

Notice of Annual General Meeting and Explanatory Memorandum

GARDA Diversified Property Fund **ARSN 104 391 273** **(ASX code: GDF)**

GARDA Capital Limited ACN 095 039 366
as responsible entity

Date	Friday 23 November 2018
Time	9:30 am (AEST)
Location	The Theatre Morgans Financial Limited Level 29, Riverside Centre 123 Eagle Street BRISBANE QLD 4000

Section A - Notice of Annual General Meeting

1. General

Notice is given by the Responsible Entity that the Annual General Meeting of Unitholders of the GARDA Diversified Property Fund (**GDF**) will be held in The Theatre at Morgans Financial Limited, Level 29, Riverside Centre, 123 Eagle Street, Brisbane, QLD 4000 on Friday 23 November 2018 at 9:30am (AEST).

The Explanatory Memorandum at section B which accompanies and forms part of this Notice describes the matters to be considered at the Annual General Meeting. The Proxy Form also forms part of this Notice.

In accordance with section 252S(1) of the Corporations Act and the Constitution, the Responsible Entity appoints Matthew Madsen as Chair of the Meeting.¹

2. Agenda

(Item 1) Financial Statements and Report

To receive and consider the Annual Report (incorporating the Directors' Report, and independent Auditor's Report) for GDF for the financial year ended 30 June 2018.

No resolution is required for this item of business.

(Item 2) Resolution 1 - Approval of participation of related party in the Placement

To consider and, if thought fit, pass the following as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Unitholders approve the issue of 3,200,000 Units to The Trust Company (Australia) Limited, the custodian of GARDA Capital Trust, on the terms and conditions set out in the Explanatory Memorandum."

Note: There are voting exclusions on this Resolution 1.

If approval is obtained under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

(Item 3) Resolution 2 - Ratification and approval of previous allotment and issue of Units

To consider and, if thought fit, pass the following as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rules 7.4 and for all other purposes, Unitholders ratify and approve the issue of 16,800,000 Units on 12 October 2018, as set out in the Explanatory Memorandum."

Note: There are voting exclusions on this Resolution 2.

¹ Or, if Mr Madsen is unavailable, another Director appointed by the Responsible Entity.

(Item 4) Resolution 3 - Approval of Additional 10% Placement Capacity

To consider and, if thought fit, pass the following as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Units up to an additional 10% of the issued Units in the Fund (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”

Note: There are voting exclusions on this Resolution 3.

3. Voting Exclusion Statements

Resolution 1

The Responsible Entity will disregard any votes cast in favour of Resolution 1 by or on behalf of The Trust Company (Australia) Limited as custodian of the GARDA Capital Trust, or any of its associates.

Resolution 2

The Responsible Entity will disregard any votes cast in favour of Resolution 2 by or on behalf of any person who participated in the issue, or any of their associates.

Resolution 3

The Responsible Entity will disregard any votes cast in favour of Resolution 3 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue, except a benefit solely by reason of being a Unitholder, and any associate of such person.

However, the Responsible Entity need not disregard a vote on **Resolution 1, Resolution 2 or Resolution 3** if:

- a.) it is cast by a person as a Proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b.) it is cast by the person chairing the Meeting as Proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the Proxy decides.

By order of the Board



Lachlan Davidson

Company Secretary

GARDA Capital Limited as responsible entity of the GARDA Diversified Property Fund

26 October 2018

Section B - Explanatory Memorandum

Introduction

As a registered managed investment scheme, the Fund is not required to hold an annual general meeting. However, the Directors believe that it is in the interests of Unitholders to do so, and their intention to hold annual general meetings was disclosed in the PDS and also in subsequent filings with the ASX, including most recently the Appendix 4G and Corporate Governance Statement on 23 August 2018.

The purpose of this Explanatory Memorandum is to provide all information to Unitholders which would be material in deciding whether or not to pass the Resolutions set out in the attached Notice of Meeting.

The Board recommends that Unitholders vote in favour of all Resolutions.

(Item 1) Financial Statements and Reports

In accordance with Part 2M.3 of the Corporations Act, the Annual Report (incorporating the Directors' Report and independent Auditor's Report) for the Fund for the financial year ended 30 June 2018 was made available to Unitholders on 23 August 2018, and will be at the Meeting.

A brief overview of the financial and operating performance of the Fund during the year ended 30 June 2018 will be provided during the AGM. Neither the Corporations Act nor the Constitution requires Unitholders to vote on, approve or adopt these reports. Unitholders will be given an opportunity to raise questions about, or to comment on those reports and the management and performance of the Fund.

(Item 2) Resolution 1 – Approval of participation of related party in the Placement

The purpose of Resolution 1 is to seek approval of Unitholders, under ASX Listing Rule 10.11 and for all other purposes, to issue Units to The Trust Company (Australia) Limited (**TCA**), which is the Custodian of the GARDA Capital Trust (**GCT**), being a related party of the Responsible Entity.

Background

An announcement was made to the ASX on 8 October 2018 of a capital raising of \$25 million. The capital raising was by way of a placement to subscribers at an issue price of \$1.25 per Unit (**Placement**). Under the Placement 16,800,000 Units were issued on 12 October 2018 for \$21 million, which forms the basis of Resolution 2.

TCA has agreed to acquire 3,200,000 Units for \$4 million under the Placement, subject to approval of Unitholders (**GCT Subscription**). If Resolution 1 is passed, these Units will be issued to TCA on the same terms as other participants in the Placement.

ASX Listing Rule 10.11 requires the Responsible Entity to obtain Unitholder approval prior to the issue of Units to a 'related party'. TCA is a 'related party' of the Responsible Entity for the purposes of ASX Listing Rule 10.11, and accordingly the approval of Unitholders is required to finalise the GCT Subscription.

Required information

In compliance with the information requirements of ASX Listing Rule 10.13, Unitholders are advised of the following particulars in respect of the GCT Subscription:

1. Name of the Person

The Units will be issued to The Trust Company (Australia) Limited, which is the Custodian of the GARDA Capital Trust.

2. Maximum number of Units to be issued

GCT has subscribed for 3.2 million Units under the GCT Subscription, at \$1.25 per Unit, totalling \$4 million. The full number of Units will be issued if Unitholders approve Resolution 1.

3. Date the Units will be issued

The Units will be issued to GCT under the GCT Subscription within 5 business days after the date of the Annual General Meeting, and would therefore be on or before Friday 30th November 2018.

4. Relationship of GCT to GDF

GCT is controlled by, and is “stapled” to GARDA Capital Limited, which is the responsible entity of GDF. The stapled entity GARDA Capital Group is separately listed on the ASX as ‘GARDA Capital Group’ under the code ‘GCM’.

GCM, through TCA, continues to be the largest holder in GDF. The percentage holding of GCM in the Fund is:

Relevant time	Number of Units, and percentage holding
Prior to the 12 October 2018 Placement	18,700,363 Units, representing 13.51% ² of 138,444,594 Units then on issue.
Following the 12 October 2018 issue of 16.2 million Units under the Placement	18,700,363 Units, representing 12.05% ³ of 155,244,594 Units on issue at the date of this Notice.
Following the issue of 3,200,000 Units under the GCT Subscription component of the Placement, if approved by Unitholders under Resolution 1	21,900,363 Units, representing 13.82% of 158,444,594 Units which would then be on issue if Unitholders approve Resolution 1.

5. Issue price, terms of issue and intended use of funds

As noted in the ASX announcement of 8 October, the GCT Subscription is on identical terms as offered to the other participants in the Placement, other than in respect of the issue date. Those terms are:

Date of issue	Number of securities being approved	Issue price per security	Terms of securities issued	Persons to whom securities are issued	Use of funds raised by the issue
November 2018 (subject to Unitholder approval).	3,200,000 ordinary Units.	\$1.25 per Unit.	Units will rank equally with the existing Units on issue.	Units to be issued to GARDA Capital Group (through the custodian of GARDA Capital Trust).	Funds used to partially repay the Fund's debt facility and for working capital purposes.

² See 2018 Financial Statements, ‘Unitholder Information’ on page 36.

³ See Form 604 filed with the ASX on 16 October 2018.

If Resolution 1 is not approved, no Units will be issued to TCA as part of the Placement. This would result in total proceeds of the Placement of \$21,000,000 (rather than \$25,000,000).

6. Additional information

If approval is obtained by Unitholders under Listing Rule 10.11, approval is not required under Listing Rule 7.1, as the Responsible Entity will be entitled to rely on Listing Rule 7.2 (Exception 14). If Resolution 1 is approved, the Units issued under the GCT Subscription will automatically count toward the calculation of the Fund's 15% limit under ASX Listing Rule 7.1 without further approval of Unitholders.

7. Voting exclusion statement

A voting exclusion applies to this Resolution as set out on page 3 of the Notice.

The Directors recommend you vote in favour of this resolution.

(Item 3) Resolution 2 – Ratification and approval of previous allotment and issue of Units

The purpose of Resolution 2 is for Unitholders to approve and ratify, under ASX Listing Rule 7.4, the issue of 16,800,000 Units which occurred on 12 October 2018 under the Placement, to count toward the Fund's 15% limit under ASX Listing Rule 7.1.

These 16,800,000 Units were issued under GDF's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 allows an entity to issue a maximum of 15% of its capital in any 12 month period without requiring approval of securityholders (subject to certain exceptions, none of which are relevant here). However, ASX Listing Rule 7.4 provides that where an entity ratifies an issue of securities, the issue is treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby replenishing that entity's 15% capacity and enabling it to issue further securities up to that limit from the date of the AGM.

Required information

In compliance with the information requirements of ASX Listing Rule 7.5, Unitholders are advised of the following particulars in respect of the Placement:

Date of issue	Number of securities being ratified	Issue price per security	Terms of securities issued	Persons to whom securities were issued	Basis for determining allottees and use of funds raised by the issue
12 October 2018.	16,800,000 ordinary Units.	\$1.25 per Unit.	Units rank equally with the existing Units on issue.	Sophisticated investors introduced or managed by Morgans Corporate Limited.	Units issued through a private placement. Funds used to partially repay the Fund's debt facility and for working capital purposes.

Voting exclusion statement

Voting exclusions apply to this Resolution and are included on page 3 of the Notice.

The Directors recommend you vote in favour of this resolution.

(Item 4) Resolution 3 – Approval of Additional 10% Placement Capacity

ASX Listing Rule 7.1 allows an entity to issue a maximum of 15% of its capital in any 12 month period without requiring approval of securityholders (subject to certain adjustments and permitted exceptions). Under ASX Listing Rule 7.1A, an eligible entity may seek approval of the holders of its ordinary securities by special resolution at its annual general meeting to issue a further 10% of its issued capital on a non pro-rata basis during a 12 month period following the annual general meeting where approval is obtained (**Additional 10% Placement Capacity**).

GDF is an 'eligible entity' and therefore able to seek approval from Unitholders under Listing Rule 7.1A, as it is not included in the S&P/ASX300 and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

The Responsible Entity is requesting Unitholders to approve, as a special resolution, the Additional 10% Placement Capacity.

If Resolution 3 is passed, the exact number of securities that the Responsible Entity will have capacity to issue under Listing Rule 7.1A will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$$(A \times D) - E$$

Where:

- A** is the number of fully paid Units on issue 12 months before the issue date or date of agreement to issue:
- (i) plus the number of fully paid Units issued in the 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid Units that became fully paid in the 12 months;
 - (iii) plus the number of fully paid Units issued in the 12 months with approval of holders of Units under ASX Listing Rules 7.1 or 7.4. This does not include an issue of fully paid Units under the entity's 15% capacity pursuant to ASX Listing Rule 7.1 without Unitholder approval; and
 - (iv) less the number of fully paid Units cancelled in the 12 months.
- D** is 10%.
- E** is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the issue date or date of agreement to issue that are not issued with the approval of Unitholders under ASX Listing Rules 7.1 or 7.4.

Required information

Listing Rule 7.3A requires the following information to be contained in the Notice as the Responsible Entity is seeking additional capacity to issue Units in the Fund under Listing Rule 7.1A. There is additionally a table of advantages and disadvantages on page 11 of this Notice to assist Unitholders with making their decision.

1. Minimum price at which the Units may be issued

In accordance with the Listing Rules, Units under the Additional 10% Placement Capacity can be issued at a minimum price equal to 75% of the volume weighted average market price of Units calculated over the 15 trading days on which trades were recorded immediately before either:

- the date when the price at which the Units are to be issued is agreed; or
- if the Units are not issued within 5 trading days of that date, the actual date the Units are issued.

2. Risk of dilution of economic and voting power

If Resolution 3 is approved and the Responsible Entity issues Units under the Additional 10% Placement Capacity, the economic interest and voting power of existing Unitholders who do not receive Units under that issue will be diluted. The risks include that:

- the market price for Units may be significantly lower on the issue date than on the date of the Meeting; and
- Units may be issued at a price that is at a discount to the market price for those Units on the date of issue.

Listing Rule 7.3A.2 requires the Fund to provide a table demonstrating the potential dilution effect based on three different assumed prices of Units and three different values for Variable 'A' in the formula in ASX Listing Rule 7.1A.2.

The table below shows the potential dilution of existing Unitholders on the basis of the current market price for Units as at 25 October 2018 (being the trading price at close of trade on the trading day immediately prior to printing of this Notice) and the current number of Units for Variable 'A' at the date of this Notice, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 and applying the assumptions in the paragraphs below. Variable 'A' is calculated based on the number of ordinary Units the Fund has on issue (subject to certain adjustments). The number of ordinary Units on issue may increase as a result of issues of ordinary Units that do not require Unitholder approval (for example, a pro-rata entitlements issue or scrip issued under a takeover offer), or future specific placements under ASX Listing Rule 7.1 that are approved at a future unitholders' meeting.

The table highlights:

- the voting dilution impact where the total number of Units on issue increases; and
- the economic impact where there are changes in the issue price of Units.

Variable 'A' in Listing Rule 7.1A.2	Additional 10% Placement Capacity	Dilution		
		Assuming 50% decrease in issue price \$0.62	Issue price \$1.24	Assuming 50% increase in issue price \$1.86
Current Variable 'A' 158,444,594 Units	No. of Units that could be issued (10% voting dilution)	15,844,459	15,844,459	15,844,459
	Funds that could be raised	\$9,823,564	\$19,647,129	\$29,470,694
50% increase in current Variable 'A' 237,666,891 Units	No. of Units that could be issued (10% voting dilution)	23,766,689	23,766,689	23,766,689
	Funds that could be raised	\$14,735,347	\$29,470,694	\$44,206,041
100% increase in current Variable 'A' 316,889,188 Units	No. of Units that could be issued (10% voting dilution)	31,688,918	31,688,918	31,688,918
	Funds that could be raised	\$19,647,129	\$39,294,258	\$58,941,387

Rounded down to nearest dollar.

The above dilution table has been prepared on the following basis:

- Current Variable 'A' refers to current maximum potential after the AGM, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, assuming approval of Resolution 1, Resolution 2 and Resolution 3, and no further issues. On this basis, Current Variable 'A' is equal to the number

of Units on issue at the date of this Notice, plus the Units to be issued to GCT under the CGT Subscription if approved by Unitholders under Resolution 1;

- the Responsible Entity issues the maximum number of Units available under the Additional 10% Placement Capacity, which results in the full 10% voting dilution referred to in the table;
- any increase in the current Units on issue increases Variable 'A' to the new number, so the Additional 10% Placement Capacity is based on the higher number of Units on issue at that time;
- the table shows only the effect of issues of Units under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1 or another permitted issue like under a rights offer;
- no options for Units are issued; and
- the Issue Price in the table is assumed to be \$1.24, being the market price for GDF Units at close of business on 25 October 2018. The actual issue price may be different at the time of issue.

The table does not take into account the circumstances of particular Unitholders. All Unitholders should consider the dilution caused to their own unitholding depending on their own specific circumstances.

Unitholders should also refer to the advantages and disadvantages section at page 11 of this Notice.

3. When can Units be issued?

If Resolution 3 is approved, Units may be issued under the Additional 10% Placement Capacity up to the earlier of:

- 12 months after the date of the Meeting (i.e. before 23 November 2019); or
- the date Unitholders approve any transaction under ASX Listing Rules 11.1.2 (a significant change of the nature or scale of the Fund's activities) or 11.2 (disposal of the Fund's main undertaking).

Approval will cease to be valid in the event that Unitholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

4. Purpose of issue under the Additional 10% Placement Capacity

The anticipated main purpose for issuing Units under the Additional 10% Placement Capacity would be to decrease the gearing of the Fund.

While the Fund does not have any immediate plans to issue Units under the Additional 10% Placement Capacity, purposes for which Units might be issued may include:

- paying down the Fund's debt facility to decrease and improve LVR;
- raising capital to strengthen the balance sheet;
- provide available capital to facilitate further acquisitions of properties which fit the strategic objectives of the Fund;
- to avoid timing and acquisition risks around raising capital at the time of specific acquisitions; and
- to attract new institutional investors and diversify the register.

It is not presently envisaged that Units will be issued for non-cash consideration, however this may be re-assessed in the future.

5. Allocation policy for Additional 10% Placement Capacity

The Fund's allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Capacity.

The identity of potential allottees of Units under the Additional 10% Placement Capacity has not been determined at the date of this Notice. However, allottees could consist of current Unitholders or new investors, or a combination of both.

The identity of allottees of the Units would be determined on a case-by-case basis, having regard to factors including but not limited to:

- the purpose of the issue;

- alternative methods of raising funds which might be available to the Fund at that time, including an entitlement issue or other offer where existing Unitholders may participate;
- the effect of the issue on the control of the Fund;
- the circumstances of the Fund, including the financial position, LVR and investment opportunities available;
- prevailing market conditions; and
- any advice from corporate, financial or broking advisers.

The Fund will comply with the disclosure obligations under Listing Rules 3.10.5A and 7.1A.4 on the issue of any Units under the Additional 10% Placement Capacity.

6. Previous approval under ASX Listing Rule 7.1A

The Fund previously obtained Unitholder approval under Listing Rule 7.1A at the last annual general meeting on 17 November 2017.

In accordance with ASX Listing Rule 7.3A.6 the Fund advises that 46,121,622 Units have been issued in the 12 months preceding the date of the Meeting (including the issue to GCM contemplated by Resolution 1 which was announced on 8 October 2018 and within this 12 month period), representing approximately 41% of the total Units on issue 12 months before the date of the Meeting. Of these, no Units were issued under the additional 10% capacity authorised at the last annual general meeting. This assumes no issues occur between the date of this Notice and the date of the AGM.

Details of the Units issued in the 12 months preceding the date of this AGM (and the GCT Subscription) are set out in the following table:

Date of issue	Number and class of securities	Terms of securities issued	Issue price per security	Persons to whom securities were issued, or the basis for determining allottees	Total cash consideration ⁴ , what it was spent on and proposed application of balance of funds raised
20 December 2017	26,121,622	Units rank equally with the existing Units on issue.	\$1.15 per Unit, representing a 4.6% discount to the closing market price on the date of issue.	Existing investors ⁵ who participated in the entitlement offer announced on 13 November 2017, and underwriters of that offer.	Total consideration of approximately \$30,000,000. These funds have been used to partially repay the Fund's debt facility and for working capital.
12 October 2018	16,800,000	Units rank equally with the existing Units on issue.	\$1.25 per Unit, representing an 1.6% discount to the closing market price on the date of issue.	Units issued to sophisticated investors introduced or managed by Morgans Corporate Limited.	Total consideration of \$21,000,000. These funds have been used to partially repay the Fund's debt facility and for working capital.
November 2018 (if Unitholders approve Resolution 1)	3,200,000	Units will rank equally with the existing Units on issue.	\$1.25 per Unit. It is not yet known whether there will be a discount on the date of issue, however the terms were agreed at the same time as the other participants in the Placement.	Units will be issued to sophisticated investor (being TCA) ⁶ .	Total consideration of \$4,000,000. These funds will be used to partially repay the Fund's debt facility and for working capital.

⁴ No Units were issued for non-cash consideration.

⁵ Listing Rule 7.2 *Exceptions 1 and 2*

⁶ Listing Rule 7.2 *Exception 14*

What does the Additional 10% Placement Capacity actually mean for Unitholders?

The Responsible Entity provides the following table of advantages and disadvantages in order to assist Unitholders with their decision on Resolution 3:

Advantages / benefits	Disadvantages / risks
<p>The Fund can issue an additional 10% of equity in the 12 month period following the Meeting without seeking further Unitholder approval which provides a number of key advantages to the Fund, and enables it to better compete with other real estate investment trusts by:</p> <ul style="list-style-type: none"> • reducing debt to maximise returns; • decreasing the LVR of the Fund to be closer to the long term gearing target of 30-35%; • providing leverage and funding flexibility to move quickly on potential acquisitions; • improving general capital management initiatives and working capital requirements; and • attracting new capital to the Fund. 	<p>If the Fund does issue up to an additional 10% of equity by way of a placement (which it would be able to do, if Unitholders approve Resolution 3):</p> <ul style="list-style-type: none"> • the voting power of Unitholders who do not participate will be diluted; • the value of Unitholders' Units may be impacted by the price at which any new Units are issued; • the market price for new Units issued may be significantly lower on the issue date than on the date of the passing of Resolution 3; and • the Units may be issued at a price that is at a discount to the market price for those Units on the issue date.

The Directors are of the opinion that the potential disadvantages and risks are substantially outweighed by the potential advantages and benefits associated with the Fund increasing its placement capacity, and accordingly considers that Resolution 3 is in the best interests of all Unitholders. However, Unitholders should consider their individual circumstances and make their own determination as to how to vote on Resolution 3.

Voting exclusion statement

A voting exclusion applies to this Resolution as set out on page 3 of the Notice.

The Directors recommend you vote in favour of this resolution.

General Explanatory Notes

1. Voting at the Meeting

A Unitholder who is entitled to vote may vote on the items of business to be considered at the Meeting either in person at the Meeting or by completing and returning the Proxy Form enclosed with this Notice of Meeting.

If you attend the Meeting, you will need to register at the registration desk upon arrival on the day of the Meeting. The registration desk will be open from 9:15am AEST.

2. Voting on a show of hands

On a show of hands, each Unitholder present in person or by attorney, Proxy or authorised representative at the Meeting shall have one vote unless more than one attorney, Proxy or authorised representative is entitled to exercise votes of the Unitholder at the Meeting in which case, on a show of hands, only one vote will count for that Unitholder (notwithstanding the number appointed).

3. Voting on a poll

Voting must be conducted by poll on a special resolution, and where a poll is otherwise effectively demanded. On a poll, every Unitholder present in person or by attorney, Proxy or authorised representative shall have one vote for each dollar of the value of the Units held by him, her or it. The Unit value will be measured by reference to the last sale price of Units on the ASX on the last trading day before the Meeting.

4. Voting by Proxy

A Unitholder who is entitled to vote at the Meeting has the right to appoint one or two proxies.

Where the Unitholder appoints two Proxies, the appointment may specify the proportion or number of votes that each Proxy may exercise. If the appointment does not specify a proportion or number, each Proxy may exercise one-half of the votes. Any fraction of votes will be disregarded.

A Proxy may be an individual or a body corporate and does not need to be a Unitholder of the Fund. A body corporate appointed as a Proxy may then nominate an individual to exercise its powers at the Meeting (see below).

Where a Unitholder nominates the Chair of the Meeting as their Proxy but does not indicate their voting intention, the Chair will (subject to law) vote the Proxy **in favour** of the Resolution.

The Proxy Form and the original power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by Link Market Services (the registry for GDF), by no later than **9:30am AEST on Wednesday 21 November 2018**. The completed Proxy Form may be lodged:

By mail:	In person:	By Facsimile:
GARDA Diversified Property Fund C/- Link Market Services Locked Bag A14 Sydney South NSW 1235	Link Market Services Level 12 680 George Street Sydney NSW 2000	+61 2 9287 0309

Or **online** at www.linkmarketservices.com.au using the directions on the back of the Proxy Form.

5. Corporate Representatives

A body corporate which is a Unitholder, or which has been appointed as a Proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements of section 253B of the Corporations Act. The representative must bring to the Meeting a properly executed 'Certificate of Appointment of Corporate Representative' or other document confirming its authority to act as the company's representative. Details on how to obtain one are on the reverse of the Proxy Form.

6. Resolution requirements

The adoption of the Annual Report and financial statements does not require a resolution.

Resolutions 1 and 2 are ordinary resolutions, and will be passed if at least 50 per cent of the votes cast by Unitholders (in person or by proxy) entitled to vote on the Resolution are in favour of the Resolution.

Resolution 3 is a special resolution, and will be passed if at least 75 per cent of the votes cast by Unitholders (in person or by proxy) entitled to vote on the Resolution are in favour of the Resolution.

7. Voting entitlements

In accordance with the Corporations Act, the Responsible Entity has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Unitholders as at **7.00pm (Sydney time) on Wednesday 21 November 2018**. Transfers of Units registered after that time will be disregarded in determining entitlements to vote at the Meeting.

If more than one joint holder of Units is present at the Meeting (whether personally, by proxy, attorney or authorised representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Glossary

Additional 10% Placement Capacity has the meaning given to it in the Explanatory Memorandum for (Item 4) Resolution 3.

AEST means Australian Eastern Standard Time, without adjustment for daylight saving.

Annual General Meeting, AGM or Meeting means the general meeting of the Fund to be held on Friday 23 November 2018 pursuant to the Notice of Meeting.

Annual Report means the annual financial report for the Fund for the year ended 30 June 2018, incorporating the Directors' Report, and independent Auditor's Report.

ASX means ASX Limited ACN 008 624 691.

Auditor means BDO Audit Pty Ltd, the independent external auditor for the Fund.

Board or Directors means the board of directors of the Responsible Entity.

Chair means the chairman of the Meeting.

Constitution means the constitution of the Fund.

Corporations Act or Act means the *Corporations Act 2001 (Cth)*.

Explanatory Memorandum means the explanatory memorandum in Section B of this document.

Fund or GDF means GARDA Diversified Property Fund ARSN 104 391 273 and ABN 17 982 396 608, which is listed on the ASX under the code '**GDF**'.

GCT means GARDA Capital Trust ARSN 150 164 720 and ABN 56 488 615 248, which is listed on the ASX as a stapled entity along with the Responsible Entity (in its corporate capacity) under the code '**GCM**'.

GCT Subscription means the subscription by TCA for 3,200,000 Units expected to complete in November 2018, if Unitholders approve Resolution 1.

Listing Rules or ASX Listing Rules means the Listing Rules of the ASX, as applicable to the Fund.

LVR means the loan to valuation ratio of the Fund.

Notice of Meeting or Notice means the notice of Annual General Meeting for the Fund set out in Section A of this document, and incorporates the Explanatory Memorandum and Proxy Form.

PDS means the product disclosure statement for the Fund dated 22 May 2015.

Placement has the meaning given to it in the Explanatory Memorandum for (Item 2) Resolution 1.

Proxy means a proxy appointed by a Unitholder for the AGM under a validly signed and received Proxy Form.

Proxy Form means the proxy form attached to the Notice, for completion and submission to GDF by Unitholders who cannot attend the AGM.

Resolution means a resolution set out in the Notice of Meeting to be considered by Unitholders at the AGM, being a resolution to be passed by the requisite majority of votes given on a show of hands or a poll (as required).

Responsible Entity means GARDA Capital Limited ACN 095 039 366 in its capacity as responsible entity of the Fund.

TCA means The Trust Company (Australia) Limited ACN 000 000 993, in its capacity as the custodian of GCT.

Unit means a fully paid ordinary unit in the capital of the Fund.

Unitholder means a holder of Units.

Variable 'A' means the variable 'A' in the formula in Listing Rules 7.1 or 7.1A.2 (as applicable).

In this document, the singular of any defined term includes the plural, and vice versa.

GARDA Capital Limited

(ACN 095 039 366) (AFSL 246714)
 as the Responsible Entity of the
 GARDA Diversified Property Fund (ARSN 104 391 273)


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
 GARDA Diversified Property Fund
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

 **BY FAX**
 02 9287 0309

 **BY HAND**
 Link Market Services Limited
 Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
 Telephone: 1300 554 474


X999999999999
PROXY FORM

I/We being a member(s) of GARDA Diversified Property Fund (Fund) and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Fund to be held at **9:30am on Friday, 23 November 2018 at The Theatre, Morgans Financial Limited – Level 29 / Riverside Centre, 123 Eagle Street, Brisbane QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Fund if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolution

For Against Abstain*

1 Approval of issue of 3,200,000 Units to TCA

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

2 Ratification of Placement of 16,800,000 Units

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

3 Approval of 10% Placement Capacity

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF UNITHOLDERS – THIS MUST BE COMPLETED

Unitholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Unitholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Unitholder 3 (Individual)

Director

This form should be signed by the unitholder. If a joint holding, either unitholder may sign. If signed by the unitholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS UNITHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Fund's unit register. If this information is incorrect, please make the correction on the form. Unitholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your units using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a unitholder of the Fund.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your units will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of units you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Fund's unit registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of units applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either unitholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Fund's unit registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:30am on Wednesday, 21 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, unitholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

GARDA Diversified Property Fund
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

02 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

(Note: If posting or delivering by hand, your proxy must arrive before 5:00pm Tuesday, 20 November 2018.)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**