

8 September 2017

360 Capital Total Return Fund (TOT) Investment Update

360 Capital FM Limited as responsible entity for 360 Capital Total Return Fund (the Fund or TOT) is pleased to advise that in line with its strategy, the Fund has committed to deploying \$26.6 million across two separate loan investments, comprising a \$7.1 million, junior debt investment on a commercial development in Perth and a \$19.5 million, senior debt investment in Sydney. These two investments are forecast to generate an average Internal Rate of Return (IRR) of approximately 17% p.a.

The Fund, through Australian Mezzanine Finance Pty Limited (AMF) continues to identify a significant pipeline of debt investment opportunities across key metropolitan markets with approximately \$35.0 million of live transactions currently in various stages of due diligence/negotiation. The Fund anticipates deploying the balance of available capital this calendar year.

The Fund has reviewed over \$400 million of transactions over the past three months and remains selective and disciplined when assessing debt investment opportunities. With further tightening of real estate credit markets anticipated, we expect that the volumes of these investment opportunities will continue to increase for the foreseeable future.

Based on the current committed investments and live transactions under review/negotiation, the Fund provides target earnings (including trading profits) for FY18 of between 9.0 to 12.0 cents per security.

In line with its distribution policy, the Fund will continue to distribute 100% of operating earnings and where appropriate, trading profits. Distribution guidance for the September quarter is 2.25 cents per security.

More information on TOT can be found on the ASX's website at www.asx.com.au using the Fund's ASX code "TOT", on the Fund's website www.360capital.com.au, or by calling the 360 Capital Information Line on 1300 082 130 or emailing investor.relations@360capital.com.au

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About 360 Capital Total Return Fund (ASX code TOT)

360 Capital Total Return Fund aims to provide total returns with a performance hurdle of 12% per annum to investors through a selective and disciplined investment philosophy, combined with access to real estate based investment opportunities available to the Fund through the 360 Capital platform. The Fund is externally managed by 360 Capital Group, a leading ASX-listed real estate investor and fund manager that operates under a transparent fee structure and is co-invested the Fund to ensure ongoing alignment of interests with Unitholders.

About 360 Capital Group (ASX: TGP)

360 Capital Group is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The Group actively invests in direct property assets, property securities, real estate debt and various corporate real estate investments within Australian real estate markets on a private and public equity basis.