

13 November 2017

Dear Unitholder

**GDF Entitlement Offer – notice to ineligible unitholders**

On 13 November 2017, GARDA Capital Limited in its capacity as responsible entity (**GARDA**) of GARDA Diversified Property Fund (**GDF** or **Fund**) announced a 1 for 4.3 non-renounceable entitlement offer of fully paid ordinary units in GDF (**New Units**) to raise approximately \$30 million (**Entitlement Offer**).

The purpose of the Entitlement Offer is to contribute to temporary debt reduction and acquisitions and projects of the Fund, including the acquisition at 588 Swan Street, Richmond (Melbourne) as announced on 10 November 2017.

The Entitlement Offer is fully underwritten by Morgans Corporate Limited (**Underwriter**).

This letter is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Units under the Entitlement Offer.

**Terms of the Entitlement Offer**

Under the Entitlement Offer, Eligible Unitholders (defined below) will be invited to subscribe for 1 New Unit for every 4.3 existing GDF ordinary units held at 7.00pm (AEST) on Friday, 17 November 2017 (**Record Date**) at an offer price of \$1.15 per New Unit (**Entitlement**).

The Entitlement Offer is being made without a product disclosure statement in accordance with section 1012DAA of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Documents relating to the Entitlement Offer were lodged with ASX on 13 November 2017 and are being mailed to Eligible Unitholders. Unitholder approval is not required for GDF to make the offer under the Entitlement Offer.

**Eligibility of unitholders to participate in the Entitlement Offer**

GARDA has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3) Corporations Act, that it would be unreasonable to make offers to unitholders in all countries in connection with the Entitlement Offer. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) Corporations Act, GARDA gives notice that you are not an Eligible Unitholder and are ineligible to apply for New Units under the Entitlement Offer.

**You are not required to do anything in response to this letter.**

The Entitlement Offer is only available to Eligible Unitholders. An Eligible Unitholder means a holder of GDF units at 7.00pm (AEST) on the Record Date who:

- has a registered address in Australia or New Zealand, or is a Unitholder that GDF has otherwise determined is eligible to participate;
- is not in the United States and is not a nominee, custodian or other person acting for the account or benefit of a person in the United States; and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a product disclosure statement to be lodged or registered.

As you do not satisfy the criteria for eligibility, GDF is unfortunately unable to extend the Entitlement Offer to you.

New Units equivalent to the number of New Units you would have been entitled to if you were an Eligible Unitholder will be allocated to Eligible Unitholders who subscribe for New Units in excess of their entitlement under the Entitlement Offer or in accordance with the underwriting and sub-underwriting arrangements.

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for these entitlements in respect of any New Units that would have been offered to you if you were eligible.

#### **Further information**

If you have any queries, please call (07) 3002 5300 (inside Australia) or +617 3002 5300 (outside Australia) between 9:00am to 5:00pm (AEST) Monday to Friday during the offer period or, alternatively, consult your professional adviser.

On behalf of the Directors, I thank you for your continued support of GDF.



Matthew Madsen  
Executive Chairman  
**GARDA Capital Limited**

#### **Important information**

This letter does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any units in GDF. In particular, this letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Units in any jurisdiction outside Australia or New Zealand. In particular, the New Units have not been, and will not be, registered under the U.S. Securities Act of 1933 (the 'US Securities Act') or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements under the Entitlement Offer may only be taken up by, and the New Units in the Entitlement Offer may only be offered or sold to, directly or indirectly, certain persons outside the United States in 'offshore transactions' (as defined in Rule 902(h) of Regulation S under the US Securities Act) in reliance on Regulation S under the US Securities Act.