

23 June 2017



**360 Capital FM Limited**  
ACN 090 664 396

Level 8  
56 Pitt Street  
Sydney NSW 2000

Phone: (02) 8405 8860  
Fax: (02) 9238 0354  
Web: [www.360capital.com.au](http://www.360capital.com.au)

## **360 Capital Total Return Fund (ASX: TOT) Notice of Meeting**

Dear Securityholder,

I am pleased to provide a Notice of Meeting and Explanatory Memorandum seeking your approval at a meeting scheduled for 18 July 2017 to approve the refreshment of the institutional placement of Stapled Units which occurred in April 2017.

360 Capital FM Limited as Responsible Entity of the 360 Capital Total Return Fund (the "Fund") considers that the refreshment of the Fund's placement capacity is in the best interest of Stapled Unitholders as it provides future funding flexibility in respect of potential acquisitions, investment opportunities, and general capital management initiatives that may arise from time to time.

Five new institutions participated in the Fund's \$40.6 million placement and entitlement offer in April 2017. The Fund now has a market capitalisation of approximately \$76 million and is the 360 Capital Group's flagship listed fund. Since the capital raising in April 2017, the Fund has:

- continued to market the 360 Capital PERE Fund to numerous parties and a number of these parties are now undertaking a detailed review of the Fund and proposed fund structure. The PERE Fund has a further \$13.3 million in cash to deploy in line with its opportunistic mandate;
- issued a term sheet for a \$6.0 million junior debt facility to a high networth developer undertaking a new 15 year pre-committed commercial development, the proposed investment is currently subject to due diligence; and
- drafted a memorandum of understanding with a major Australian Bank, that will enable the bank, in partnership with the Fund to offer a stretched senior facility to its commercial real estate customers (investors and developers). This product, as well as direct broking of transactions through Australian Mezzanine Finance will provide the Fund with a pipeline of debt investment opportunities on a selective basis.

### **Future Acquisitions**

As outlined previously, the Fund is 360 Capital Group's flagship listed fund and we have a strategy to grow the asset base of the Fund in a responsible manner making the Fund a more meaningful investment proposition.

Future opportunities uncovered by 360 Capital will be offered to the Fund in priority to or in partnership with 360 Capital Group, subject to the Fund having the capital capacity to participate.

**30 June 2016 distribution and special distribution**

In line with recent forecasts, the Fund is forecast to distribute 2.4 cents per security for the June 2017 quarter.

As a result of IDR price appreciation and the initial IDR stake realisation of the Fund's investment into the PERE Fund, the Fund will make a special distribution (currently estimated at 2.4 cents per security).

The record date for both distributions will be 30 June 2017.

I would also like to take this opportunity to thank you for your continued support.

Yours faithfully,



David van Aanholt  
Independent Chairman  
360 Capital FM Limited  
as responsible entity of the 360 Capital Total Return Fund

More information can be found on the ASX's website at [www.asx.com.au](http://www.asx.com.au) using the Fund's ASX code "TOT", on the Fund's website [www.360capital.com.au](http://www.360capital.com.au), by calling the 360 Capital investor enquiry line on 1300 082 130 or emailing [investor.relations@360capital.com.au](mailto:investor.relations@360capital.com.au)