

9 February 2018

Dear Unitholder

NON-RENOUNCEABLE RIGHTS ISSUE – INFORMATION TO UNITHOLDERS - Amended

I am pleased to invite Eligible Unitholders to participate in a pro rata 1 for 1 non-renounceable rights offer by the Alternative Investment Trust (**AIQ**) of new fully paid ordinary units in AIQ (**New Units**), at a price of each New Unit of \$0.092 (**Offer Price**) which is equal to the published monthly net tangible asset (**NTA**) backing per Unit as at 31 January 2018 (**Rights Issue**).

Columbus Investment Services Limited (**Responsible Entity**), in its capacity as the responsible entity of AIQ, announced the Rights Issue to the Australian Securities Exchange (**ASX**) on 29 December 2017 together with its intention to hold an extraordinary general meeting of members (**EGM**) to approve, amongst other things:

- AIQ recommencing its investment activities; and
- an on-market buy back of units (**Buy Back**) by the Responsible Entity.

The EGM of AIQ is to be held on 12 February 2018.

Entitlements not taken up may become available as additional units. Eligible Unitholders may, in addition to their entitlements, apply for the New Units over and above their entitlement at the Offer Price (**Additional Units**) regardless of the size of their present holding.

The Rights Issue will be conducted under section 1012DAA of the *Corporations Act 2001* (Cth) (**Corporations Act**) and does not require a product disclosure statement. Eligible Unitholders will be sent a short form offer document relating to the Rights Issue (**Offer Document**) and a personalised Entitlement and Acceptance Form on or about 16 February 2018.

The proceeds of the Rights Issue will be primarily used to support the Buy Back and AIQ's investment activities.

However, in the event that circumstances change or other better opportunities arise the Responsible Entity reserves the right to vary the proposed uses to maximise the benefit to Unitholders.

The Rights Issue will proceed provided that the resolutions to be considered at the EGM of AIQ are passed.



Key Information about the Rights Issue

The Rights Issue is non-renounceable and is not underwritten.

Each Unitholder on the AIQ's register of members who has a registered address in Australia or New Zealand (**Eligible Unitholder**) at 5.00pm (Sydney time) on 14 February 2018 (**Record Date**) will be entitled to subscribe for one New Unit in AIQ for every one ordinary unit held at the Record Date, at a price of each New Unit of which will be equal to the preceding month's NTA backing per Unit. The entitlement of Eligible Unitholders to participate in the Rights Issue will be determined on the Record Date. The entitlement will be shown on an Entitlement and Acceptance Form which will accompany the Offer Document in respect of the Rights Issue. Entitlements to New Units can be accepted by eligible Unitholders in full or in part.

Eligible Unitholders may take one of the following actions:

- take up all of their entitlement (and may also subscribe for Additional Units);
- take up part of their entitlement; or
- do nothing and allow all of their entitlement to lapse.

Entitlements to the New Units under the Rights Issue are non-renounceable, which means that entitlements will not be tradeable on ASX or otherwise transferable. If an Eligible Unitholder does not take up their entitlement by the closing date of the Rights Issue, that Eligible Unitholder's entitlement under the Rights Issue will lapse and its interest in AIQ will be diluted.

The New Units issued under the Rights Issue and Additional Units will be fully paid and will rank equally with AIQ's existing issued ordinary units. The Responsible Entity has made an application to the ASX for official quotation of the New Units. The Responsible Entity expects that the New Units will be issued on 6 March 2018.

No distribution is being made on ordinary units in AIQ in respect of the financial year ended 30 June 2017.



Key dates for Unitholders

The indicative timetable for the Rights Issue is as follows:

Rights issue 3B lodged with ASX	29 December 2017
Section 1012DAA(2)(f) notice lodged with ASX	Before commencement of trading 9 February 2018
Ex date	13 February 2018
Record date	5.00pm (Sydney time) 14 February 2018
Lodge Offer Document with ASX and the Offer Document, and Entitlement and Acceptance Form sent out to Unitholders	16 February 2018
Opening Date	19 February 2018
Closing Date	5.00pm (Sydney time) 27 February 2018
Units quoted on a deferred basis	28 February 2018
Settlement date	5 March 2018
Notify ASX of undersubscriptions	2 March 2018
Issue Date	6 March 2018
Despatch of New Units holding statements	6 March 2018
Commencement of trading of New Units on ASX	7 March 2018

This timetable is indicative only and subject to change. Subject to the ASX Listing Rules and the Corporations Act, the Directors of the Responsible Entity reserve the right to vary these dates, including the Opening Date and Closing Date, without prior notice.

Capital structure

As at the date of the announcement, AIQ had 130,692,470 Units on issue. The maximum number of New Units to be issued under the Rights Issue is 130,692,470. At the conclusion of the Rights Issue, the total number of issued Units in AIQ will be a maximum of 261,384,940 Units. All this information is subject to the reconciliation of entitlements and rounding.



Overseas Unitholders

The Rights Issue is not being extended to any Unitholder with a registered address outside Australia or New Zealand (**Ineligible Unitholders**). The Responsible Entity has determined that it is not economically viable for it to make offers to Ineligible Unitholders, having regard to the cost of meeting compliance requirements with securities laws in each applicable jurisdiction and the small number and value of New Units that would be offered in such jurisdictions.

Pursuant to ASX Listing Rule 7.7, the Responsible Entity intends to appoint a nominee, Taycol Nominees Pty Limited (**Nominee**), to sell the New Units to which Ineligible Unitholders would otherwise be entitled. ASIC has approved the appointment of Taycol Nominees Pty Limited as nominee for the purposes of section 615 of the Corporations Act. The Nominee must sell the New Units and will have the absolute and sole discretion to determine the timing and price at which the New Units are sold and the manner of any such sale.

If the proceeds of the sale of New Units exceed the cost of the Units and the Nominee's expenses incurred in relation to the sale, the net proceeds will be forwarded, as soon as practicable, to the Ineligible Unitholders. If any such proceeds of sale are less than the sum of the cost of the New Units and the Nominee's expenses, then no amount will be paid to Ineligible Unitholders.

Ineligible Unitholders may receive no proceeds if the costs of the sale are greater than the sale proceeds.

Further information

Unitholders eligible to participate in the Rights Issue do not need take any action at this time.

A personalised Entitlement and Acceptance Form will be mailed to each Eligible Unitholder at the address on the Unit Register on 16 February 2018 with the Opening Date being 19 February 2018. Eligible Unitholders that wish to participate in the Rights Issue will need to complete the Entitlement and Acceptance Form and return it with payment by the Closing Date.

The Closing Date for acceptance and payment is currently expected to be 5.00pm (Sydney time) on Tuesday 27 February 2018.

For further information, please contact the Responsible Entity on +61 2 8277 0000 or ait@oneinvestment.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Justin Epstein', is written over a horizontal line.

Justin Epstein
Director