

8 November 2012

360 Capital Industrial Fund
ARSN: 099 680 252



360 Capital RE Limited
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- **Members approve Fund's ASX listing**
- **360 Capital endorsed as Responsible Entity**

Dear Member,

Members of the 360 Capital Industrial Fund (Fund) have paved the way for the Fund to list on the ASX after overwhelmingly voting in favour of the Responsible Entity's proposal at today's meeting of Members.

360 Capital RE Limited (360 Capital) as Responsible Entity of the Fund is pleased to announce over 2,000 of the Fund's Members voted on the proposed listing of the Fund with 1,570 Members representing 77.0% of votes cast voting in favour of the Resolution.

The Meeting provides 360 Capital with a clear mandate from Members to list the Fund. It was very important to 360 Capital that Members have a say in this important strategic decision.

In view of the result, 360 Capital will proceed to lodge a listing application with the ASX to list the Fund. As outlined to Members, 360 Capital is committed to listing the Fund before Christmas. It is anticipated the Fund will commence trading on the ASX in early December 2012 under the stock code "TIX".

The Fund will be the only listed, sector specific Fund focused purely on Australian Industrial property investments, currently comprising 20 properties, with a gross value of approximately \$310 million and a weighted average lease expiry of 5.0 years.

The Fund currently has an NTA of \$0.54 per Unit, forecast FY2013 income distributions of 4.5 cents per annum (paid quarterly) and forecast FY2013 earnings per Unit in excess of 5.0 cents per Unit.

Tony Pitt, Managing Director of 360 Capital said "We would like to thank Members for their support and their endorsement of our listing strategy in what was unfortunately a drawn out process."

"We look forward to continuing to manage the Fund in the interest of all Members and continuing to implement our active management strategy to improve earnings and portfolio quality."

Overwhelming rejection of Denison/Forum/Garnaut proposal to change the Responsible Entity

Over the last few months, Chris Garnaut, Denison Funds Management and Forum Partners ran an aggressive and misleading campaign to prevent the Fund being listed and to replace 360 Capital as Responsible Entity of the Fund.

This campaign failed. When Denison/Forum/Garnaut abandoned its meeting to replace the Responsible Entity, Members' proxies representing 57.2% of all Units on issue had been lodged against Denison/Forum/Garnaut's proposal.

Outside of proxies lodged by Garnaut on behalf of his clients (9.6% of Fund Units), only approximately 6.0% of Units on issue were voted in support of Denison/Forum/Garnaut's proposal to replace 360 Capital as Responsible Entity, a resolution which required the support of 50.0% of all Units on issue.

Denison Funds Management informed Members on 3 October 2012 that if "the resolution [ASX Listing vote] is passed by Members, we will assume Members are happy with the current Responsible Entity, so no longer seek to replace 360 Capital as Responsible Entity."

360 Capital now requests Garnaut/Denison/Forum to honour their commitment to Fund Members and respect Members' clear decision for the Fund to list with 360 Capital as Responsible Entity.

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360 Capital once again thanks all Members for their continued patience through this process and it looks forward to providing updates as to the Fund's progress.

If you have any queries, please contact 1800 182 257 or visit us at www.360capital.com.au

Yours faithfully,

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

Tony Pitt
Managing Director
360 Capital RE Limited

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 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.

As at 30 June 2012, 360 Capital managed 11 investment vehicles holding assets valued at more than \$865 million on behalf of over 9,000 investors.

360 Capital is fully licensed to manage property managed investment schemes. The company's 15 full time staff located in Sydney have significant property, funds and investment management experience.

On 16 December 2010, 360 Capital Property Group Limited settled on the acquisition of Becton Investment Management Limited