsible Entity determines is not an Eligible Unitholder
Institutional Entitlement Offer	The component of the Entitlement Offer available to Eligible Unitholders who are Institutional Investors
Institutional Investors	An investor to whom offers or invitations of financial product can be made without the need for an ASIC-lodged disclosure document
Institutional Placement	The placement of New Stapled Units at the Offer Price to Institutional Investors on 20 April 2017
Investor Presentation	The investor presentation relating to the Entitlement Offer, which was released to ASX by the Responsible Entity on 11 April 2017 and is included in this Offer Booklet in section 3
Joint Lead Managers	Each and both of Moelis Australia Advisory Pty. Ltd. ABN 72 142 008 446 and Morgans Corporate Limited ABN 32 010 539 607

05 GLOSSARY

CONTINUED

Term	Definition
Joint Underwriters	Each and both of Moelis Australia Advisory Pty Ltd. ABN 72 142 008 446 and Morgans Corporate Limited ABN 32 010 539 607
Listing Rules	The official listing rules of ASX from time to time as modified by any express written confirmation, waiver or exemption given by ASX
New Stapled Unit	Stapled Units offered on the basis of, and under the terms of, the Entitlement Offer
Offer	The offer of New Stapled Units referred to in this Offer Booklet
Offer Booklet	This document dated 20 April 2017
Offer Price	\$1.15 per New Stapled Unit
Offer Period	The period from 20 April 2017 to 5.00pm (AEST) 2 May 2017, unless extended by the Responsible Entity
Record Date	7.00pm (AEST) 13 April 2017
Registry	Boardroom (Victoria) Pty Limited ABN 65 110 851 333
Responsible Entity	360 Capital FM Limited ABN 15 090 664 396 (AFSL 221 474)
Retail Entitlement Offer	The component of the Entitlement Offer available to Eligible Unitholders who are not Institutional Investors
SRN	Securityholder reference number
Stapled Unit	A stapled security in the Fund, comprising a unit in the Active Fund and a unit in the Passive Fund
Underwriting Agreement	The underwriting agreement referred to in section 4.11 "Important information"
Unit(s)	A stapled security in the Fund, comprising a unit in the Active Fund and a unit in the Passive Fund
Unitholder(s)	The holder of a Unit
US Securities Act	<i>Securities Act of 1933</i> (United States) (as amended)

CORPORATE DIRECTORY

Responsible Entity of the Fund

360 Capital FM Limited

ABN 15 090 664 396 (AFSL 221 474)

Directors of Responsible Entity

Andrew Moffat
John Ballhausen
David van Aanholt
Tony Pitt
Graham Lenzner

Company secretary

Jennifer Vercoe

Registered Office

Level 8
56 Pitt Street
Sydney NSW 2000

Legal Advisor

Clayton Utz

Level 15
1 Bligh Street
Sydney NSW 2000

Fund Auditor

Ernst & Young

Level 1, 200 George Street
Sydney NSW 2000

Joint Lead Managers

Moelis Australia Advisory Pty Limited

Level 27, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

Morgans Corporate Limited

Level 29, Riverside Centre
123 Eagle Street
Brisbane QLD 4000

Registry

Boardroom (Victoria) Pty Limited

GPO Box 3993
Sydney NSW 2001

