



13 July 2017

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

Dear Sir / Madam

Centuria Metropolitan REIT (ASX Code: CMA) : Accelerated pro-rata non-renounceable entitlement offer

Notice under section 1012DAA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Centuria Property Funds Limited ACN 086 553 639 as responsible entity of the Centuria Metropolitan REIT (**CMA**), under section 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**).

CMA has today announced an accelerated pro-rata non-renounceable entitlement offer to raise approximately \$65 million (before costs) (**Entitlement Offer**). CMA has also announced a placement of 10,638,298 units in CMA (**Units**) at \$2.35 per Unit to raise approximately \$25 million (**Placement**) (together the **Placement and Entitlement Offer**).

The Entitlement Offer comprises the issue of 1 CMA unit (**Unit**) for every 6.4 Units in CMA held by eligible existing CMA security holders at 7 pm on 17 July 2017 (**Eligible Security Holders**).

With respect to the Entitlement Offer, CMA advises that:

- (a) the Units will be offered without disclosure to investors and without a product disclosure statement under Part 7.9 of the Corporations Act;
- (b) this notice is being given under section 1012DAA(2)(f) of the Corporations Act, as modified by the Legislative Instrument;
- (c) as a disclosing entity, CMA is subject to regular reporting and disclosure obligations;
- (d) as at the date of this notice, CMA has complied with:
 - (1) the provisions of Chapter 2M of the Corporations Act as they apply to CMA; and
 - (2) section 674 of the Corporations Act as it applies to CMA;
- (e) as at the date of this notice, there is no excluded information of the type referred to in sections 1012DAA(8) or 1012DAA(9) of the Corporations Act; and
- (f) in respect to section 1012DAA(7)(f) of the Corporations Act, the potential effect of the issue of the Units pursuant to the Entitlement Offer on the control of CMA and the consequences of that effect will depend on a number of factors, including the extent to which Eligible Security Holders take up the Units under the Entitlement Offer.

The potential effect on control is summarised below:

- (1) If all Eligible Security Holders take up their entitlements under the Entitlement Offer, then the Entitlement Offer will have no significant effect on the control of CMA;

- (2) If 50% of Eligible Security Holders take up their entitlements under the Entitlement Offer, then new investors¹ will receive 13.9 million Units (being 6.4% of units on issue in CMA following the Placement and Entitlement Offer) and the interests of those Eligible Security Holders who do not take-up their entitlements under the Entitlement Offer will be diluted;
- (3) If 25% of Eligible Security Holders take up their entitlements under the Entitlement Offer, then new investors² will receive 20.9 million Units (being 9.6% of units on issue in CMA following the Placement and Entitlement Offer) and the interests of those Eligible Security Holders who do not take-up their entitlements under the Entitlement Offer will be diluted;
- (4) If no Eligible Security Holders take up their entitlements under the Entitlement Offer, then new investors³ will receive 27.9 million Units (being 12.9% of the units on issue in CMA following the Placement and Entitlement Offer) and the interests of all Eligible Security Holders will be diluted.

Yours faithfully,



James Lonie

Company Secretary

¹ Potentially including the Underwriter and certain sub-underwriters appointed in relation to the Placement and Entitlement Offer.

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

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