

7 October 2015

## ANI Announcement dated 6 October 2015

Dear fellow ANI unitholders,

We write to you in relation to the Fourth Supplementary Target Statement and the announcement by ANI setting out the expression of interest from a consortium comprising Pivotal Fund Limited and Redefine Properties Limited (“**Consortium**”) to acquire all of the ANI units on issue at \$2.40 per ANI unit (“**Possible Consortium Offer**”).

We are pleased that KPMG, the Independent Expert appointed by the ANI Independent Board Committee (IBC), has concluded that ***the Revised TIX Offer is fair and reasonable in the absence of a superior offer.***

In addition, the Independent Expert at page 10 of its revised report concludes that the ***Possible Consortium Offer, in its current form, does not represent a superior proposal.***

The Independent Expert also states at page 9 that in its view there is ***a high degree of uncertainty regarding whether the Possible Consortium Offer will be completed.***

Based on the 30 day VWAP of TIX Units up until 24 September 2015, the Revised TIX Offer has an implied value of \$2.47 (inclusive of the TIX September quarterly distribution). This is significantly higher than that under the Possible Consortium Offer which includes a condition that no distributions (including income distributions) be made to ANI unitholders.

It has been a source of frustration and disappointment that Fife and the IBC has repeatedly refused to engage with TIX in relation to the TIX Offer in order to secure an optimal outcome for its unitholders.

We have publicly questioned the independence of the IBC and whether they are properly carrying out their fiduciary duties. We have not made these claims lightly as we understand the severity of these claims, however the manner in which the IBC is now dealing with the TIX Offer and the Possible Consortium Offer only heightens our concerns.

Even though the Independent Expert has concluded that the TIX Offer is fair and reasonable and superior to the Possible Consortium Offer, the IBC continues to favour the Consortium which has agreed to retain Fife as manager on an ongoing basis and discriminate against TIX which has not agreed to retain Fife. This conduct is unacceptable for reasons which include:

- The IBC is handicapping the TIX Offer in favour of the Consortium by providing the Consortium exclusive due diligence and contemplating a break fee. In contrast, the IBC has repeatedly refused to engage with TIX. The IBC should be acting in a fair and impartial manner, particularly given Fife has a personal interest in the success of the Possible Consortium Offer.
- To maximise returns for ANI unitholders, the IBC should provide a level playing field to both TIX and the Consortium and seek to solicit the best offer for ANI unitholders. It should be for ANI Unitholders to decide which direction they wish to take in relation to their ANI units.
- The IBC has repeatedly stated that it may pay the Consortium a break fee. A break fee would be a significant cost to ANI unitholders and be entirely inappropriate for the following reasons:
  - a break fee provides no economic benefit to ANI;
  - its effect would be to favour the Possible Consortium Offer and therefore the retention of Fife's management rights at the expense of ANI unitholders;
  - the break fee would not solicit a superior proposal. The Independent Expert has concluded that the Possible Consortium Offer is not superior to the TIX Offer;

- as the Independent Expert states, there is a high degree of uncertainty regarding whether the Possible Consortium Offer will be completed; and
- TIX owns over 36% of ANI and based on the limited information available, **TIX will not accept the Consortium's proposal if it were to materialise into a bid capable of acceptance.**

The Consortium is welcome to make its Possible Consortium Offer, however it is entirely inappropriate for the IBC to favour the Consortium over TIX in the current circumstances, particularly where such favouritism is likely to have the effect of benefiting Fife in its personal capacity at the expense of ANI unitholders.

We will continue to monitor the actions and decisions of each director of Fife Capital Funds Limited, especially the role of the IBC. If required we will take whatever action is necessary, including legal action against ANI directors in their personal capacity and Fife Capital Funds Limited to recover any inappropriately deployed funds of ANI.

In the meantime, ANI unitholders should accept the TIX Offer now:

1/ The TIX Offer is unconditional and the only offer at present which is capable of acceptance prior to the closing date of 12 October 2015 (unless otherwise extended). In contrast, the Possible Consortium Offer is highly uncertain, indicative and has a number of conditions including Foreign Investment Review Board approval and 50.1% acceptance

2/ ANI's Independent Expert KPMG Corporate Finance has concluded that TIX's Offer is **"Fair and Reasonable to ANI Unitholders in the absence of a superior offer"** and also concluded that the Possible Consortium's Offer **"in its current form, does not represent a superior proposal"** to the TIX Offer

3/ The Possible Consortium's Offer is based on the assumption no distribution is declared or paid until its offer is closed. Therefore, if you do not accept the TIX Offer now, it is likely your distributions will stop for an unknown period

4/ If you accept the TIX Offer you will continue to have an investment in an Industrial REIT and, enjoy a higher distribution than currently received from ANI, generated from a larger diversified portfolio of Australian Industrial property. If you accept prior to 12 October 2015, you will also receive TIX's September quarter distribution as well as the cash consideration of 24.5 cents per ANI unit.

**DO NOT MISS OUT ON THE TIX OFFER WHICH IS ACCEPTABLE IMMEDIATELY.**

We will continue to update you in relation to the TIX Offer.

Yours sincerely,



**David van Aanholt**  
Independent Chairman



**Tony Pitt**  
Managing Director  
360 Capital Group