

360 Capital Office Fund

9 May 2014

NOTICE OF MEETING

One behalf of 360 Capital RE Limited, Responsible Entity for the 360 Capital Office Fund (ASX code: "TOF" or the "Fund"), please see attached Notice of Meeting and Explanatory Memorandum to be mailed to Fund Unitholders.

For more information, please contact:

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About 360 Capital Office Fund (ASX code TOF)

360 Capital Office Fund is the only ASX-listed office sector A-REIT focused on suburban A grade and CBD B grade rent collecting properties in Australia in the \$30.0 to \$100.0 million asset value range. The Fund is managed by 360 Capital Group which also has a co-investment stake of circa 25% in the Fund. The Fund has a diversified \$235.0 million portfolio of four quality assets, a weighted average lease expiry of 4.6 years, occupancy of 99.6%, appropriate gearing of 36.5%, distributions tax deferred at approximately 65% and a forecast FY15 distribution of 17.00cpu.

About 360 Capital Group (ASX code TGP)

360 Capital is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The company actively invests in direct property assets, property securities and various corporate real estate acquisitions within Australian real estate markets on a private equity basis. The Group's 19 full time staff have significant property, funds and investment management experience. 360 Capital manages nine investment vehicles holding assets valued at approximately \$1.0 billion on behalf of almost 8,800 investors, has over \$100.0 million worth of co-investments across the 360 Capital platform and owns two direct assets valued at more than \$40.0 million.

360 Capital Office Fund

09 May 2014



Dear Investor,

NOTICE OF MEETING FRIDAY 6 JUNE 2014

On behalf of 360 Capital RE Limited, Responsible Entity for the 360 Capital Office Fund (ASX code: "TOF" or the "Fund"), I am pleased to enclose a Notice of Meeting and Explanatory Memorandum in relation to a meeting of Fund Unitholders called to consider a Resolution to appoint an alternate 360 Capital entity as the Fund's new responsible entity.

The Responsible Entity believes the Resolution is in Unitholders' best interests and recommends you VOTE IN FAVOUR of the Resolution.

To consolidate resources and improve efficiency in the provision of its funds management services, the 360 Capital Group has consistently implemented a strategy across its Fund and Trust portfolio to consolidate the responsible entity roles within 360 Capital Investment Management Limited. Approval of the Resolution is expected to benefit Unitholders as appointing another 360 Capital entity as the new Responsible Entity will not materially impact how the Fund is managed as there will be no change in corporate governance, financial and other resources, investment management staff, procedures or strategies and it is expected there will be cost savings.

Please read the Notice of Meeting and Explanatory Memorandum carefully when considering your vote. If you are in any doubt regarding how to vote, you should seek your own professional financial advice without delay. **I urge you to vote either online, by filling out and mailing the enclosed Proxy Form or in person.**

We look forward to welcoming you at the meeting. If you are unable to attend the meeting in person, **please vote either online or fill out the Proxy Form enclosed and return it** using the contact details on the voting form **no later than 10.00am (AEDT), Wednesday 4 June 2013**. Should you have any questions in relation to the Meeting, please call the 360 Capital investor enquiry line on 1800 182 257 or email investor.relations@360capital.com.au

As previously communicated, the Fund is also in the process of implementing a sale facility for small unitholdings (unmarketable parcels) prior to 30 June 2014 and further information will follow soon.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Tony Pitt'.

Tony Pitt

**Managing Director
360 Capital RE Limited**



Explanatory Memorandum and Notice of Meeting

360 CAPITAL OFFICE FUND

ARSN 106 453 196

Issued by 360 Capital RE Limited ACN 090 939 192 as responsible entity of
360 Capital Office Fund ARSN 106 453 196

This is an important document

Please read the information in this document carefully. If you are in any doubt about the Resolution or the action to be taken, you should seek your own professional financial advice without delay.

Important Notices

What is this document?

This Explanatory Memorandum and Notice of Meeting is dated 7 May 2014 and is issued by 360 Capital RE Limited ACN 090 939 192 (**Responsible Entity**) in its capacity as responsible entity of 360 Capital Office Fund ARSN 106 453 196 (**Fund**).

The purpose of this Explanatory Memorandum and Notice of Meeting (together referred to as the **Explanatory Memorandum**) is to provide information about the proposed change of responsible entity of the Fund and to provide such other information considered material to the decision of Fund unitholders (**Unitholders**) in determining how to vote on the Resolution. All information in this document forms part of the Notice of Meeting and Explanatory Memorandum.

No investment advice

The information contained in this Explanatory Memorandum does not constitute financial product advice and has been prepared without reference to your particular investment objectives, financial situation, taxation position and needs. It is important that you read the Explanatory Memorandum in its entirety before making any investment decision and any decision on how to vote on the Resolution.

Defined terms

Capitalised terms used in the Explanatory Memorandum are defined in the Glossary in Appendix 2. All times expressed in this document refer to Australian Eastern Standard Time (AEST).

Any questions?

If you have any questions about your holding of Units or the Resolution, please contact our investor enquiry line on 1800 182 257. If you are in any doubt on how to vote on the Resolution or the action to be taken, you should seek your own professional financial advice without delay.

Meeting details and important dates

Last date and time for receipt of Proxy Forms	10.00am Wednesday 4 June 2014
Date and time of Meeting	10.00am Friday 6 June 2014
Place	Sir James Fairfax Room Radisson Blu Hotel 27 O'Connell Street Sydney NSW 2000 Australia

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Explanatory Memorandum

1 Overview and background

On 24 April 2014, the Fund commenced trading on the Australian Stock Exchange (ASX) after completing a fully underwritten Initial Public Offer (IPO) in accordance with the Product Disclosure Statement (PDS) dated 24 March 2014.

To consolidate resources and improve efficiency in the provision of its fund management services, the 360 Capital Group has decided to consolidate its responsible entity roles within 360 Capital Investment Management Limited. Consistent with that decision, it is proposed that 360 Capital Investment Management Limited replace 360 Capital RE Limited as responsible entity of the Fund. This Explanatory Memorandum contains information to enable Unitholders to assess the proposed change of responsible entity and the Resolution set out in Appendix 1. Some of the key advantages and disadvantages of the replacement of the responsible entity are set out in Section 3.

2 Key information in relation to the Resolution

2.1 What change is proposed?

It is proposed that 360 Capital Investment Management Limited replace 360 Capital RE Limited as the responsible entity of the Fund.

360 Capital RE Limited and 360 Capital Investment Management are both wholly owned by 360 Capital Group Limited. The same level of resources and experience will be available to, and employed by, 360 Capital Investment Management Limited in managing and administering the Fund and, as such, the change of the responsible entity of the Fund will not, of itself, have any material impact on how the Fund is managed or administered.

2.2 Why is 360 Capital RE Limited retiring?

To consolidate resources and improve efficiency in the provision of its fund management services, 360 Capital Group has decided that over time the management of all listed and unlisted property funds would be undertaken by 360 Capital's designated responsible entity, 360 Capital Investment Management Limited.

The restructure is being undertaken to rationalise and thereby improve the efficiency and effectiveness of 360 Capital Group's compliance, corporate governance and to decrease other administration costs associated with the responsible entity role.

2.3 What does the change of Responsible Entity mean for Unitholders?

The change of Responsible Entity will not, of itself, have any material impact on how the Fund is managed or administered. In addition, there will be no change to the existing fee and expense reimbursement regime.

Key Issue	Effect of Change
Corporate Governance	None – the directors of 360 Capital RE Limited and 360 Capital Investment Management Limited are identical and will remain so following the proposed change of responsible entity.
Controls (e.g. risk management, custodial arrangements etc.)	None – the same compliance and risk management procedures will be in place before and after the proposed change of responsible entity. Further, the existing administration arrangements in respect of the Fund will remain in place. 360 Capital Investment Management Limited already acts as a custodian of the Fund. After the proposed change, it will retain custody of the assets of the Fund in its capacity as responsible entity of the Fund.
Financial Resources	None – the Fund will have access to the same financial resources and benefits before and after the proposed change of responsible entity.
Other Resources	None – human and information technology resources are common across and shared between 360 Capital RE Limited and 360 Capital Investment Management Limited.
Investment Management	None – the same investment management procedures, staff, philosophies and strategies will be applied to all investments in the Fund before and after the proposed change of responsible entity.

2.4 What happens if the Resolution is passed?

If the Resolution is approved, 360 Capital RE Limited will retire as responsible entity of the Fund and 360 Capital Investment Management Limited will become the replacement responsible entity of the Fund upon ASIC updating its record of registration. It is anticipated that this will occur within a week of the date of the Meeting.

2.5 What happens if the Resolution is not passed?

In the event that the Resolution is not approved, 360 Capital RE Limited will remain the responsible entity of the Fund and will continue managing the Fund in the best interests of Unitholders.

2.6 What is the voting threshold for the Resolution?

The Resolution is an ordinary resolution and will be passed if more than 50% of the votes cast by Unitholders eligible to vote on the Resolution are voted in favour of the Resolution.

3 Advantages and disadvantages

3.1 What are the advantages of passing the Resolution?

The Responsible Entity believes the key advantage of passing the Resolution would be the improved efficiency and effectiveness of 360 Capital Group's compliance and corporate governance and the associated reduction in administration costs associated with the responsible entity role.

3.2 What are the disadvantages of passing the Resolution?

The Responsible Entity does not believe there are any disadvantages to Unitholders in passing the Resolution.

4 Notes about the meeting and how to vote

These notes form part of the Notice of Meeting.

Changing the time and date of the Meeting

The Responsible Entity reserves the right to postpone or adjourn the Meeting to a later time or date. If the Responsible Entity makes such a determination, it will notify all Unitholders by placing an announcement on the following website www.360capital.com.au. The Responsible Entity will endeavour to notify Unitholders of any such postponement prior to the original date and time of the Meeting, however, the postponement of the Meeting will not be invalidated by the failure to do so.

Quorum

The quorum necessary for the Meeting is two Unitholders (in person, or by proxy).

Chairperson

The Chairperson of the Meeting will be appointed pursuant to section 252S of the Corporations Act.

Voting intentions of the Chairperson

The Chairperson intends to vote any undirected proxies in favour of the Resolution.

Majority required

The Resolution is an ordinary resolution and will be passed if more than 50% of the votes cast by Unitholders entitled to vote on the Resolution are voted in favour of the Resolution.

Bodies corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body corporate may exercise at meetings of Unitholders of the Fund. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body corporate could exercise at the Meeting or in voting on the Resolution. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Responsible Entity.

Jointly held interests

If an interest in the Fund is held jointly, and more than one Unitholder votes in respect of that interest, only the vote of the Unitholder whose name appears first in the Register will count.

Appointment of proxy

If you are entitled to vote at the Meeting you have a right to appoint a proxy and may use the proxy form enclosed with this Notice of Meeting and Explanatory Memorandum. The proxy does not need to be a Unitholder.

If you wish to appoint someone other than the Chairperson of the Meeting as your proxy, please write the name of that person in the appropriate box. Unitholders cannot appoint themselves. If you do not name a proxy, or your named proxy does not attend the Meeting, the Chairperson of the Meeting will be your proxy and vote on your behalf.

Your proxy has the same rights as you to speak at the Meeting and to vote to the extent you allow on the proxy form.

Voting directions to your proxy

You may direct your proxy how to vote. Your proxy does not have to vote, but if your proxy does vote, your proxy must vote as directed. All your votes will be cast in accordance with your direction, unless you indicate only a portion of votes are to be cast on any item.

If you do not direct your proxy how to vote, your proxy will vote as he or she chooses (and if you appoint the Chairperson, the Chairperson will vote in favour of the Resolution). If you mark more than one box relating to the Resolution any vote by your proxy on that item may be invalid.

Appointing a second proxy

If you are entitled to cast two or more votes you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you appoint two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes (ignoring fractions).

Signing instructions

A proxy form must be signed by the Unitholder or the Unitholder's attorney. Instructions for signing are on the proxy form. If a proxy is signed by an attorney and you have not previously lodged the power of attorney for notation, please attach a certified copy of the power of attorney to the proxy form when you return it.

Lodgement of proxies

Proxy forms should be returned to the Responsible Entity by posting them in the reply paid envelope provided or by one of the following methods:

Online

To vote online, please follow these steps.

Note that the information required for Steps 2 to 4 is personalised information that will be provided on your proxy form.

STEP 1 VISIT:

www.boardroomlimited.com.au/vote/360capitalofficeegm2014

STEP 2 Enter your holding/investment type.

STEP 3 Enter your Reference Number.

STEP 4 Enter your VAC.

PLEASE NOTE: For security reasons it is important you keep the above information confidential.

By post

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

By facsimile

(02) 9290 9655

By hand

Boardroom Pty Limited
Level 7, 207 Kent Street
Sydney NSW 2000

No later than 10.00am AEST on Wednesday 4 June 2014.

Proxy forms received after that time will not be valid for the Meeting.

Queries

If you have any questions regarding your Unitholding, the Resolution or what action you should take, please contact your financial adviser or our investor enquiry team on 1800 182 257 or investor.relations@360capital.com.au

Appendix 1 – Notice of Meeting

360 Capital Office Fund

NOTICE IS GIVEN pursuant to section 252A of the *Corporations Act 2001* (Cth) that a meeting of Unitholders in the 360 Capital Office Fund ARSN 106 453 196 will be held at the time, date and place detailed below, or such later time and date as notified to Unitholders, to consider and vote on the resolution in this notice.

Time: 10.00am

Date: Friday 6 June 2014

Place: Sir James Fairfax Room
Radisson Blu Hotel
27 O'Connell Street
Sydney NSW 2000
Australia

Business of the Meeting

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

“That, upon the retirement of 360 Capital RE Limited as responsible entity of the 360 Capital Office Fund, pursuant to section 601FL of the Corporations Act 2001 (Cth), 360 Capital Investment Management Limited be appointed as the responsible entity of the 360 Capital Office Fund.”

By order of the board of the Responsible Entity



Tony Pitt
Managing Director
360 Capital RE Limited
as responsible entity for the 360 Capital Office Fund

Dated: 7 May 2014

Appendix 2 – Glossary

360 Capital or 360 Capital Group	360 Capital Group comprising the stapled entity comprising 360 Capital Limited ACN 113 569 136 and 360 Capital Investment Trust ARSN 104 552 598 and each of their subsidiaries, as listed on the ASX (code TGP)
360 Capital Investment Management Limited	The proposed responsible entity of the Fund. 360 Capital Investment Management Limited ACN 133 363 185 AFSL 340304
360 Capital RE Limited	The Responsible Entity at the date of this document. 360 Capital RE Limited ACN 090 939 192 AFSL 223739
AEST	Australian Eastern Standard Time
ASX	Australian Stock Exchange
Constitution	The constitution of the Fund as amended from time to time
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Explanatory Memorandum	The explanatory memorandum contained in this document
Fund	360 Capital Office Fund ARSN 106 453 196
IPO	Initial Public Offering
PDS	Product Disclosure Statement dated 24 March 2014
Meeting	The meeting of Unitholders of the Fund convened by this Notice of Meeting and Explanatory Memorandum
Notice of Meeting	This document, including the Explanatory Memorandum
Resolution	The resolution set out in the Notice of Meeting at Appendix 1
Responsible Entity	The Responsible Entity of the Fund (currently 360 Capital RE Limited)
Unitholder(s)	A person(s) who is recorded on the Fund's register as a holder of a unit in the Fund



360 Capital Office Fund ARSN 106 453 196

Investor Enquiries

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Toll Free: 1800 182 257
Email: investor.relations@360capital.com.au

Postal Address

GPO Box 3993
Sydney NSW 2001

Responsible Entity

360 Capital RE Limited
ACN 090 939 192
AFSL 223739

Registered Office

Level 8, 56 Pitt Street
Sydney NSW 2000
www.360capital.com.au

Disclaimer

This document has been prepared by 360 Capital RE Limited (ACN 090 939 192, AFSL 223 739) as responsible entity of the 360 Capital Office Fund (ARSN 106 453 196). The Responsible Entity, its associates, related entities and directors do not guarantee the performance of the 360 Capital Office Fund or the repayment of monies invested. The information contained in this document does not constitute financial product advice. While every care has been exercised in the preparation of this document and the information is believed to be correct, this document is provided for general information purposes only and does not have regard to the particular circumstances, financial situation or needs of any specific person who may read it and whom should seek their own professional advice.