



23 November 2016

ASX Market Announcements
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

Centuria Capital Group (ASX Code: CNI)

Notice under sections 708AA(2)(f) and 1012DAA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Centuria Capital Limited ABN 22 095 454 336 (**Company**) and Centuria Funds Management Limited ACN 607 153 588 as responsible entity of the Centuria Capital Fund (**Trust**) (together with the Company, the **Issuers** or **Centuria**), under sections 708AA(2)(f) and 1012DAA(2)(f) of the Corporations Act 2001 (Cth) (**Corporations Act**), as modified by Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Legislative Instrument**).

The Issuers have today announced a pro-rata non-renounceable entitlement offer to raise approximately \$77.2 million (**Entitlement Offer**). In addition, the Issuers have today also announced a placement to raise approximately \$22.6 million (**Placement**), and a conditional placement to raise approximately \$50.2 million (**Conditional Placement**) (the Entitlement Offer, Placement and Conditional Placement, together, the **Offer**).

Each unit of the Trust is stapled to one share in the Company (**Stapled Securities**).

The Entitlement Offer comprises the issue of 1 new Stapled Security (**New Securities**) for every 1 Stapled Security held by eligible existing CNI securityholders at 7.00pm on Friday, 25 November 2016 (**Eligible Securityholders**).

With respect to the Entitlement Offer, the Issuers advise that:

- (a) the New Securities will be offered without disclosure to investors under Part 6D.2 of the Corporations Act and without a product disclosure statement under Part 7.9 of the Act;
- (b) this notice is being given under sections 708AA(2)(f) and 1012DAA(2)(f) of the Act, as modified by the Legislative Instrument;
- (c) as disclosing entities, the Issuers are subject to regular reporting and disclosure obligations;
- (d) as at the date of this notice, the Issuers have complied with:
 - (1) the provisions of Chapter 2M of the Act as they apply to each of the Trust and the Company respectively; and
 - (2) section 674 of the Act as it applies to each of the Trust and the Company respectively;

- (e) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8), 708AA(9), 1012DAA(8) or 1012DAA(9) of the Act; and
- (f) the potential effect of the issue of New Securities pursuant to the Entitlement Offer on control of Centuria and the consequences of that effect will depend on a number of factors, including the extent to which Eligible Securityholders take up New Securities under the Entitlement Offer.

The potential effect on control is summarised below:

- (1) If all Eligible Securityholders take up their entitlements under the Entitlement Offer, then the Entitlement Offer will have no significant effect on the control of Centuria¹;
- (2) If 50% of Eligible Securityholders take up their entitlements under the Entitlement Offer, then new institutional investors² will receive 38.6m New Securities (being 17% of Stapled Securities on issue in Centuria following the Offer, or, in the event that the Conditional Placement does not proceed, 38.6m New Securities, being 21.8% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement) and the interests of those Eligible Securityholders who do not take-up their entitlements under the Entitlement Offer will be diluted;
- (3) If 25% of Eligible Securityholders take up their entitlements under the Entitlement Offer, then new institutional investors³ will receive 57.9m New Securities (being 25.5% of Stapled Securities on issue in Centuria following the Offer, or, in the event that the Conditional Placement does not proceed, 57.9m New Securities, being 32.7% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement) and the interests of those Eligible Securityholders who do not take-up their entitlements under the Entitlement Offer will be diluted;
- (4) If no Eligible Securityholders take up their entitlements under the Entitlement Offer, then new institutional investors⁴ will receive 77.2m New Securities (being 34% of the Stapled Securities on issue in Centuria following the Offer, or, in the event that the Conditional Placement does not proceed, 77.2m New Securities, being 43.6% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement) and the interests of all Eligible Securityholders will be diluted.

The Underwriter has received sub-underwriting commitments for at least 54.5% of the New Securities to be issued under the Entitlement Offer. Assuming those commitments are honoured, the maximum percentage of Stapled Securities which the Underwriter could hold, assuming no other investor or securityholder take-up of New Securities offered in the Entitlement Offer, would be 15.5% of the Stapled Securities on issue in Centuria following the Offer (or, in the event that the Conditional Placement does not proceed, 19.8% of the Stapled Securities in Centuria following the Entitlement Offer and Placement). If all of the sub-underwriters defaulted on their sub-underwriting commitments with respect to the New Securities under the Entitlement Offer, this percentage would rise to 34% of the Stapled Securities on issue in Centuria following the Offer (or, in the event that the Conditional Placement does not proceed, 43.6% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement).

Yours faithfully,

James Lonie
Company Secretary

¹ Although the Placement and Conditional Placement, together, will result in the issue of an additional 72.8m New Securities, being 32.0% of Stapled Securities on issue in Centuria following the Entitlement Offer (or, if the Conditional Placement does not proceed, then an additional 22.6m New Securities, being 12.8% of Stapled Securities on issue in Centuria following the Entitlement Offer).

² Potentially including the Underwriter and certain sub-underwriters appointed in relation to the Offer.

³ Potentially including the Underwriter and certain sub-underwriters appointed in relation to the Offer.

⁴ Potentially including the Underwriter and certain sub-underwriters appointed in relation to the Offer.