

APN | Property Group

22 November 2016

Dear Investor

Following the Fund's operating update of 20 October 2016, a number of investors have contacted the manager regarding recent trading in the Fund's units. We have therefore taken the opportunity to remind investors where units can be traded and provide you with a further update on the Fund's strategy.

The Fund is listed on the NSX and units are able to be bought and sold at the price and volumes determined by participants in this stock exchange. Investors wishing to trade units should visit www.nsga.com.au for information on trading on the NSX.

While there has recently been significant trading activity in the Fund's units on NSX, prices have reflected a discount relative to NTA. The Board believes that such a discount demonstrates that the current liquidity alternatives available to investors wishing to buy or sell units are not as effective as we would like.

The Board will continue to monitor the trading of the Fund's units on NSX for a period of time and in the event there is not a significant improvement in these trading levels and liquidity and there is no better alternative that provides liquidity at or around NTA, then the Board's present intention is to sell the buildings by 30 June 2018 and return the capital to investors.

The Board's view is that by confirming the manager's commitment to deliver liquidity, existing and potential investors will be in a better position to deal with the units in this fund in the context of their individual investment strategy.

Regards



Geoff Brunsdon
Chairman
APN Funds Management Limited