

26 April 2016

«Addressee»

Notice of fund termination - APN Champion Retail Fund

Dear Investor,

As you are aware, APN Funds Management Limited (APNFM) is the responsible entity of the APN Champion Retail Fund ARSN 127 948 127 (CRF or Fund).

As you would be aware from previous correspondence:

- the asset-owning entity of CRF, Zenon Real Estate SA (Zenon) has applied to enter into 'Special Administration' through the Greek courts;
- the secured liabilities of Zenon significantly exceed its assets; and
- there will be no further returns to CRF from Zenon or from CRF to unitholders.

Accordingly, APNFM has elected to terminate CRF.

Pursuant to clause 25(b) of the constitution of CRF, APNFM provides unitholders in CRF with 3 months' notice that CRF terminates on 31 July 2016. The termination of CRF is an important step in the process to cancel the units in the Fund. The tax consequences of the cancellation of the units in the Fund will be the subject of a Class Ruling from the Australian Taxation Office. APNFM will provide unitholders with further information on the status of the Class Ruling application and their unit holding balance after 31 July 2016.

This means that from 31 July 2016 APNFM will commence the winding up and realisation of CRF's assets. However, this is expected to take a number of years and there will be no further returns to unitholders.

If you have any queries please contact your financial adviser or APN Investor Services on 1800 996 456 Monday to Friday between 8.30am – 5.30pm Melbourne time or email us at apnpg@apngroup.com.au.

Yours sincerely



John Freemantle
Company Secretary
APN Funds Management Limited