

Charter Hall Long WALE REIT

Retail Entitlement Offer

Details of a 1 for 8.1 accelerated non-renounceable entitlement offer at an Issue Price of \$4.05 per New Security
Retail Entitlement Offer closes at 5.00pm (AEDT), Thursday, 20 December 2018

Charter Hall WALE Limited
(ABN 20 610 772 202, AFSL 486721)

as responsible entity of
Charter Hall Long WALE REIT



Monarto Hatchery, South Australia

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

This document and the personalised Entitlement and Acceptance Form that accompanies it contains important information. You should read both documents carefully and in their entirety. If you have any queries please call your professional adviser or the Charter Hall Long WALE REIT Offer Information Line on +61 1300 303 063 between 8:30am and 5:30pm (AEDT), Monday to Friday during the Retail Offer Period (Tuesday, 11 December 2018 to Thursday, 20 December 2018) or visit our website at www.charterhall.com.au/lwr. If you do not understand these documents, or are in doubt as to how to act, you should consult your financial or other professional adviser before making any investment decision.

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Important Notice

This Retail Offer Booklet is issued by Charter Hall WALE Limited (**Responsible Entity**) (ABN 20 610 772 202, AFSL 486721) as responsible entity for Charter Hall Direct Industrial Fund (ARSN 144 613 641) and LWR Finance Trust (ARSN 614 713 138), being the managed investment schemes that comprise the Charter Hall Long WALE REIT (**CLW** or the **REIT**). This Retail Offer Booklet is dated 11 December 2018 and relates to the Retail Entitlement Offer, which is part of an offer of New Securities announced by the Responsible Entity on Wednesday, 5 December 2018.

This Retail Entitlement Offer is being made pursuant to section 1012DAA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) which allows rights issues to be conducted without a product disclosure statement.

This Retail Offer Booklet is not a product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a product disclosure statement. As a result, it is important for you to read and understand the publicly available information on the REIT and the Entitlement Offer (for example, the information available on the REIT's website www.charterhall.com.au/lwr or on the ASX's website www.asx.com.au) prior to deciding whether to accept your Entitlement and apply for New Securities. As an Eligible Retail Securityholder who takes up your full Entitlement, you may also apply for Additional New Securities in excess of your Entitlement up to 50% of your full Entitlement (to the extent available) at the Issue Price. In the event of oversubscriptions, the allocation of Additional New Securities will be subject to the scale back on a pro-rata basis based on your Entitlement. There is no guarantee you will be allocated any Additional New Securities.

The Investor Presentation, which is included in Annexure B, contains a non-exhaustive summary of important factors and risks that could affect the financial and operating performance of the REIT. Please refer to the Key Risks section of the Investor Presentation for further details. When making an investment decision in connection with this Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 3 of this Retail Offer Booklet).

The Responsible Entity does not guarantee any particular rate of return or the performance of the REIT, nor does it guarantee the repayment of capital from the REIT or any particular tax treatment.

In addition to reading this Retail Offer Booklet in conjunction with the REIT's other periodic and continuous disclosure announcements including the Investor Presentation and ASX Announcements, you should conduct your own independent review, investigation and analysis of the REIT and the New Securities and obtain any professional advice you require to evaluate the merits and risks of an investment in the REIT before making any investment decision.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Securities through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

This Entitlement Offer is made on the basis that the determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is made by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Responsible Entity and / or the Underwriter. Each of the Responsible Entity and the Underwriter and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

UBS AG, Australia Branch is acting as lead manager and underwriter to the Entitlement Offer and it has not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet and there is no statement in this booklet which is based on any statement made by the Underwriter or by any of its affiliates, officers or employees.

To the maximum extent permitted by law, the Underwriter and its affiliates, officers, employees and advisers expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this booklet other than references to its name and makes no representation or warranty as to the currency, accuracy, reliability or completeness of the information in this booklet.

No overseas offering

This Retail Offer Booklet, the accompanying Entitlement and Acceptance Form or any accompanying ASX Announcements, do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Offer Booklet does not constitute an offer to Ineligible Securityholders and may not be distributed in the United States and the New Securities may not be offered or sold, directly or indirectly, to persons in the United States.

No action has been taken to register or qualify the Retail Entitlement Offer or the New Securities, or otherwise permit the public offering of the New Securities, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Retail Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Securities are not being offered to the public within New Zealand other than to existing Securityholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

This Retail Offer Booklet, and any accompanying ASX Announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any persons acting for the account or benefit of any person in the United States. Neither this Retail Offer Booklet nor the Entitlement and Acceptance Form may be distributed in the United States. The New Securities have not been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Securities may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. The New Securities offered and sold in the Retail Entitlement Offer will be sold only in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

Not investment advice

Securityholders must note that the information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form, does not constitute financial product advice. All information has been prepared without taking into account your individual investment objectives, financial circumstances or particular needs. The information contained in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form should not be considered as comprehensive or to comprise all the information which a Securityholder may require in order to determine whether or not to subscribe for New Securities. If you have any questions, please consult your professional adviser before deciding whether or not to invest.

Forward-looking statements

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this Retail Offer Booklet, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and are by their nature subject to significant uncertainties, risks and contingencies. Actual results or events may differ materially from any expressed or implied in any forward-looking statement and deviations are normal and to be expected. Past performance is not a reliable indicator of future performance.

Definitions

Defined terms used in this Retail Offer Booklet are contained in the Glossary.

Currency

All currency amounts in this Retail Offer Booklet are in Australian Dollars unless otherwise stated.

Times and dates

All dates and times in this Retail Offer Booklet are indicative only and subject to change. Unless otherwise specified, all times and dates refer to AEDT. Any changes to the timetable will be posted on Charter Hall Long WALE REIT's website at www.charterhall.com.au/lwr

Chairman's Letter

Charter Hall Long WALE REIT – Retail Entitlement Offer

Dear Securityholder,

On behalf of the board of Charter Hall WALE Limited, as the responsible entity of the managed investment schemes that comprise the Charter Hall Long WALE REIT, I am pleased to invite you to participate in a fully underwritten accelerated non-renounceable entitlement offer of new securities in the REIT at an issue price of \$4.05 per New Security.

Entitlement Offer

On 5 December 2018, the REIT announced its intention to raise approximately \$125 million by way of a fully underwritten 1 for 8.1 accelerated non-renounceable entitlement offer.

The Entitlement Offer comprises:

- an offer to Eligible Institutional Securityholders; and
- an offer to Eligible Retail Securityholders, to which this Retail Offer Booklet relates.

The Responsible Entity successfully conducted the Institutional Entitlement Offer to raise approximately \$81 million, at an issue price of \$4.05 per New Security. New Securities are expected to be issued under the Institutional Entitlement Offer on Wednesday, 19 December 2018.

The Entitlement Offer is fully underwritten by UBS AG, Australia Branch.

Use of proceeds

The proceeds from the Entitlement Offer will be used to partially fund the acquisition of a 100% interest in a portfolio of 27 agri-logistics properties for a total consideration of \$207 million¹ (**Acquisition**). The Acquisition comprises hatcheries, feedmills and breeder farms and the total consideration reflects a weighted average capitalisation rate of 7.35%.

Key highlights of the Acquisition include:

- 100% leased to a subsidiary of Inghams Group Ltd., a S&P/ASX 200 company and the largest poultry producer in Australia with revenue of over \$2 billion in FY18;
- Strategic assets to Inghams' Australian business, representing the majority of its long-term supply chain infrastructure for raw materials;
- Large land holdings giving Inghams the flexibility to expand production capacity on existing sites to meet the growing demand for poultry products in Australia;
- Acquisition features a triple net lease structure with a remaining lease term of 15.8 years; and
- Acquisition portfolio is geographically diversified across all Australian states and introduces exposure to the agri-logistics sector which is underpinned by strong industry fundamentals.

Financial impact of the Acquisition and the Entitlement Offer

Including the impact of the Acquisition and Entitlement Offer and barring any unforeseen events and no material change in market conditions, CLW is pleased to increase its FY19 Operating EPS guidance range to 26.8 – 26.9 cents per security, representing an increase of 1.3%² on its previously stated guidance range.

Following the Acquisition, the Entitlement Offer and including the impact of the REIT's October 2018 placement, security purchase plan, post balance date transactions³ and the December 2018 revaluations, the REIT's pro-forma June 2018:

- balance sheet gearing is forecast to be 31.9%, within CLW's target range of 25 – 35%; and
- look through gearing is forecast to be 37.9%.

Additional information on the transaction rationale, use of the proceeds of the Entitlement Offer, the REIT and its strategy is contained in the ASX Announcement and the Investor Presentation annexed to this Retail Offer Booklet.

¹ Excluding transaction costs. The Acquisition will occur by the REIT acquiring 100% of the units in WPC Sub Trust No. 1, the assets of which are the 27 properties.

² Represents the percentage increase based on the mid point of the guidance range. Previous guidance range was 26.4 to 26.6 cents per Security.

³ Including post balance date transactions reported in Appendix A of the equity raising investor presentation released to the market on 17 October 2018.

Retail Entitlement Offer

This Retail Offer Booklet relates to the Retail Entitlement Offer, which will raise approximately \$44 million. Under the Retail Entitlement Offer, Eligible Retail Securityholders can subscribe for 1 New Security for every 8.1 Securities they hold as at the Record Date at an Issue Price of \$4.05 per New Security. The Issue Price under the Retail Entitlement Offer is the same Issue Price as for the Institutional Entitlement Offer, and represents:

- a discount of 4.5% to the last close price of \$4.24 on 4 December 2018;
- a discount of 4.0% to the theoretical ex-rights price (TERP)⁴ of \$4.22; and
- a FY19 Operating Earnings Yield of 6.6%⁵.

New Securities issued under the Entitlement Offer will rank equally with existing Securities and will be fully entitled to the distribution for the quarter ending 31 December 2018 of 6.5 cents per Security.

The number of New Securities for which you are entitled to subscribe for under the Retail Entitlement Offer is set out in your personalised Entitlement and Acceptance Form that will accompany this Retail Offer Booklet when it is despatched to Eligible Retail Securityholders on Tuesday, 11 December 2018.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on ASX or otherwise transferable. This means that Eligible Retail Securityholders who do not take up their full Entitlement will receive no value for those Entitlements and their percentage holding in the REIT will be reduced.

How to apply

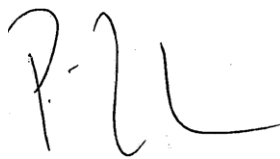
To participate in the Retail Entitlement Offer, please ensure that you validly accept it, before 5:00pm (AEDT) on Thursday, 20 December 2018. You can accept by paying your Application Monies via BPAY[®]. If you choose to pay via BPAY[®] you are not required to submit the Entitlement and Acceptance Form but are taken to make the statements on that form and representations outlined below in Section 2.4 (implications of making an application) including the Eligible Retail Securityholder declarations set out in Section 5. Alternatively, you may submit your completed Entitlement and Acceptance Form together with cheque, bank draft or money order for all Application Monies. Detailed payment instructions are set out in the personalised Entitlement and Acceptance Form that accompanies this Retail Offer Booklet.

If you apply and pay your Application Monies before 5.00pm (AEDT) on Monday, 17 December 2018 (**Early Retail Acceptance Due Date**) via BPAY[®] by the Early Retail Acceptance Due Date, your New Securities will be allotted to you on Wednesday, 19 December 2018, which is the same date applicable to Eligible Institutional Securityholders who took up their entitlements on Wednesday, 5 December 2018 under the Institutional Entitlement Offer.

You should seek appropriate professional advice before making any investment decision. If you have any questions about the Retail Entitlement Offer, please do not hesitate to contact the Charter Hall Long WALE REIT Offer Information Line on +61 1300 303 063 between 8:30am and 5:30pm (AEDT), Monday to Friday during the Retail Offer Period (Tuesday, 11 December 2018 to Thursday, 20 December 2018) or visit our website at <https://events.miraql.com/LWR-Offer/>.

The board of Charter Hall WALE Limited encourages you to participate in the Retail Entitlement Offer and we would like to thank you for your continued support of the REIT.

Yours faithfully,



Peeyush Gutpa

Chairman
Charter Hall WALE Limited
as responsible entity of the Charter Hall Long WALE REIT

11 December 2018

⁴ The theoretical ex rights price (TERP) is the theoretical price at which securities should trade after the ex-date for the Entitlement Offer.

⁵ Based on the mid point of CLW's guidance range for FY19 Operating EPS of 26.85 cents per Security (barring any unforeseen events and no material change in current market conditions).

Key Dates

Key event	Date
Trading halt and announcement of the Transaction	Wednesday, 5 December 2018
Institutional Entitlement Offer conducted	Wednesday, 5 December 2018
Trading of securities recommences on the ASX on an 'ex-entitlement' basis	Thursday, 6 December 2018
Entitlement Offer Record Date	7:00pm, Friday, 7 December 2018
Retail Entitlement Offer Booklet is despatched and Retail Entitlement Offer opens	9:00am, Tuesday, 11 December 2018
Early Retail Acceptance Due Date	5:00pm, Monday, 17 December 2018
Settlement of New Securities issued under the Institutional Entitlement Offer (and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date)	Tuesday, 18 December 2018
Allotment and normal trading of New Securities issued under the Institutional Entitlement Offer (and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date)	Wednesday, 19 December 2018
Retail Entitlement Offer closes	5:00pm, Thursday, 20 December 2018
Allotment of remaining New Securities issued under the Retail Entitlement Offer	Friday, 28 December 2018
Normal trading of remaining New Securities issued under the Retail Entitlement Offer	Monday, 31 December 2018

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to AEDT.

Section 1 – What Should You Do?

1.1 Decide if you are eligible to participate in the Retail Entitlement Offer

The Retail Entitlement Offer is an offer only to Eligible Retail Securityholders, being Securityholders who:

1. are registered as a Securityholder on the Record Date;
2. have a registered address in Australia or New Zealand;
3. are not in the United States or acting for the account or benefit of a person in the United States;
4. are not an Institutional Securityholder; and
5. are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

1.2 Read this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form

This Retail Offer Booklet and the personalised Entitlement and Acceptance Form that accompanies it contain important information about the Retail Entitlement Offer. You should read both documents carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer.

This Retail Entitlement Offer is not being made under a product disclosure statement. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a product disclosure statement. As a result, it is important for you to read and understand the publicly available information on the REIT and the Entitlement Offer (for example, the information available on Charter Hall Long WALE REIT's website <https://events.miraqle.com/LWR-Offer/> or on the ASX's website www.asx.com.au) before deciding whether to accept your Entitlement and apply for New Securities.

If you are in doubt as to the course you should follow, you should seek appropriate professional advice before making an investment decision.

1.3 Consider the Retail Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

An investment in New Securities is subject to both known and unknown risks, some of which are beyond the control of the Responsible Entity. These risks include the possible loss of income and principal invested. The Responsible Entity does not guarantee any particular rate of return or the performance of the REIT, nor does it guarantee the repayment of capital from the REIT or any particular tax treatment. In considering an investment in New Securities, investors should have regard to (amongst other things) the Key Risks section of the Investor Presentation and the disclaimers outlined in this Retail Offer Booklet.

1.4 Decide what you want to do

1.4.1 Ineligible Securityholder

All Securityholders who do not satisfy the criteria to be Eligible Retail Securityholders or Eligible Institutional Securityholders, are Ineligible Securityholders.

Ineligible Securityholders must not take up any of their Entitlements.

1.4.2 Eligible Securityholders

If you are an Eligible Retail Securityholder, you may subscribe for all, some or none of your Entitlement.

Eligible Retail Securityholders who take up their Entitlement in full may also apply for Additional New Securities in excess of their Entitlement up to 50% of their full Entitlement (to the extent available). In the event of oversubscription, the allocation of Additional New Securities will be subject to scale back on a pro-rata basis based on each Eligible Retail Securityholders' Entitlement.

Eligible Retail Securityholders who do not participate in the Retail Entitlement Offer, or participate for an amount less than their Entitlement will have their percentage holding in the REIT reduced. Eligible Retail Securityholders who participate in the Retail Entitlement Offer will see their percentage holding in the REIT reduce, increase or stay the same depending on the proportion of their Entitlement they subscribe for and the Additional New Securities applied for and allocated to them.

The Entitlement Offer is non-renounceable, which means the Entitlements cannot be traded or otherwise transferred on the ASX or any other exchange or privately. If you do not take up your Entitlement, you will not receive any value for those Entitlements not taken up.

1.5 Apply for New Securities

To participate in the Retail Entitlement Offer, please complete and lodge a valid Entitlement and Acceptance Form and Applicable Monies for New Securities, or make a payment by BPAY®, by 5.00pm (AEDT) on Thursday, 20 December 2018 pursuant to the instructions set out on the Entitlement and Acceptance Form. See Section 2. for more information.

Eligible Retail Securityholders have the opportunity to be allotted New Securities up to their Entitlement at the same time as Eligible Institutional Securityholders under the Institutional Entitlement Offer and Institutional Investors, on Wednesday, 19 December 2018 if they submit their Application and pay their relevant Application Monies by BPAY® so that cleared funds are received by 5.00pm (AEDT) on Monday, 17 December 2018 in accordance with their Entitlement and Acceptance Form.

If you take no action your Entitlement under the Retail Entitlement Offer will lapse, you will receive no value for your lapsed Entitlement and your percentage holding in the REIT will reduce.

1.6 Questions

If you have any questions about the Retail Entitlement Offer, please do not hesitate to contact the Charter Hall Long WALE REIT Offer Information Line on +61 1300 303 063 between 8:30am and 5:30pm (AEDT), Monday to Friday during the Retail Offer Period (Tuesday, 11 December 2018 to Thursday, 20 December 2018).

Section 2 – How to Apply – Eligible Retail Securityholders

2.1 Choices available to Eligible Retail Securityholders

Eligible Retail Securityholders may:

1. take up all of their Entitlement;
2. take up all of your Entitlement and apply for Additional New Securities in excess of your Entitlement (refer to Section 2.2);
3. take up part of their Entitlement; or
4. do nothing and allow their Entitlement to lapse (refer to Section 2.3).

The Retail Entitlement Offer is a pro-rata offer to Eligible Retail Securityholders only.

Eligible Retail Securityholders who take up their Entitlement in full may also apply for Additional New Securities in excess of their Entitlement (to the extent other Eligible Retail Securityholders do not take up their full Entitlement) up to 50% of their full Entitlement. In the event of oversubscriptions, the allocation of Additional New Securities will be subject to scale back on a pro-rata basis. There is no guarantee that you will be allocated any Additional New Securities.

2.2 Take up all, or part, of your Entitlement and apply for Additional New Securities in excess of your Entitlement

If you wish to take up your Entitlement in full or in part or in full and apply for Additional New Securities in excess of your Entitlement, there are two different ways you can submit your Application and Application Monies.

2.2.1 Payment via BPAY®

To apply and pay via BPAY®, you should:

- read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety (also available online at <https://events.miraqle.com/LWR-Offer/>) and seek appropriate professional advice if necessary;
- make your payment of the Application Monies via BPAY® for the number of New Securities you wish to subscribe for (being the Issue Price of \$4.05 per New Security multiplied by the number of New Securities you are applying for including your Entitlement and any Additional New Securities) so that it is received by no later than the Final Retail Closing Date, being 5:00pm (AEDT) on Thursday, 20 December 2018. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution.

If you choose to pay via BPAY® you are not required to submit a completed Entitlement and Acceptance Form but are taken to make all of the statements on that form, including the representations and declarations outlined below in Sections 2.4 or online at <https://events.miraqle.com/LWR-Offer/>.

You will be taken to have applied for such whole number of New Securities which is covered in full by your Application Monies.

You can choose for your New Securities the subject of your Entitlement to be allotted at the same time as Eligible Institutional Securityholders under the Institutional Entitlement Offer on the Early Retail Entitlement Offer Allotment Date, being Wednesday, 19 December 2018. To do this you must pay your Application Monies via BPAY® in time to ensure that cleared funds are received no later than 5:00pm (AEDT) on Monday, 17 December 2018.

If your payment is received in cleared funds after 5.00pm (AEDT) on Monday, 17 December 2018, but before the Final Retail Closing Date, New Securities will be allotted to you on the Final Allotment Date being Friday, 28 December 2018. Your Application Monies will not be accepted after the Final Retail Closing Date, being 5:00pm (AEDT) on Thursday, 20 December 2018, and no New Securities (or Additional New Securities) will be issued to you in respect of that Application.

If you have multiple holdings you will have multiple BPAY® reference numbers. To ensure you receive your Entitlement in respect of a holding, you must use the reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Securities that you wish to apply for in respect of that holding.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment of Application Monies.

2.2.2 Submit your completed Entitlement and Acceptance Form together with cheque, bank draft or money order for all Application Monies

To apply and pay by cheque, bank draft or money order, you should:

- read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary;
- complete the personalised Entitlement and Acceptance Form accompanying this Retail Offer Booklet in accordance with the instructions set out on that form, and indicate the number of New Securities you wish to subscribe for; and
- return the form to the Registry (address details below) together with a cheque, bank draft or money order which must be:
 - in respect of the full Application Monies (being \$4.05 multiplied by the number of New Securities (including your Entitlement and any Additional New Securities) you wish to subscribe for);
 - in Australian currency drawn on an Australian branch of a financial institution; and
 - made payable to 'Charter Hall Long WALE REIT' and crossed 'Not Negotiable'.

You should ensure that sufficient funds are held in relevant account(s) to cover the full Application Monies.

Cash payments will not be accepted. Receipts for payment will not be issued.

You can only choose for your New Securities the subject of your Entitlement to be allotted at the same time as Eligible Institutional Securityholders on the Institutional Entitlement Offer on the Early Retail Entitlement Offer Allotment Date being Wednesday, 19 December 2018 if you pay your Application Monies by BPAY®.

If you apply and pay by cheque, bank draft or money order, your Entitlement and Acceptance Form and your Application Monies in cleared funds must be received by the Registry by no later than the Final Retail Closing Date being 5:00pm (AEDT) on Thursday, 20 December 2018 and New Securities will be allotted to you on the Final Allotment Date being Friday, 28 December 2018. Entitlement and Acceptance Forms (and payments for Application Monies) will not be accepted after the Final Retail Closing Date and no New Securities will be issued to you in respect of that Application.

If you apply for Additional New Securities in excess of your Entitlement and you are not allocated all or some of the Additional New Securities applied for, the relevant Application Monies will be refunded to you after the Final Allotment Date in accordance with the Corporations Act, without interest being payable. The allotment of Additional New Securities will be subject to a scale back on a pro-rata basis based on your Entitlement.

You need to ensure that your completed Entitlement and Acceptance Form and cheque, bank draft or money order in respect of the full Application Monies reaches the Registry at the following address:

Postal Address

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
+61 1300 303 063

Entitlement and Acceptance Forms (and payments for any Application Monies) will not be accepted at Responsible Entity's registered or corporate offices.

For the convenience of Eligible Retail Securityholders, an Australian reply paid envelope addressed to the Registry has been enclosed with this Retail Offer Booklet.

Note that if you have more than one holding of Securities, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. A separate Entitlement and Acceptance Form and payment of Application Monies must be completed for each separate holding.

Refund of Application Monies

Any Application Monies received for more than your final allocation of New Securities and Additional New Securities or received after the Final Retail Closing Date will be refunded as soon as practicable after the Final Allotment Date. No interest will be paid to applicants on any Application Monies received or refunded.

2.3 If you take no action all of your Entitlement will lapse

If you are an Eligible Retail Securityholder and you do nothing, your Entitlements will lapse in respect of your Securities.

You should also note that, if you do not take up all of your Entitlement, then your percentage holding in the REIT will be reduced to the extent that New Securities are issued to other Eligible Securityholders.

2.4 Implications of making an Application

Returning a completed Entitlement and Acceptance Form or paying Application Monies for New Securities via BPAY® will be taken to constitute a representation by the Eligible Retail Securityholder that they:

- have received a copy of this Retail Offer Booklet and accompanying Entitlement and Acceptance Form, and read them in their entirety;
- make the Eligible Retail Securityholder declarations set out in Section 5; and
- acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law.

2.5 Enquiries

This Retail Offer Booklet and the Entitlement and Acceptance Form that accompanies it contain important information. You should read both documents in their entirety before deciding whether or not to participate in the Retail Entitlement Offer. If you:

- have questions in relation to the existing Securities upon which your Entitlement has been calculated;
- have questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- you have lost your Entitlement and Acceptance Form and would like a replacement form,

please call the Charter Hall Long WALE REIT Offer Information Line on +61 1300 303 063 between 8:30am and 5:30pm (AEDT), Monday to Friday during the Retail Offer Period (Tuesday, 11 December 2018 to Thursday, 20 December 2018). If you have further questions you should contact your professional adviser.

Section 3 – Taxation

3.1 General

This Section 3 below provides a general summary of the Australian income tax, goods and services tax (GST) and stamp duty implications of the Retail Entitlement Offer for certain Eligible Retail Securityholders.

The comments in this Section deal only with the Australian taxation implications of the Retail Entitlement Offer if you:

- are a resident for Australian income tax purposes; and
- hold your Securities on capital account.

These comments do not apply to you if you:

- are not a resident for Australian income tax purposes; or
- hold your Securities as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading); or
- are assessed on gains and losses on the Securities under the 'TOFA provisions' in Division 230 of the Income Tax Assessment Act 1997; or
- acquired your Securities in respect of which your Entitlements are issued under any employee equity scheme or where you are issued with any New Securities pursuant to any employee equity scheme; or
- are subject to special tax rules such as insurance companies, partnerships, tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents.

The taxation implications of the Retail Entitlement Offer will vary depending upon your particular circumstances. Accordingly, you should seek and rely upon your own professional advice before concluding on the particular taxation treatment that will apply to you.

The Responsible Entity and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

This taxation summary is necessarily general in nature and is not exhaustive of all Australian tax consequences that could apply in all circumstances for Eligible Retail Securityholders. It is strongly recommended that each Eligible Retail Securityholder seek their own independent professional tax advice applicable to their particular circumstances.

This summary does not constitute financial product advice as defined in the Corporations Act. This summary is confined to certain taxation matters, based on the relevant Australian tax laws in force, established interpretations of that law and understanding of the practice of the relevant tax authority at the date of this summary. This summary does not take into account the tax laws of countries other than Australia.

3.2 Issue of Entitlements

The issue of the Entitlements should not, of itself, result in any amount being included in your assessable income.

3.3 Acquiring New Securities

Eligible Retail Securityholders who exercise their Entitlements will acquire New Securities.

For the purposes of CGT, each New Security will:

- have an initial cost base (and reduced cost base) that is equal to the Issue Price for the New Securities plus certain non-deductible incidental costs incurred in acquiring the New Security; and
- be taken to be acquired on the day that the Entitlement in respect of the New Security is exercised.

No income tax will arise on the exercise of the Entitlements.

3.4 Distributions on New Securities

Future distributions made in respect of New Securities and Additional New Securities will be subject to the same income taxation treatment as distributions made on existing Securities held in the same circumstances.

The Responsible Entity has made an irrevocable election to adopt the Attribution Managed Investment Trust (AMIT) regime. The Responsible Entity intends to attribute the taxable income of the REIT to its Securityholders on a fair and reasonable basis each year. On this basis and the basis that the REIT undertakes only eligible investment business activities (i.e. passive investment activities such as investing in land for the purpose/primarily for the purpose of deriving rent). The REIT should not have any liability for Australian income tax.

In respect of each income tax year, an Eligible Retail Securityholder will be required to include their share of the taxable income of the REIT (as advised by Responsible Entity) in their assessable income for tax purposes. An Eligible Retail Securityholder's share of the taxable income of the REIT will be included in their assessable income for the income year to which that taxable income relates and not the year in which the relevant distribution is paid to the Eligible Retail Securityholder.

If the REIT makes any non-assessable distributions to an Eligible Retail Securityholder, the cost base and reduced cost base of the Security would be reduced by the amount of the non-assessable payment.

In the event that the non-assessable distribution exceeds an Eligible Retail Securityholder's cost base in their Security, a capital gain will arise (such a gain may potentially be eligible for the CGT discount – see below). Where this happens, the cost base and reduced cost base of the Security are reduced to nil.

3.5 Disposal of New Securities and Additional New Securities

On disposal of a New Security or an Additional New Security, you will make a capital gain if the capital proceeds exceed the total cost base of the New Security. You will make a capital loss if the capital proceeds are less than the total reduced cost base of the New Security.

Individuals, complying superannuation entities or trustees that have held New Securities for at least 12 months (not including the dates of acquisition and disposal of the New Securities) should be entitled to discount the amount of any net capital gain resulting from the disposal of the New Securities (after the application of any current year or carry forward capital losses).

The CGT discount applicable is one-half for individuals and trustees and one-third for complying superannuation entities. The CGT discount is not available for companies that are not trustees.

If a capital loss arises on disposal of the New Securities, the capital loss can only be used to offset capital gains; the capital loss cannot be used to offset ordinary income. However, the capital loss can be carried forward to use in future income years if the loss cannot be used in a particular income year it, providing certain tests are satisfied.

3.6 Entitlements not taken up

As described in Section 2.3 above, any Entitlement not taken up under the Retail Entitlement Offer will lapse and the Eligible Retail Securityholder will not receive any consideration for those Entitlements. In these circumstances, there should not be any tax implications for the Eligible Retail Securityholder.

3.7 Tax file number

If an Eligible Retail Securityholder has quoted their Australian business number (ABN) (in certain circumstances), tax file number (TFN) or provided notice of an exemption from quoting their tax file number in respect of an existing Security, this quotation or exemption will also apply in respect of any New Securities or Additional New Securities acquired by that Eligible Retail Securityholder.

Tax may be required to be deducted by Responsible Entity from any distributions at the highest marginal tax rate if a TFN has not been not quoted, or an appropriate TFN exemption has not been provided. Where the Eligible Retail Securityholder acquires Securities in the course of an enterprise it carries on, the Eligible Retail Securityholder may quote its ABN rather than a TFN.

3.8 Other Australian taxes

No Australian GST or stamp duty will be payable by Eligible Retail Securityholders in respect of the issue or exercise of the Entitlements or the acquisition of New Securities or Additional New Securities pursuant to the Retail Entitlement Offer.

3.9 Withholding taxes

Income from this portfolio is likely to be treated as sourced from a primary production operation and therefore non-concessional MIT income. With effect from periods commencing 1 July 2019, where certain resident investors, that are trusts, make further distributions of this income to non-resident beneficiaries, the withholding tax rate applicable to such distributions will be 30%.

Section 4 – Important Information for Securityholders

4.1 Retail Offer Booklet availability

Eligible Retail Securityholders will receive a copy of this Retail Offer Booklet and a personalised Entitlement and Acceptance Form in the mail. Please read this Retail Offer Booklet and the Entitlement and Acceptance Form together in their entirety.

A copy of this Retail Offer Booklet can be obtained during the Retail Offer Period Tuesday, 11 December 2018 to Thursday, 20 December 2018 at the offer website at <https://events.miraqle.com/LWR-Offer/>. Alternatively you can obtain a copy by calling the Charter Hall Long WALE REIT Offer Information Line on +61 1300 303 063 between 8:30am and 5:30pm (AEDT), Monday to Friday during the Retail Offer Period.

If this Retail Offer Booklet is being viewed electronically, please ensure that you download the Retail Offer Booklet in its entirety (including the annexures to this Retail Offer Booklet). Eligible Retail Securityholders can access their BPAY® details online when the Retail Entitlement Offer opens on Tuesday, 11 December 2018.

It is important to note that you will only be able to accept the Retail Entitlement Offer by either:

1. paying your Application Monies via BPAY® using the information contained on your personalised Entitlement and Acceptance Form or online at <https://events.miraqle.com/LWR-Offer/>; or
2. completing your personalised Entitlement and Acceptance Form which accompanies this Retail Offer Booklet and returning it to the Registry together with your Application Monies by the Final Retail Closing Date, (see Section 2.2.2 for further information). Please carefully read the instructions on the accompanying Entitlement and Acceptance Form.

Securityholders in foreign jurisdictions should refer to Section 4.16 below.

4.2 Ranking of New Securities

New Securities will rank equally with existing Securities and will be fully entitled to the December 2018 quarterly distribution of 6.5 cents per Security.

4.3 Reconciliation and fractional entitlements

In any entitlement offer investors may believe that they own more or fewer existing Securities on the Record Date than they ultimately do. This could potentially result in the requirement for reconciliation to ensure all Eligible Retail Securityholders have the opportunity to receive their full Entitlement. If this is required, it is possible that the Responsible Entity may need to issue a small quantity of additional New Securities to ensure all Eligible Institutional Securityholders and Eligible Retail Securityholders have the opportunity to receive their full Entitlement. The price at which these Securities will be issued will be the same as the Issue Price (\$4.05). The Responsible Entity also reserves the right to reduce the number of New Securities allocated to Eligible Securityholders or persons claiming to be Eligible Securityholders, if their Entitlement claims prove to be overstated, or if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are indeed not Eligible Securityholders.

To the extent that application of the offer ratio of 1 New Security for every 8.1 existing Securities held on the Record Date results in a fractional entitlement to New Securities for a particular Securityholder, that Securityholder's Entitlement shall be rounded up to the next higher whole number of New Securities.

4.4 Quotation and trading

The Responsible Entity will apply to ASX for official quotation of the New Securities in accordance with ASX Listing Rule requirements. Subject to approval being granted, it is expected that:

- normal trading of New Securities allotted under the Institutional Entitlement Offer and Early Retail Entitlement Offer will commence on Wednesday, 19 December 2018; and
- normal trading of New Securities allotted under the Retail Entitlement Offer (including any Additional New Securities) will commence on Monday, 31 December 2018.

4.5 Holding Statements

Holding statements are expected to be dispatched to Eligible Retail Securityholders:

- on Wednesday, 19 December 2018 in respect of New Securities allotted under the Institutional Entitlement Offer and Early Retail Entitlement Offer; and
- on Wednesday, 2 January 2019 in respect of New Securities allotted under the Retail Entitlement Offer.

It is the responsibility of each applicant to confirm their holding before trading in New Securities. Any applicant who sells New Securities before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. The Responsible Entity and the Underwriter disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade New Securities before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Responsible Entity, the Registry or the Underwriter.

4.6 No Entitlement Trading

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on ASX or otherwise transferable. If you do not participate in the Retail Entitlement Offer, your Entitlement will lapse and you will receive no value for those your lapsed Entitlements and their percentage holding in the REIT will be reduced.

4.7 Participation of Directors and Charter Hall Group

The Directors (and their representatives) may acquire New Securities under the Entitlement Offer to the extent they are Eligible Securityholders.

Charter Hall Group is the REIT's largest Securityholder with approximately 19% of securities on issue and has committed to take up its full Entitlements under the Entitlement Offer.

Details of Directors' holdings of Securities and substantial holders' interests in the REIT are disclosed to, and available from, ASX at www.asx.com.au.

4.8 Withdrawal of the Entitlement Offer

The Responsible Entity reserves the right to withdraw the Entitlement Offer at any time, in which case Responsible Entity will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest.

4.9 Continuous disclosure requirements

Under the Corporations Act, the REIT is a disclosing entity and is subject to ongoing reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Under the ASX Listing Rules, the Responsible Entity has an obligation (subject to certain exceptions) to notify the ASX immediately of any information that a reasonable person would expect to have a material effect on the price or value of the Securities. Such information is available to the public from the ASX.

The Responsible Entity is also required to lodge certain documents with ASIC. Such documents can be inspected and obtained from an ASIC office.

4.10 Retail Offer Booklet does not constitute investment advice

Securityholders must note that the information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form, does not constitute financial product advice. This Retail Offer Booklet is not a prospectus, product disclosure statement or other form of disclosure document under the Corporations Act. All information has been prepared without taking into account your individual investment objectives, financial circumstances or particular needs. The information contained in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form should not be considered as comprehensive or to comprise all the information which a Securityholder may require in order to determine whether or not to subscribe for New Securities. Before making an investment decision, Eligible Retail Securityholders should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, make their own assessment of the information and seek advice appropriate to their jurisdiction in relation to the information and any action taken on the basis of the information. Any reference to, or explanations of legislation, regulatory issues or any other legal commentary (if any) are indicative only, and do not summarise all relevant issues and are not intended to be a full explanation of a particular matter.

If, after reading this Retail Offer Booklet, you have any questions about whether you should invest in the Retail Entitlement Offer, please consult your professional adviser.

4.11 Risk factors

An investment in the REIT is subject to known and unknown risks, some of which are beyond the control of the REIT. The Investor Presentation contains a non-exhaustive summary of important factors and risks that could affect the financial and operating performance of the REIT. Please refer to the Summary of the key risks section of the Investor Presentation for further details. When making an investment decision in connection with this Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 3 of this Retail Offer Booklet).

4.12 No authorisation beyond information contained within this Retail Offer Booklet

Any information or representation not contained in this Retail Offer Booklet may not be relied on as having been authorised by the Responsible Entity in connection with the Entitlement Offer. No person is authorised to give any information or make any representation in connection with the Entitlement Offer, which is not contained in this Retail Offer Booklet.

Except as required by law, and only to the extent so required, none of the Responsible Entity or the REIT or any of their respective directors, officers or employees or any other person, warrants or guarantees the future performance of the REIT or any return on any investment made pursuant to this Retail Information Booklet.

4.13 No cooling-off rights

Cooling-off rights do not apply to a subscription for New Securities under the Entitlement Offer. This means that you cannot withdraw your Application once it has been accepted.

4.14 Forward-looking statements

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this Retail Offer Booklet, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Any forward-looking statements are provided as a general guide only, they are not guarantees of future performance and are, by their nature, subject to significant uncertainties, risks and contingencies, known and unknown.

Actual results, performance or events may differ materially from any expressed or implied in any forward-looking statement and deviations are normal and to be expected. Neither the Responsible Entity or the REIT, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur.

Please refer to the Key Risks section of the Investor Presentation for a non-exhaustive summary of certain general and company-specific risk factors that may affect the REIT. Eligible Retail Securityholders should consider any forward-looking statements contained in this Retail Offer Booklet in light of those risks and disclosures. Any forward-looking statements are based on information available to the REIT as at the date of this Retail Offer Booklet and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be proven to be correct. Except as required by law or regulation (including the ASX Listing Rules), the Responsible Entity disclaims any obligation and makes no undertaking to provide any additional or updated information whether as a result of new information, future events or results or otherwise, or to reflect any change in expectations or assumptions.

4.15 Past performance

Past performance is not a reliable indicator of future performance.

4.16 Offer jurisdictions – restrictions and limitations

The Retail Entitlement Offer will not be made to Securityholders with registered addresses outside Australia and New Zealand. This document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Return of the Entitlement and Acceptance Form or payment by BPAY® of Application Monies shall be taken by Responsible Entity to constitute a representation by you that there has been no breach of any such laws.

The distribution of this document outside Australia and New Zealand may be restricted by law. If you come into possession of this document you should observe any such restrictions. See Appendix E of the Investor Presentation titled "Foreign Selling Restrictions" for such restrictions. A failure to comply with such restrictions may contravene applicable securities laws.

United States

This document may not be released to US wire services or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States absent registration or an exemption from registration under the US Securities Act. The New Securities offered and sold in the Retail Entitlement Offer will be sold only in “offshore transactions” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

New Zealand

The New Securities are not being offered to the public within New Zealand other than to existing Securityholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

4.17 Ineligible Securityholders

The Responsible Entity has decided that it is unreasonable to make offers under the Retail Entitlement Offer to retail investors who are holders of Securities and who are resident outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Securities that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places.

4.18 Nominees

The Retail Entitlement Offer is being made to all Eligible Retail Securityholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Securities, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Securityholder.

Nominees and custodians which hold Securities as nominees or custodians will have received, or will shortly receive, a letter from the Responsible Entity. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- beneficiaries on whose behalf they hold Securities who would not satisfy the criteria for an Eligible Retail Securityholder;
- Eligible Institutional Securityholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- Ineligible Securityholders who were ineligible to participate in the Institutional Entitlement Offer or Retail Entitlement Offer; or
- Securityholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Due to legal restrictions, nominees and custodians may not send copies of this Retail Offer Booklet or accept the Retail Entitlement Offer on behalf of any person in the United States or other jurisdiction outside Australia or New Zealand, except to beneficial Securityholders who are institutional or professional investors in certain foreign countries to the extent contemplated in the Investor Presentation under Appendix E titled “Foreign Selling Restrictions” or as the Responsible Entity may otherwise permit in compliance with applicable law.

The Responsible Entity is not required to determine whether or not any registered Securityholder is acting as a nominee or the identity or residence of any beneficial owners of existing Securities.

4.19 Underwriting arrangements and fees

UBS AG, Australia Branch will be acting as lead managers, bookrunner and underwriter on the Entitlement Offer (**Underwriter**). The Responsible Entity has entered into an Underwriting Agreement with the Underwriter in respect of the Entitlement Offer.

The Responsible Entity must pay the Underwriter an underwriting fee of 2.0% of the proceeds of the Entitlement Offer and a management fee of 0.5% of the proceeds of the Entitlement Offer (in each case not including proceeds from Charter Hall Group taking up its Entitlement). The Responsible Entity must also reimburse the Underwriter for its reasonably incurred costs in connection with the Entitlement Offer, including legal fees and disbursements, bookbuild expenses, travel expenses and stamp duty or similar taxes payable in respect of the Underwriting Agreement.

The Underwriting Agreement contains representations and warranties and indemnities in favour of the Underwriter. Each Underwriter may also, in certain circumstances, terminate their obligations under the Underwriting Agreement on the occurrence of certain termination events including where:

- in the reasonable opinion of the Underwriter, a material statement in this Retail Offer Booklet or other Entitlement Offer documents is or becomes misleading or deceptive or is likely to mislead or deceive in a material respect (including by omission);
- there are certain delays in the timetable for the Entitlement Offer without the Underwriter’s consent;

- in certain circumstances, the Acquisition agreement is terminated, void, avoided, illegal; or materially limited in its effect, a condition precedent in the Acquisition agreement is not satisfied by its due date or any party commits a material breach of the Acquisition agreement or otherwise has the right to terminate, rescind or avoid the Acquisition agreement; or
- there is a change in the board of directors or senior management of the Responsible Entity, other than as notified to the Underwriter prior to execution of the Underwriting Agreement.

If the Underwriter terminates the Underwriting Agreement, the Underwriter will not be obliged to perform any of their obligations which remain to be performed.

The Underwriter nor any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives, agents or advisers (the **Limited Parties**) have authorised or caused the issue of this Retail Offer Booklet and they do not take responsibility for any statements made in this Retail Offer Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, each Limited Party disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Limited Parties make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer or any such information and you represent, warrant and agree that you have not relied on any statements made by the Underwriter or any of their respective related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Securities or the Entitlement Offer generally.

4.20 Governing law

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Securityholder who applies for New Securities submits to the jurisdiction of the courts of New South Wales, Australia.

Section 5 – Eligible Retail Securityholder Declarations

In making your application for New Securities as part of the Retail Entitlement Offer, you will be declaring to Responsible Entity that you:

- have read this Retail Offer Booklet;
- agree to be bound by the constitution of the REIT;
- acknowledge the statement of risks in the “Summary of Key Risks” section in the Investor Presentation, and that investments in the REIT are subject to investment risk;
- agree to be bound by the terms of the Retail Entitlement Offer;
- authorise the Responsible Entity to register you as the holder of New Securities allotted to you under this Retail Entitlement Offer;
- that all details in the Entitlement and Application Form are complete, accurate and up to date;
- are over 18 years of age and that you have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- accept that there is no cooling off period under the Retail Entitlement Offer and that once the Responsible Entity receives either your Entitlement and Acceptance Form, your payment of Application monies via BPAY® or both, that you may not withdraw or change your Application;
- agree to apply for and be issued with up to the number of New Securities and Additional New Securities (if any) shown on the Entitlement and Acceptance Form, or for which you have submitted payment of Application Monies via BPAY®, at the Issue Price of \$4.05 per New Security;
- authorise the Responsible Entity, the Underwriter, the Registry and respective officers or agents, to do anything on your behalf necessary for the New Securities to be issued to you, including to act on instructions of the Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- you are the current registered holder of existing Securities and are an Australian or New Zealand resident at the Record Date;
- acknowledge that the information contained in this Retail Offer Booklet and the Entitlement and Acceptance Form does not constitute investment advice, nor a recommendation that New Securities are suitable for you given your individual investment objectives, financial situation or particular needs;
- understand that this Retail Offer Booklet is not a product disclosure statement, does not contain all of the information that you may require in order to assess an investment in the REIT and is given in the context of the REIT’s past and ongoing continuous disclosure obligations under the Corporations Act and the ASX listing rules;
- acknowledge that none of the Responsible Entity, its directors, officers, employees, agents, consultants nor advisers, or the Underwriter, guarantees the performance of the REIT, or guarantees the payment of income or repayment of capital from the REIT;
- represent and warrant that you are an Eligible Retail Securityholder and the law of any other jurisdiction does not prohibit you from being given this Retail Offer Booklet or making an Application;
- represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States;
- acknowledge that the New Securities have not, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia;
- agree not to send this Retail Offer Booklet or any other material relating to the Retail Entitlement Offer to any person in the United States;
- acknowledge that, if you decide to sell or otherwise transfer any New Securities, you will only do so in regular way transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre arranged with, or that the purchaser is, a person in the United States;
- acknowledge that, if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is an Eligible Retail Securityholder;
- make all other representations and warranties set out in this Retail Offer Booklet; and
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and/or of your holding of Securities on the Record Date.

Annexure A – ASX announcement



ASX Release

Charter Hall Long WALE REIT Acquisition and Equity Raising

5 December 2018

Not for release to US wire services or distribution in the United States

Charter Hall WALE Limited
ACN 610 772 202
AFSL 486721

Responsible Entity of
Charter Hall Long WALE REIT

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Charter Hall WALE Limited (**Responsible Entity**), as responsible entity of Charter Hall Long WALE REIT (ASX:CLW) (**CLW** or the **REIT**) today announces that:

- it has entered into an agreement to acquire a 100% interest in a portfolio of 27 agri-logistics properties, for a total consideration of \$207 million (**Acquisition**);
- it will undertake a fully underwritten accelerated non-renounceable entitlement offer to raise approximately \$125 million (**Entitlement Offer**) to partially fund the Acquisition and associated transaction costs; and
- including the impact of the Acquisition and Entitlement Offer and barring any unforeseen events and no material change in market conditions, CLW is pleased to increase its FY19 Operating EPS guidance range to 26.8 – 26.9 cents per security, representing an increase of 1.3% on its previously stated guidance range.

Acquisition overview

The Acquisition is a 100% interest in a portfolio of 27 agri-logistics properties, including hatcheries, feedmills and breeder farms. The total consideration of \$207 million reflects a 7.35% weighted average capitalisation rate. Key highlights of the Acquisition include:

- 100% leased to a subsidiary of Inghams Group Ltd., a S&P/ASX 200 company and the largest poultry producer in Australia with revenue of over \$2 billion in FY18;
- strategic assets to Inghams' Australian business, representing the majority of its long-term supply chain infrastructure for raw materials;
- large land holdings giving Inghams the flexibility to expand production capacity on existing sites to meet the growing demand for poultry products in Australia;
- triple net lease structure with a remaining term of 15.8 years; and
- geographically diversified across all Australian states, with 62% of properties by value located on the Eastern Seaboard.



Portfolio impact¹

	Pre-Acquisition ²	Acquisition	Post-Acquisition
Number of properties	85	27	112
Property valuation (A\$m)	\$1,656m	\$207m	\$1,863m
Weighted Average Capitalisation Rate	6.04%	7.35%	6.19%
Occupancy	100%	100%	100%
Weighted Average Lease Expiry	11.5 years	15.8 years	12.0 years
Weighted Average Rent Review	2.88%	2.50% ³	2.84%

Entitlement Offer

The REIT will undertake a fully underwritten accelerated non-renounceable entitlement offer to raise approximately \$125 million to fund the Acquisition and associated transaction costs. The Entitlement Offer is fully underwritten by UBS AG, Australia Branch.

Eligible securityholders will be offered 1 new security in the REIT for 8.1 existing securities at a fixed issue price of \$4.05 per security (**Issue Price**), which represents a:

- 4.5% discount to the last close price of \$4.24 on 4 December 2018
- 4.0% discount to the theoretical ex-rights price of \$4.22
- 6.6% FY19 forecast Operating EPS yield

Securities issued under the Entitlement Offer will rank equally with existing CLW securities and will be entitled to the distribution for the three months to 31 December 2018 of 6.5 cents per security.

Eligible retail securityholders who take up their entitlement in full may also apply for additional new securities in excess of their entitlement (to the extent other eligible retail securityholders do not take up their full Entitlement) up to 50% of their full entitlement.⁴

Intentions of major securityholder

Charter Hall Group is the REIT's largest securityholder with approximately 19% of securities on issue and has committed to take up its full entitlements under the Entitlement Offer, representing a commitment of approximately \$24 million.

Financial impact of the Acquisition and Entitlement Offer

Including the impact of the Entitlement Offer and barring any unforeseen events and no material change in market conditions, CLW is pleased to increase its FY19 Operating EPS guidance range to 26.8 – 26.9 cents per security, representing an increase of 1.3% on its previously stated guidance range⁵.

Following the Acquisition and the Entitlement Offer, the REIT's pro-forma⁶:

- balance sheet gearing is forecast to be 31.9%, within CLW's target range of 25 – 35%; and
- look through gearing is forecast to be 37.9%.

¹ Metrics are as June 2018, pro forma adjusted for transactions completed post balance date.

² Per pro forma metrics reported in Appendix A of the equity raising investor presentation released to the market on 17 October 2018, adjusted for December property revaluations of \$30.6 million

³ Annual rent reviews are the lesser of 2x CPI and 2.5%.

⁴ In the event of oversubscriptions, the allocation of additional new securities will be subject to scale back on a pro-rata basis. There is no guarantee that you will be allocated any additional new securities.

⁵ Percentage increase calculated on the mid-point of the guidance range compared to the mid-point of the previous guidance range of 26.4–26.6 cents per security.

⁶ As at 30 June 2018, adjusted for various transactions outlined in Appendix A of the equity raising presentation released to the market on 5 December 2018.



Timetable

Event	Date 2018
Trading halt and announcement of the Acquisition and Entitlement Offer	Wednesday, 5 December
Institutional Entitlement Offer conducted	Wednesday, 5 December
Trading of securities recommences on the ASX on an 'ex-entitlement' basis	Thursday, 6 December
Entitlement Offer Record Date	7:00pm, Friday, 7 December
Retail Entitlement Offer Booklet despatched and Retail Entitlement Offer opens	9:00am, Tuesday, 11 December
Early Retail Acceptance Due Date	5:00pm, Monday, 17 December
Settlement of securities issued under the Institutional Entitlement Offer (and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date)	Tuesday, 18 December
Allotment and normal trading of securities issued under the Institutional Entitlement Offer (and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date)	Wednesday, 19 December
Retail Entitlement Offer closes	5:00pm, Thursday, 20 December
Allotment of remaining securities issued under the Retail Entitlement Offer	Friday, 28 December
Normal trading of remaining securities issued under the Retail Entitlement Offer	Monday, 31 December

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to AEDT.

Additional information

Additional information about the Acquisition and Entitlement Offer including certain key risks are contained in the investor presentation released to the ASX today.

**About Charter Hall Long WALE REIT**

Charter Hall Long WALE REIT is an Australian Real Estate Investment Trust ("REIT") listed on the ASX (ASX: CLW) and invests in high quality Australasian real estate assets that are predominantly leased to corporate and government tenants on long term leases.

Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property groups, with over \$26.4 billion of high quality, long leased property across the office, retail, industrial and social infrastructure sectors. The Group has offices in Sydney, Melbourne, Brisbane, Adelaide and Perth and oversees a portfolio of 779 properties that is more than 5.4 million square metres in size. The ASX100 Group has over 27 years' experience managing and investing in high quality property on behalf of institutional, wholesale and retail clients.

Charter Hall's success is driven by our focus on our tenant and investor customers. We look to partner with our tenants, growing with them and helping meet their property needs. We invest alongside our capital partners, creating value and generating superior investment returns together. Our \$3.7 billion development pipeline creates new assets for our investors, improving future returns, while creating opportunities for our tenant partners to expand and adapt their businesses. Sustainability and innovation are key elements of our approach. By ensuring our actions are innovative, commercially sound and make a difference to our people, customers and the environment, Charter Hall makes a positive impact for its investors, the community and the Group.

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Annexure B – Investor Presentation



Monarto Hatchery, South Australia

5 December 2018

Charter Hall Long WALE REIT Portfolio Acquisition and Equity Raising Presentation

Not for release to US wire services or distribution in the United States

Charter Hall | Charter Hall Long WALE REIT | Portfolio Acquisition and Equity Raising Presentation | 5 December 2018

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This presentation ("Presentation") has been prepared by and is the sole responsibility of Charter Hall WALE Limited (ABN 20 610 772 202, Australian Financial Services Licence Number 486721) ("Responsible Entity") as the proposed responsible entity for each of LVR Finance Trust (ARSN 614 713 138) and Charter Hall Direct Industrial Fund (ARSN 144 613 841) (which collectively comprise the "Long WALE REIT" or the "REIT") and is dated 5 December 2018. This Presentation has been prepared in relation to the fully underwritten pro-rata accelerated non-renounceable entitlement offer of new securities to be made under section 1012DAA of the Corporations Act 2001 (Cth) ("Corporations Act") as modified by Australian Securities and Investments Commission ("ASIC") Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and the ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (the "Offer").

Summary information

This Presentation contains summary information about the Responsible Entity, Long WALE REIT and their business and industry current as at 5 December 2018. It is provided for the sole purpose of providing general information and an overview of the Responsible Entity and the Long WALE REIT, their business and industry ("Purpose"). The information in this Presentation is a general background and does not purport to be complete. It does not purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with the Long WALE REIT's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange ("ASX"), which are available at www.asx.com.au.

Certain market and industry data used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither the Long WALE REIT nor its representatives have independently verified any such market or industry data provided by third parties or general publications.

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This Presentation contains certain "forward-looking statements", including expectations about the success of the Offer. The words "forecast", "estimate", "likely", "anticipate", "believe", "expect", "project", "opinion", "predict", "outlook", "guidance", "intend", "should", "could", "may", "target", "plan", "project", "consider", "forecast", "aim", "will" and similar expressions are intended to identify such forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. While due care and attention has been used in the preparation of any forward-looking statements, any such statements in this Presentation are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Any forward-looking statements contained in this Presentation are provided as a general guide only, they are not guarantees or predictions of future performance and involve known and unknown risks, contingencies and uncertainties and other factors, many of which are beyond the control of the Responsible Entity and the Long WALE REIT and cannot be predicted by Responsible Entity or the Long WALE REIT, and may involve significant elements of subjective judgment and assumptions as to future events, which may or may not be correct and therefore you are cautioned not to place undue reliance on such information. Refer to the "Summary of key risks" section of this Presentation for a non-exhaustive summary of certain general and specific risk factors that may affect Responsible Entity or the Long WALE REIT. Actual results, performance or achievements may vary materially from any forward-looking statements and the assumptions on which such statements are based, as may statements about market or industry trends, which are based on interpretations of current market conditions, and risks, circumstances and events specific to the industry, countries and markets in which Responsible Entity and the Long WALE REIT, and their related bodies corporate and associated undertakings operate. Neither the Responsible Entity, the Long WALE REIT, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur.

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You should make your own independent assessment of the information and seek your own independent professional advice in relation to the information and any action taken on the basis of the information.

Participation in the Offer

Determination of eligibility of investors for the purposes of the institutional and retail component of the Offer will be by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Responsible Entity, the Long WALE REIT, the Underwriter and their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim

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Financial data

All currency amounts are in Australian Dollars ("A\$") unless otherwise stated. The pro-forma financial information included in this presentation is for illustrative purposes and does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the US Securities and Exchange Commission. Investors should be aware that financial data in this presentation include "non-IFRS financial information" under ASIC Regulatory Guide 230 "Disclosing non-IFRS financial information" published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the US Securities Exchange Act of 1934. Non-IFRS/non-GAAP measures in this presentation include the pro-forma financial information. The Long WALE REIT believes this non-IFRS/non-GAAP financial information provides useful information to users in measuring the financial performance and conditions of the Long WALE REIT. The non-IFRS financial information do not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information and ratios included in this Presentation. Financial data for the properties contained in this Presentation has been derived from financial statements and other financial information made available by the owners in connection with the Acquisitions. Such financial information is unaudited and does not purport to be in compliance with Article 3-05 of Regulation S-X under the US Securities Act.

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Certain terms used in this Presentation are defined in the Glossary



Avi Anger

Fund Manager
Charter Hall Long WALE REIT



Kerri Leech

Head of Finance
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4

Transaction overview

Portfolio Acquisition	<ul style="list-style-type: none"> Charter Hall WALE Limited, as responsible entity of Charter Hall Long WALE REIT (the "REIT"), has entered into agreements to acquire a 100% interest in a portfolio of 27 agri-logistics properties, for a total consideration of \$207 million ("Acquisition") <ul style="list-style-type: none"> strategic assets that are fully leased to a subsidiary of Inghams Group Ltd., a S&P/ASX 200 company and Australia's largest poultry producer triple net leases with a remaining term of 15.8 years the acquisition price reflects a 7.35% weighted average capitalisation rate
Entitlement Offer	<ul style="list-style-type: none"> The REIT will undertake a fully underwritten accelerated non-renounceable entitlement offer to raise approximately \$125 million ("Entitlement Offer") to partially fund the Acquisition and associated transaction costs <ul style="list-style-type: none"> eligible securityholders will be offered 1 new security in the REIT for 8.1 existing securities at a fixed issue price of \$4.05 per security ("Issue Price") Charter Hall Group is the REIT's largest securityholder with approximately 19% of securities on issue and has committed to take up its full entitlements under the Entitlement Offer, representing a commitment of approximately \$24 million
Financial impact	<ul style="list-style-type: none"> Including the impact of the Acquisition and Entitlement Offer and barring any unforeseen events and no material change in market conditions, CLW is pleased to increase its FY19 Operating EPS guidance range to 26.8 – 26.9 cents per security, representing an increase of 1.3%² on its previously stated guidance range Following the Acquisition and Entitlement Offer, the REIT's pro-forma¹: <ul style="list-style-type: none"> balance sheet gearing is forecast to be 31.9%; and look through gearing is forecast to be 37.9%
Revaluations	<ul style="list-style-type: none"> The REIT has independently valued 79 of its existing 85 properties (c.78% by value) as at December 2018, with valuations increasing by \$30.6 million, or 1.9% over prior values

1. Unless otherwise stated, all pre-Acquisition portfolio and balance sheet metrics on this page and throughout this presentation are as at 30 June 2018, adjusted for various transactions outlined in Appendix A of the equity raising investor presentation released to the market on 17 October 2018, as well as proceeds from share purchase plan of \$10.9 million and December property revaluations of \$30.6 million. Refer to Appendix A for a pro forma balance sheet.

2. Represents the percentage increase based on the mid point of the guidance range. Previous guidance range was 26.4 to 26.6 cents per security.

Strategic rationale

Improves portfolio WALE, tenant covenant strength and introduces exposure to the agri-logistics sector

1	Strategic assets with ASX-listed tenant	2	Long-term, triple net leases
3	Diversifies sector exposure	4	Attractive financial impact
<ul style="list-style-type: none"> Acquisition portfolio is 100% leased to a subsidiary of Inghams Group Ltd., a S&P/ASX 200 company and the largest poultry producer in Australia with revenue of over \$2 billion in FY18 Acquisition properties are important to Inghams' Australian business, representing the majority of its long-term supply chain infrastructure for raw materials 	<ul style="list-style-type: none"> Acquisition portfolio is geographically diversified across all Australian states Introduces exposure to the agri-logistics sector which is underpinned by strong industry fundamentals 	<ul style="list-style-type: none"> Acquisition features a triple net lease structure with a remaining lease term of 15.8 years¹ Increases portfolio WALE from 11.5 years to 12.0 years Structured growth with rent reviews of 2.5% p.a.² 	<ul style="list-style-type: none"> CLW is increasing its FY19 Operating EPS guidance range to 26.8 – 26.9 cents per security³, representing an increase of 1.3% on its previously stated guidance range Pro forma balance sheet gearing maintained within the target range

1. Forecast WALE at acquisition

2. Annual rent reviews are the lesser of 2x CPI and 2.5%

3. Barring any unforeseen events and no material change in current market conditions and including the impact of the Acquisition and Entitlement Offer

Acquisition overview

The Acquisition comprises 27 agri-logistics properties with triple net leases to an ASX-listed tenant² and a remaining lease term of 15.8 years



Mt Alford Hatchery, QLD

Portfolio details (100%)

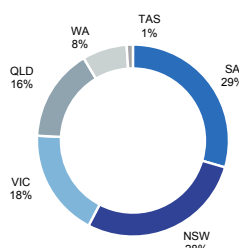
Properties	27
Ownership interest	100%
Valuation	\$207m
Capitalisation rate	7.35%
Net passing yield	7.21%
Title	Freehold
Tenant	Inghams Enterprises Pty Ltd ²
WALE ¹	15.8 years
Options	5x10 years
Occupancy	100%
Rent review	Lesser of 2x CPI and 2.5% p.a.
Lease basis	Triple net
GLA	303,687 sqm
Site area	1,690 ha

1. Forecast WALE at acquisition
 2. Tenant is Inghams Enterprises Pty Ltd, a wholly owned subsidiary of Ingham's Group Ltd. (ASX: ING)
 3. Weighted by independent valuation, including December 2018 valuations

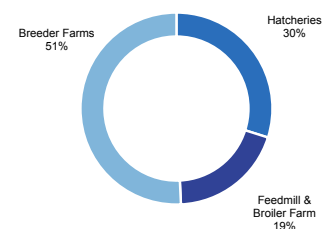
Portfolio overview

- Portfolio comprises hatcheries, feedmills and breeder farms that are strategically located nationally and are critical to Inghams' Australian business, representing the vast majority of its long-term supply chain infrastructure for raw materials
- Majority of the properties comprise large land holdings giving Ingham's the flexibility to expand production capacity on existing sites to meet the growing demand for poultry products in Australia
- Fully leased to Inghams Enterprises Pty Ltd, Australia's largest integrated poultry producer
- Leases are guaranteed by the ASX-listed parent entity Inghams Group Limited
- Attractive triple net lease structure with Inghams responsible for full repairs and maintenance including structural and capital replacement
- Long date WALE of 15.8 years with all leases expiring October 2034 plus five further options of 10 years

Geographic diversification³



Split by property type³



Acquisition overview (continued)

Acquisition is geographically diversified across all Australian states with 62% of properties by value located on the Eastern Seaboard



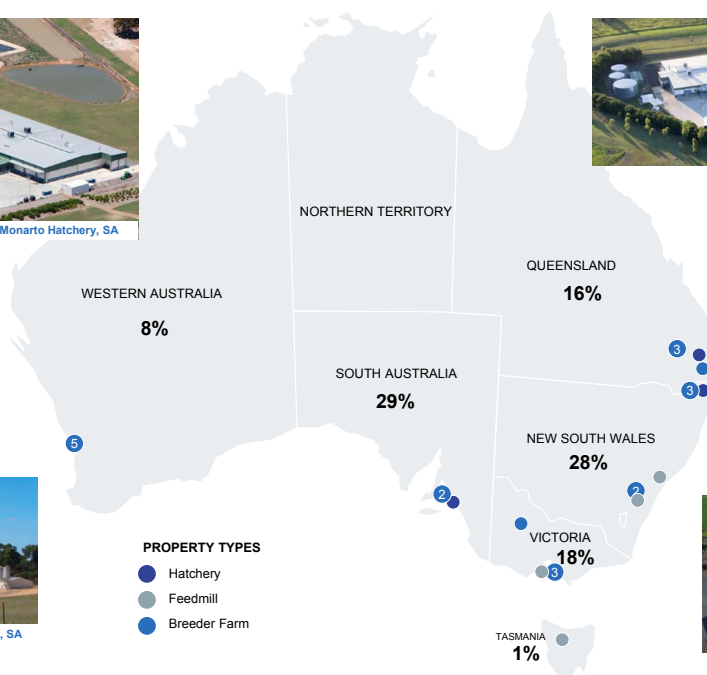
Monarto Hatchery, SA



Mt Alford Hatchery, QLD

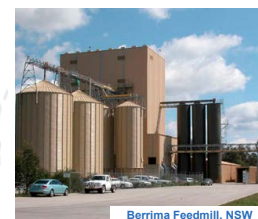


Nairne Breeder Farm, SA



PROPERTY TYPES

- Hatchery
- Feedmill
- Breeder Farm



Berrima Feedmill, NSW



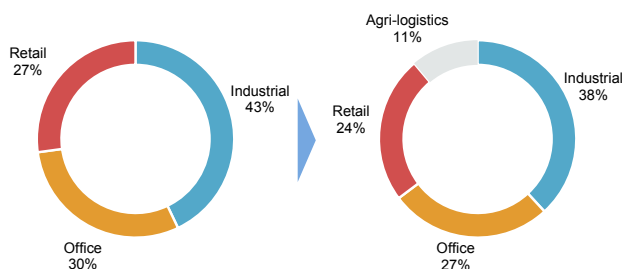
Longford Feedmill and Boiler Farm, TAS

Portfolio impact

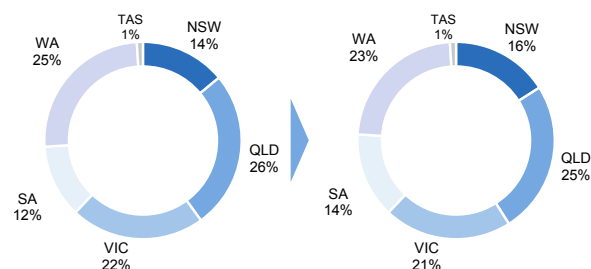
The Acquisition increase CLW's WALE and introduces exposure to the agri-logistics sector

	Pre Acquisition ¹	Acquisition	Post Acquisition
Number of properties	85	27	112
Portfolio value	\$1,656m	\$207m	\$1,863m
Weighted Average Capitalisation Rate ("WACR")	6.04%	7.35%	6.19%
Weighted Average Lease Expiry ("WALE")	11.5 years	15.8 years	12.0 years
Occupancy	100%	100%	100%
Weighted Average Rent Review ("WARR ") (p.a.)	2.88%	2.50% ²	2.84%

Portfolio by sector³



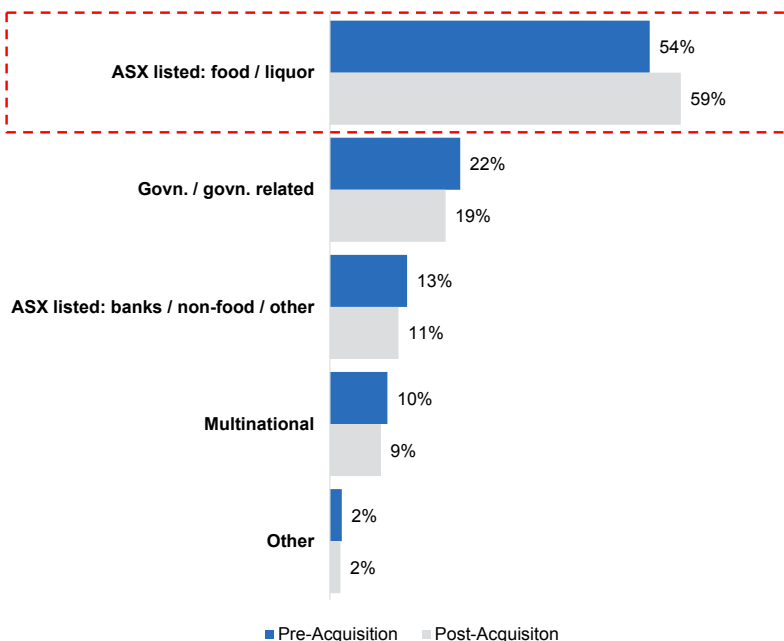
Portfolio by geography³



1. Per pro forma metrics reported in Appendix A of the equity raising investor presentation released to the market on 17 October 2018, adjusted for December property revaluations of \$30.6 million
 2. Annual rent reviews are the lesser of 2x CPI and 2.5%
 3. Weighted by Independent Valuation (REIT ownership interest)

Portfolio impact (continued)

The Acquisition increases the proportion of the REIT's portfolio leased to ASX-listed tenants



Major tenants¹

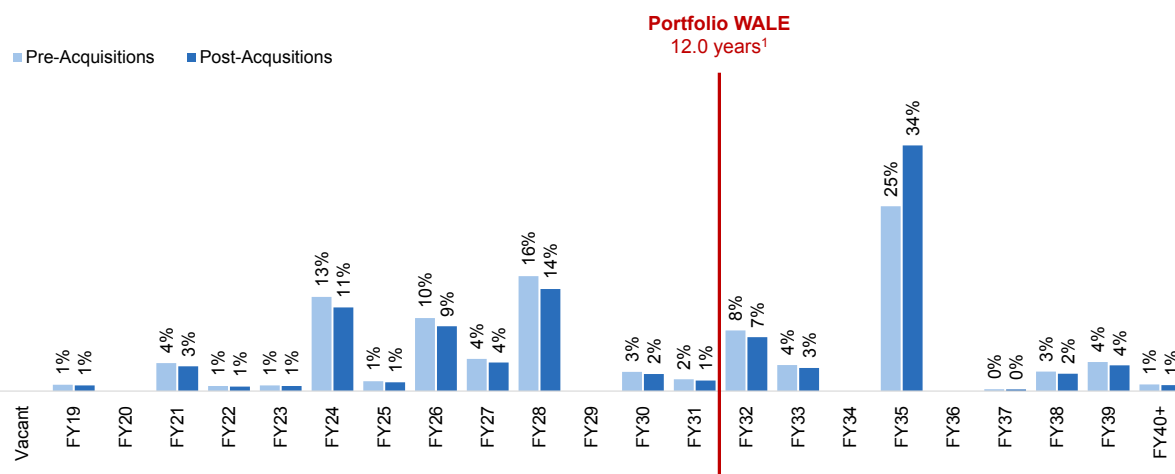


1. Weighted by gross passing income (REIT ownership interest)

Portfolio impact (continued)

Combined impact of the Acquisition and other FY19 property transactions already announced, materially increases the REIT's portfolio WALE

- Portfolio Acquisition WALE of 15.8 years further enhances the REIT's portfolio WALE, increasing by 0.5 years to 12.0 years¹



1. Weighted by gross passing income (REIT ownership interest)

Market update – December valuations

December 2018 property valuations increasing by \$30.6 million or 1.9% over prior values

79 of the REIT's 85 existing properties (c.78% of the portfolio by value) were independently valued at December 2018

- Remaining six properties were transacted in the past 6 months and supported by independent valuations at time of acquisition

	Pro forma June 2018 ¹		December 2018		Change		
	Valuation (\$m)	Cap rate (%)	Valuation (\$m)	Cap rate (%)	Valuation (\$m)	Valuation (%)	Cap rate (%)
Office (2 assets independently valued)	488.8	6.02%	495.5	5.97%	6.7	1.4%	(5bps)
Industrial (19 assets independently valued)	701.8	6.31%	710.7	6.25%	8.9	1.3%	(6bps)
Retail (58 assets independently valued)	434.7	5.89%	449.8	5.79%	15.0	3.5%	(10bps)
Total portfolio	1,625.4	6.11%	1,656.0	6.04%	30.6	1.9%	(7bps)

1. As at 30 June 2018, pro-forma for various transactions outlined in Appendix A of the equity raising investor presentation released to the market on 17 October 2018 and adjusted for capitalised costs.

Entitlement Offer

\$125 million fully underwritten accelerated non-renounceable entitlement offer

The REIT will undertake a fully underwritten Entitlement Offer of approximately \$125 million to partially fund the Acquisition and associated transaction costs

- Eligible securityholders will be offered 1 new security in the REIT for every 8.1 existing securities at a fixed Issue Price of \$4.05 per security
- Securities issued under the Entitlement Offer will rank equally with existing CLW Securities and will be entitled to the distribution for the three months to 31 December 2018 of 6.5 cents per security

Sources of Funds	\$m
Proceeds from the Entitlement Offer	125
Drawdown of debt	99
Total sources	224

Uses of Funds	\$m
Acquisition	207
Acquisition and Entitlement Offer transaction costs	17
Total uses	224

Key Entitlement Offer metrics	
Issue Price under the Entitlement Offer	\$4.05
Discount to CLW's last close price	4.5%
Pro forma market capitalisation post offer ¹	\$1,184m
FY18 OEPS yield (at Issue Price) ²	6.6%
FY18 DPS yield (at Issue Price) ²	6.6%
Pro forma balance sheet gearing (post Acquisition and Entitlement Offer)	31.9%
Pro forma look through gearing (post Acquisition and Entitlement Offer)	37.9%

1. Based on CLW's market capitalisation as at 4 December 2018 adjusted for the equity raising of approximately \$125 million

2. Based on the mid point of CLW's guidance range for FY19 Operating EPS of 26.85 cents per security (barring any unforeseen events and no material change in current market conditions) and a 100% payout ratio

Entitlement Offer (continued)

Structure	<ul style="list-style-type: none"> • 1 for 8.1 accelerated non-renounceable entitlement offer to raise approximately \$125 million <ul style="list-style-type: none"> – Record date is 7 December 2018 at 7:00pm (AEDT) – Entitlement Offer will comprise an accelerated Institutional Entitlement Offer and a Retail Entitlement Offer – Eligible retail securityholders who take up their entitlement in full may also apply for additional new securities in excess of their entitlement up to 50% of their full entitlement¹
Pricing	<ul style="list-style-type: none"> • Fixed Issue Price of \$4.05 per security represents a: <ul style="list-style-type: none"> – 4.5% discount to the last close price of \$4.24 on 4 December 2018 – 4.0% discount to the theoretical ex-rights price of \$4.22 – 6.6% FY19 forecast Operating EPS yield²
Ranking	<ul style="list-style-type: none"> • Securities issued under the Entitlement Offer will rank equally with existing CLW Securities and will be entitled to the distribution for the three months to 31 December 2018 of 6.5 cents per security
Underwriting	<ul style="list-style-type: none"> • The Entitlement Offer is fully underwritten by UBS AG, Australia Branch
Intentions of Charter Hall Group	<ul style="list-style-type: none"> • Charter Hall Group is the REIT's largest securityholder with approximately 19% of securities on issue and has committed to take up its full entitlements under the Entitlement Offer, representing a commitment of approximately \$24 million

1. In the event of oversubscriptions, the allocation of additional new securities will be subject to scale back on a pro-rata basis. There is no guarantee that you will be allocated any additional new securities

2. Based on the mid point of CLW's upgraded guidance range for FY19 Operating EPS of 26.85 cents per security (barring any unforeseen events and no material change in current market conditions)

Entitlement Offer (continued)

Timetable

Event	Date 2018
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Allotment of remaining securities issued under the Retail Entitlement Offer	Friday, 28 December
Normal trading of remaining securities issued under the Retail Entitlement Offer	Monday, 31 December

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to AEDT.

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Conclusion

- ✓ **Portfolio of strategic agri-logistics assets leased to Australia's largest poultry producer, Inghams Group Ltd.**
- ✓ **Long term WALE of 15.8 years increasing CLW portfolio WALE to 12.0 years**
- ✓ **Improves sector diversification and introduces exposure to the agri-logistics sector**
- ✓ **CLW is increasing its FY19 Operating EPS guidance range to 26.8 – 26.9 cents per security, representing an increase of 1.3% on its previously stated guidance range¹**

1. Barring any unforeseen events and no material change in current market conditions

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Appendix



Pro forma balance sheet

\$m	Jun-18 ¹	SPP	Independent valuations	Acquisition and Entitlement Offer ²	Jun-18 pro forma (post-transaction)
Cash	5.5				5.5
Investment properties	951.9		13.7	207.0	1,172.7
Equity accounted investments	495.0		16.8		511.8
Derivatives	0.1				0.1
Other assets	14.9				14.9
Total assets	1,467.5	-	30.6	207.0	1,705.1
Provision for distribution	15.8				15.8
Debt	460.1	(10.9)		98.9	548.1
Unamortised borrowing costs	(2.0)				(2.0)
Other liabilities	10.8				10.8
Total liabilities	484.7	(10.9)	-	98.9	572.7
Net tangible assets	982.9	10.9	30.6	108.1	1,132.4
Securities on issue (m)	247.2	2.7		30.8	280.7
NTA per security (\$)	\$3.98				\$4.03
Balance sheet gearing	31.1%				31.9%
Look through gearing	38.0%				37.9%

1. Per pro forma metrics reported in Appendix A of the equity raising investor presentation released to the market on 17 October 2018

2. Acquisition purchase price of \$207m and \$17m of transaction costs funded by a \$125m Entitlement Offer at \$4.05 per security and \$99m of debt. Excludes working capital within the vehicle being acquired

Appendix

B

Acquisition portfolio details

	Address	Suburb	State	Value (A\$m)	Cap rate	Gross Building Area	Site Area
Hatcheries	Lot 267 Dwyers Ridge Road	Mt Alford	QLD	17.7	7.00%	6,424 sqm	645,800 sqm
	320 Figtree Lane	McKees Hill	NSW	6.8	7.00%	3,675 sqm	267,900 sqm
	Lot 29 Ferries McDonald Road	Monarto	SA	37.4	6.50%	8,734 sqm	337,600 sqm
	Sub-Total			61.8	6.70%	18,833 sqm	1,251,300 sqm
Feedmill & Broiler Farm	Cnr Moss Vale and Douglas Roads	Berrima	NSW	16.2	6.50%	1,879 sqm	121,100 sqm
	3 Pile Road	Somersby	NSW	6.3	6.50%	5,767 sqm	23,120 sqm
	Ballarto Road	Clyde	VIC	15.4	6.25%	2,516 sqm	206,100 sqm
	2 Panshanger Road (Mill & Broiler Farm)	Longford	TAS	2.2	8.00%	7,290 sqm	167,100 sqm
Sub-Total			40.1	6.49%	17,452 sqm	517,420 sqm	
Breeder Farms	Berghoffer Road	Athol	QLD	2.0	8.25%	5,354 sqm	80,940 sqm
	Drayton Road	Cambooya	QLD	2.0	8.25%	5,447 sqm	58,280 sqm
	Lamberts Road	Nindooindah	QLD	8.3	8.25%	23,038 sqm	1,455,800 sqm
	Westbrook Road	Wyreema	QLD	2.4	8.25%	6,308 sqm	78,810 sqm
	Lot 1051 Johnson Road	Bargo	NSW	6.0	7.75%	15,144 sqm	691,700 sqm
	Lot 83 Arina Road	Bargo	NSW	2.6	8.00%	6,809 sqm	272,200 sqm
	2091 Bentley Road	Boorabee	NSW	5.0	8.25%	9,744 sqm	903,100 sqm
	80 Crawford Road	Coombell	NSW	7.5	8.25%	23,864 sqm	2,510,000 sqm
	Gerahtys Road	Yorklea	NSW	8.0	8.25%	20,735 sqm	2,519,000 sqm
	Plumpton Road	Charlton	VIC	2.3	8.25%	9,374 sqm	727,200 sqm
	Pleasances Road	Darnum	VIC	2.6	8.00%	6,730 sqm	320,600 sqm
	McCraw Road	Nar Nar Goon	VIC	9.8	8.00%	25,919 sqm	593,700 sqm
	Five Mile Road	Pakenham	VIC	7.5	7.75%	19,440 sqm	418,800 sqm
	White Road	Monarto	SA	20.9	8.00%	40,353 sqm	1,950,000 sqm
	Pulleine Road	Nairne	SA	2.8	8.00%	11,655 sqm	390,041 sqm
	"The Pines", Old West Road	Bullsbrook	WA	2.4	8.25%	6,561 sqm	647,497 sqm
	Asher Road	Bullsbrook	WA	2.4	8.25%	6,677 sqm	243,202 sqm
	Chitty Road	Bullsbrook	WA	1.8	8.00%	4,926 sqm	101,973 sqm
	Racecourse Road	Gin Gin	WA	6.6	8.00%	12,758 sqm	1,146,935 sqm
	Perry Road	Pinjar	WA	2.4	8.00%	6,566 sqm	21,727 sqm
Sub-Total			105.0	8.07%	267,402 sqm	15,131,505 sqm	
TOTAL			207.0	7.35%	303,687 sqm	16,900,225 sqm	

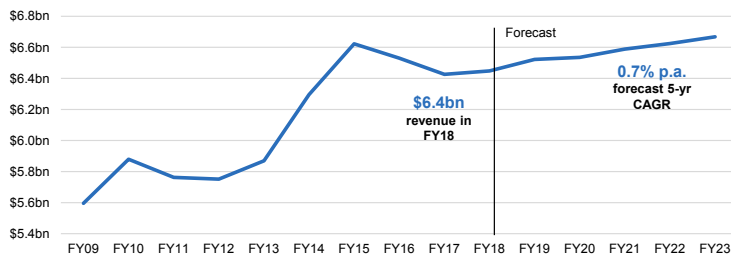
Appendix



Overview of the poultry market

The poultry market is underpinned by favourable demand drivers

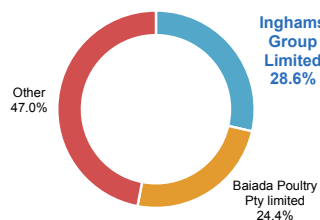
Poultry processing revenue



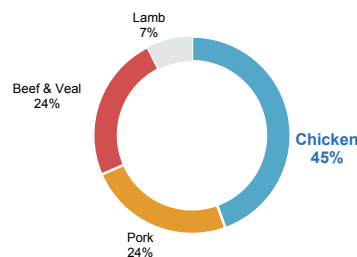
Key demand drivers

- 1. Strong population growth** in Australia
- 2. Affordability**, achieved through increased efficiency in production and growing systems
- 3. Market positive consumer trends**, in particular health, well-being and convenience related preferences

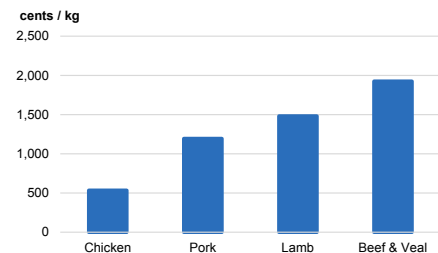
Major poultry producers



Australian major meat consumption



Australian retails prices of meat



Source: IBIS World, Charter Hall Research

Overview of poultry assets

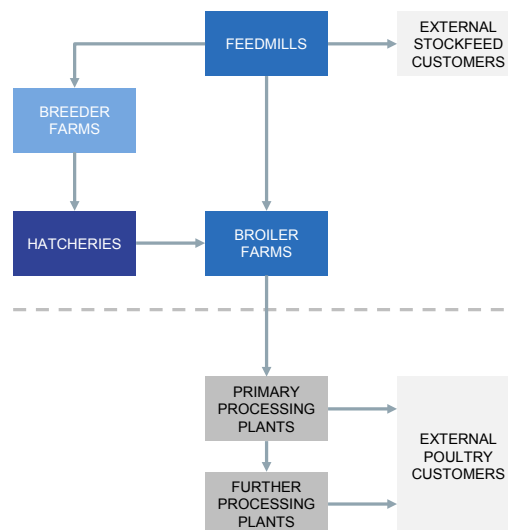
The Acquisition properties are strategically located in Inghams' supply chain infrastructure

Property types¹

Feedmills	<ul style="list-style-type: none"> Produce high quality feed that is primarily consumed by commercial poultry, pig, horse and dairy producers <ul style="list-style-type: none"> highly automated for portioning, mixing and pelleting raw input materials such as wheat, sorghum and protein meal to refine into feeds that are specifically formulated for the target species and the stage of the production process Facilities typically comprise of an intake building for raw material receipt, warehouse and commodities storage, grain and meal silos, milling complex and a feed outloading facility
Breeder farms	<ul style="list-style-type: none"> Parent Day Old Chicks ("DOC") are transferred to breeder farms where they are reared and mated to produce the final generation of birds known as "broilers". Parent birds take c.22 weeks to mature and then have a laying cycle of c.40 - 48 weeks, producing fertile eggs for the hatcheries. Once hatched, the broiler DOCs are transferred to broiler farms to mature to processing age Facilities typically long, thin, metal clad breeder sheds. A breeder farm may contain a number of sheds and is typically supported by amenities, cool room for egg storage and a fumigation room
Hatcheries	<ul style="list-style-type: none"> Hatcheries receive fertilised eggs from breeder farms, incubate and hatch these eggs, before distributing chicks to farms <ul style="list-style-type: none"> contain automated setter systems that control temperature, humidity and turn eggs regularly to improve hatch rate

¹ Facilities are generally supported by a manager's residence, office and administration centre, truck wash and several storage sheds

Poultry meat processing supply chain



Appendix



Summary of key risks

Transaction specific risks

Acquisition risk

Whilst the REIT expects the Acquisition to proceed as advised in this Presentation, if the acquisition in fact fails to complete or completion is delayed, the expected financial performance of the REIT could be adversely affected. If the acquisition does not complete and the REIT has raised funds under this Offer, the REIT will need to consider alternative uses for, or ways to return, those funds.

Underwriting

The REIT has entered into an underwriting agreement under which the underwriter of the Offer has agreed to fully underwrite the Offer, subject to the terms and conditions of the underwriting agreement between the REIT and the underwriter ('Underwriting Agreement'). The underwriter's obligation to underwrite the Offer is conditional on certain customary matters. Further, if certain events occur, the underwriter may terminate the Underwriting Agreement. Termination of the Underwriting Agreement is likely to have an adverse impact on the amount of proceeds raised under the Offer, and the REIT's ability to complete the Acquisition as currently planned and fund transaction costs, and could materially adversely affect the REIT's business, cash flow, financial performance, financial conditions and share price.

Risks associated with not taking up new securities under the Offer

Investors who do not participate in the Offer, or who do not take up all of their entitlement under the Offer, will have their percentage securityholding in the REIT diluted and you will not be exposed to further increases or decreases in the REIT's security price in respect of those new securities which would have been issued to you had you taken up all of your entitlement.

Reliance on information provided in respect of the Acquisition

CLW and its advisers have undertaken a due diligence process in respect of the Acquisition, which relied in part on the review of the financial and other information provided by the vendors. Despite taking reasonable efforts, CLW and its advisers have not been able to verify the accuracy, reliability or completeness of all the information that was provided to it against independent data. If any of the data or information provided to and relied upon by CLW in its due diligence process and its preparation of this Presentation proves to be incomplete, inaccurate or misleading, there is a risk that the financial position and performance of the Acquisition may be materially different to that expected by CLW as reflected in this presentation.

Simplification transaction

The REIT has sought a private binding ruling and a class ruling on behalf of investors pursuant to a simplification transaction that occurred on 23 August 2018. The potential impact to investors as at the date of the simplification transaction was outlined in the Notice of Meeting dated 10 July 2018.

The ATO has not yet formed a view in relation to this matter but has expressed some concerns in respect of the taxation outcomes of the private binding ruling. In the event that the ATO forms an adverse view, non-resident investors may suffer additional withholding tax during FY19 as a result of a capital gain that was realised on disposal of a 50% interest in the ATO Adelaide building. Australian resident investors subscribing under this Equity Raising should not be subject to tax on an amount exceeding the economic gain in respect of their indirect interest in the ATO Adelaide building via their investment in the REIT. The ATO has not raised any concerns in relation to the class ruling.

Unrealised capital gains

The REIT will inherit the CGT cost base of the property assets held by an existing trust. The aggregate cost base approximately \$126m compared to a purchase price of \$207m (excluding transaction costs). Accordingly, the portfolio has an inherent capital gain of approximately \$81m.

Withholding taxes

Income from this portfolio is likely to be treated as sourced from a primary production operation. With effect from periods commencing 1 July 2019, the withholding tax rate applicable to the taxable income distributed to non-residents will be 30%.

Other risks

Rental Income

Distributions made by the REIT are largely dependent on the rents received from tenants across the portfolio and expenses incurred during operations, which may be affected by a number of factors, including:

- overall economic conditions;
- the financial circumstances of tenants (on the date the units are allotted under the Offer in accordance with the Timetable, and in the future);
- the ability to negotiate lease extensions or replace outgoing tenants with new tenants;
- the occurrence of rental arrears or any vacancy periods;
- reliance on a tenant which leases a material portion of the REIT's portfolio;
- an increase in unrecoverable outgoings; and
- supply and demand in the property market.

Any negative impact on rental income (including as a result of a failure of existing tenants to perform existing leases in accordance with their terms) has the potential to decrease the value of the REIT and have an adverse impact on distributions or the value of securities or both.

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Summary of key risks

Re-leasing and vacancy risk

Although the REIT's portfolio is currently fully leased, in the longer term, the REIT's portfolio's leases will come up for renewal on a periodic basis. There is a risk that the REIT may not be able to negotiate suitable lease renewals with existing tenants, maintain existing lease terms, or replace outgoing tenants with new tenants. This may result in a reduction in the REIT's Operating Earnings and distributions and a reduction in the value of the assets of the REIT.

Property valuation risk

The value of each property held by the REIT, and those it may hold in the future, may fluctuate due to a number of factors affecting both the property market generally or the REIT's properties in particular. These factors include, but are not limited to:

- changes in market rental rates;
- changes in property yields;
- fluctuating occupancy levels;
- tenants defaulting;
- supply and demand in the relevant property market;
- increased competition from new or existing properties;
- a downturn in the property market generally;
- pricing or competition policies of any competing properties or tenants; and
- general economic conditions, such as interest rates.

These factors may change for a variety of reasons including those set out above in respect of these particular risks. A reduction in the value of any property may adversely affect the value of securities in the REIT. It may also impact the REIT's financing arrangements (refer to Funding risk). Property values may fall if the underlying assumptions on which the property valuations outlined in this Presentation are based, change in the future. As changes in valuations of investment properties are recorded in the statutory income statement, any decreases in value will have a negative impact on the statutory income of the REIT.

As property values fluctuate, so too may returns from property assets. Rental and occupancy levels may change as a result of changes in the property market and this may affect the distributions paid by the REIT and the market price of securities.

The REIT will have its properties independently revalued regularly in accordance with its valuation policy. The independent valuations of the properties are the best estimates of the independent valuers at the time of undertaking the valuation and may not reflect the actual price a property would realise if sold. The independent valuations are subject to a number of assumptions which may prove to be inaccurate.

Property liquidity

By their nature, investments in real property assets are illiquid investments, and there is a risk that should the REIT be required to realise property assets, it may not be able to do so in a short period of time, or may not be able to realise a property asset for the amount at which it has been valued. This may adversely affect the REIT's net tangible assets and the value of securities in the REIT.

Tenant concentration

The majority of the properties comprising the REIT's portfolio are single tenanted. This exposes the value and performance of each property to the ability of those tenants to continue to meet their obligations under the respective lease agreements. There is a risk that if one or more of the major tenants cease to be a tenant, the REIT may not be able to find replacement tenants on lease terms that are at least as favourable as the current terms. Should replacement tenants lease the property on less favourable terms this will adversely impact the returns and the overall performance of the REIT and value of the properties. The Responsible Entity of the REIT actively manages the tenant selection process to manage this risk. Currently, the majority of income of the REIT is derived from entities related to Woolworths¹, The Commonwealth of Australia, and Wesfarmers².

Development risk

The REIT will focus on sustainable income returns and minimising development risk. The REIT will not undertake speculative development. Any development risk will be substantially mitigated through fixed price construction contracts, and undertaking pre-leasing activities relating to the development, both prior to and during, construction. The REIT will endeavour to achieve a level of pre-commitment appropriate to the project prior to commencing development activities.

No guarantee of distribution or capital return

No guarantee can be given as to the amount of any income or capital return from the securities or the performance of the REIT, nor can the repayment of capital from the REIT be guaranteed.

Management performance

The REIT will be reliant on the expertise, experience, and strategies of its executive directors and management of Charter Hall Group. As a result, the loss or unavailability of key personnel at Charter Hall Group could have an adverse impact on the management and financial performance of the REIT and therefore returns to securityholders.

Capital expenditure

The REIT will be responsible for capital expenditure that may arise.

There is a risk that the actual required capital expenditure may exceed currently expected expenditure which could lead to increased funding costs and impact distributions. Additionally, any requirement for unforeseen material capital expenditure on the properties could impact the performance of the REIT.

Acquisitions

In addition to acquiring the assets in connection with this portfolio Acquisition, the REIT will continue to identify new investment opportunities for potential acquisition. The REIT will endeavour to conduct all reasonable and appropriate due diligence on potential investment opportunities.

There is a risk that the REIT will be unable to identify suitable investment opportunities that meet the REIT's investment objectives. Even if such opportunities are identified, they may not be able to be secured on appropriate terms. These factors may restrict the REIT's ability to add investments to its portfolio and this may adversely impact growth and returns to securityholders.

1. Assets leased to ALH Group and Woolworths Limited (including as guarantor to Shellbell Pty Ltd).
2. Assets leased to Coles Group Limited, a wholly owned subsidiary of Wesfarmers Limited.

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Summary of key risks

Reliance on third parties

The Responsible Entity may engage third party service providers in respect of a part or the whole of the REIT's portfolio, being Charter Hall Group entities or third parties outside the Charter Hall Group. These services will be subject to contractual arrangements between the Responsible Entity and the relevant third parties.

A failure of third parties to discharge their agreed responsibilities may adversely affect the management and financial performance of the REIT and therefore also adversely impact returns to investors.

Conflicts

The REIT may engage Charter Hall Holdings Pty Limited, a wholly owned subsidiary of Charter Hall Limited, to provide property management and facilities management services in respect of various properties in the REIT. The Responsible Entity and Charter Hall Holdings Pty Limited also have two common Executive Directors.

This may create a conflict of interest. Related party transactions also carry a risk that they could be assessed and monitored less rigorously than transactions with unrelated third parties. The REIT will mitigate these risks through the conflicts of interest and related party policy that governs the way the REIT manages such conflicts or transactions.

Funding

The Responsible Entity may fund future refinancing, capital expenditure and acquisitions from either debt or equity markets. The REIT's ability to raise funds from either market on favourable terms is dependent on a number of factors including:

- the general economic and political climate;
- the state of debt and equity capital markets;
- the performance, reputation and financial strength of the REIT; and
- the value of the properties.

Changes to any of these or other factors could lead to an increased cost of funding, limited access to capital, increased refinancing risk for the REIT and / or an inability to expand operations or purchase assets in a manner that may benefit the REIT and its securityholders.

Extension and refinancing

The REIT's ability to refinance or repay its debts as they fall due will be impacted by market conditions, the financial status of the REIT, the value of the REIT's properties, and prevailing economic conditions, including interest rates, at the time of maturity or refinancing. There is a risk that the REIT may not be able to extend or refinance its debts before maturity. Possible increases in the interest rate, the cost of interest rate hedges and the level of financial covenants required by lenders may also adversely impact the operating and financial performance of the REIT, the distributions of the REIT and the REIT's ability to raise equity and / or enter into new debt facilities.

In these circumstances, the REIT may need to raise further equity, dispose of assets for a lower market value than could otherwise have been realised, or enter into new debt facilities on less favourable terms. There is also a risk that the REIT may be unable to hedge future borrowings to mitigate future interest rate risk, or that the terms of such hedging are less favourable than the existing terms.

Debt facility undertakings and covenants

The REIT is subject to a number of undertakings and covenants under existing debt facilities, including in relation to gearing ratio and interest cover ratios. An event of default would occur if the REIT fails to maintain these financial covenants. This may be caused by amongst other factors, unfavourable movements in interest rates (to that extent interest rates are not hedged) or deterioration in the income or the value of the REIT's portfolio. In the event that an event of default occurs, the lender may require immediate repayment of a debt facility. The REIT may need to dispose of some or all of its properties for less than their book value, raise additional equity, or reduce or suspend distributions in order to repay a debt facility.

Gearing

The level of gearing exposes the REIT to any changes in interest rates and increases the REIT's exposure to movements in the value of the REIT's portfolio or performance measures. Higher gearing will increase the effect. If the level of gearing increases over the term of the REIT's debt financing, this may create refinancing risk on the REIT's debts as it approaches expiry.

Interest rates

To the extent that interest rates are not hedged, unfavourable movements in interest rates relating to existing debt facilities could lead to increased interest expense. This could impact the level of distributions available to securityholders.

Derivatives

The REIT will use derivative instruments to hedge the REIT's exposure to interest rates. The mark-to-market valuation of derivative instruments could change quickly and significantly. Such movements may have an adverse effect on the financial performance and financial position of the REIT.

In entering into derivative contracts, the REIT will be exposed to the risk that a party to the contract become insolvent or otherwise default on its contractual obligations. The Responsible Entity will seek to manage this risk by only entering into hedging arrangements with reputable counterparties.

Insurance

Insurance coverage is maintained in respect of each property (including insurance for destruction or damage to the property and public risk liability) where that coverage is available on commercial terms. Insurance coverage will include differing levels of cover for material loss or damage items such as accidental damage, flood and demolition and removal of debris. Some risks are not able to be insured at acceptable premiums. Examples of losses that are generally not insured against include war or acts of terrorism and natural phenomena such as earthquakes or hurricanes.

Any losses incurred due to uninsured risks, or loss in excess of the insured amounts, may adversely affect the performance of the REIT, and could lead to a loss of some of the capital invested by the REIT. Increases in insurance premiums may affect the performance of the REIT to the extent they are not recoverable from the tenant under their leases. Any failure by the company or companies providing insurance (or any reinsurance) may adversely affect the REIT's right of recovery under its insurance.

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Summary of key risks

Insolvency

In the event of any liquidation or winding up of the REIT, the claims of the REIT's creditors, including any counterparty under any hedging or other derivative arrangements, will rank ahead of those of its securityholders. Under such circumstances the REIT will first repay or discharge all claims of its creditors. Any surplus assets will then be distributed to the REIT's securityholders. All securityholders will rank equally in their claim and will be entitled to an equal share per security.

Compliance

The REIT is a managed investment scheme which means that the Responsible Entity is subject to strict regulatory and compliance arrangements under the Corporations Act and its Australian Financial Services Licence. If the Responsible Entity fails to comply with the conditions of its Australian Financial Services Licence, then ASIC may take action to suspend or revoke the licence, which in turn could adversely impact the REIT.

Forecast Financial Information

The forward looking statements, opinions and estimates provided in the Presentation, including any forecast financial information provided, rely on various contingencies and assumptions. Various factors and risks, both known and unknown, many of which are outside the control of the REIT, may impact upon the performance of the REIT and cause actual performance to vary significantly from expected results. There can be no guarantee that the REIT will achieve its stated objectives or that forward looking statements or forecasts will eventuate.

Environmental

As with any property, there is a risk that one or more of the properties in the REIT's portfolio may be contaminated now or in the future. Government environmental authorities may require such contamination be remediated. There is always a residual risk that the REIT may be required to undertake any such remediation at its own cost. Such an event would adversely impact the REIT's financial performance. Environmental laws impose penalties for environmental damage and contamination which can be material in size.

In addition, if any remediation required to be undertaken on a property is not completed properly, this may adversely affect the REIT's ability to sell the relevant property or to use it as collateral for future borrowings. Should new or more stringent environmental laws or regulations be introduced in the future, any remediation costs required to be incurred by the REIT may increase materially in order to comply with the new laws or regulations.

Exposure to hazardous substance at a property within the REIT's portfolio could result in personal injury claims. Such a claim could prove greater than the value of the contaminated property. An environmental issue may also result in interruptions to the operations of a property, including the closure or re-lease of the property.

Occupational health and safety

There is a risk that liability arising from occupational health and safety matters at a property may be attributable to the REIT as the landlord instead of, or as well as, the tenant. To the extent that any liabilities may be borne by the REIT, this may impact the financial performance of the REIT (to the extent not covered by insurance). In addition, penalties may be imposed upon the REIT which may have an adverse impact on the REIT.

Disputes and litigation

The REIT may in the ordinary course of business be involved in possible litigation and disputes (for example, tenancy disputes, occupational health and safety claims or third party claims). Whilst the extent of any disputes and litigation cannot be ascertained at this time, any dispute or litigation may be costly and may adversely affect the operational and financial results of the REIT.

Pre-emptive rights and other risks associated with joint-ownership agreements

The joint-ownership agreements to which the REIT (or a sub-trust of the REIT) is a party, contain pre-emptive rights which restrict the REIT's dealings in respect of its interest in the co-owned trust or the co-owned property. In particular, where the REIT wishes to deal with its interests in a co-owned trust or property, each other co-owner will have a pre-emptive right over the REIT's interests, other than in limited circumstances (for example, by way of a permitted transfer to a member of the REIT's unitholder or owner group).

A number of joint-ownership agreements also contain:

- tag-along options, pursuant to which the REIT may be required to take reasonable steps, if it wishes to sell its interest in a co-owned trust or co-owned property, to cause one or more of the other co-owners' interests to be acquired on substantively the same terms;
 - drag along rights, pursuant to which a co-owner may require the REIT to sell its interests in a co-owned trust if the co-owner wishes to sell its interest and the REIT has not exercised its pre-emptive; and
 - provisions under which a default sale process may be triggered on a change of control event, including where the Responsible Entity is replaced with an entity that is not a related body corporate of the Responsible Entity, with the default sale process giving the other co-owners a right to acquire the REIT's interests at the relevant default interest value.
- Additionally, disputes may arise between co-owners and where a dispute cannot be resolved, a number of joint-ownership agreements provide for the sale of the relevant property in circumstances where a co-owner does not acquire the other co-owners' interests.

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Summary of key risks

Operator risk

While the REIT is not an operator of any retail assets, the valuation and yield of the REIT's retail assets could be materially adversely affected by a number of operational risks of the tenants of those properties. In particular, the REIT may be affected by:

- **Competition** – increased competition in the pub, gaming, retail liquor markets and other speciality stores in the regions of Australia in which its tenants operate. The REIT's tenants compete for customers with a wide variety of other retail assets, hotel operator companies, retail liquor outlets, gaming companies and other speciality stores, some of which could be, or could become, better equipped and could have access to greater financial resources than the REIT's tenants. Competitor actions could be difficult to predict and may adversely impact on the profitability of the tenants;
- **Regulation of operators** – changes in legislation and government policies that regulate liquor and gaming venues or gaming laws may adversely impact the profitability of the tenants. By way of example, reductions in the number of gaming machines, restrictions on trading hours, increases in taxes and levies imposed on gaming machines, smoking restrictions and advertising restrictions may negatively impact the profitability of venues. Conversely, the reduction or removal of regulatory barriers to entry into the industry may also negatively impact the profitability of the pubs through increased competition. As the retail assets in the REIT's portfolio are used as pubs and gaming venues, changes in liquor and gaming laws or their interpretation may affect the trading and performance of the operators and thereby the value of the hotel assets, the ability of such tenants to perform their obligations and therefore the value of, and returns from, an investment in securities.

There are risks associated with any stock market investment. These include, but are not limited to:

- **Dilution risk** – as the REIT issues securities to new investors, existing securityholders' proportional beneficial ownership in the underlying assets of the REIT may be reduced. For example, if you do not participate in a future entitlement offer or choose not to reinvest your distributions pursuant to any future distribution reinvestment plan, then your beneficial ownership in the REIT may be diluted. The Responsible Entity will only raise equity if it believes that the benefit of acquiring the relevant assets or reducing gearing is in the interests of the securityholders
- **Pricing risk** – securities may trade on the ASX at, above or below the offer price or net tangible asset amount per security. The price of the securities can fall as well as rise. The price at which securities trade on the ASX may be affected by a range of factors including: movements and volatility in international and local share markets; general economic conditions in Australia and offshore including inflation, interest rates and exchange rates; recommendations by brokers; changes in government, fiscal, monetary and regulatory policies; changes to laws (particularly taxation laws); inclusion or removal from market indices; and changes in the supply and demand of listed property securities. Changes in the stock market rating of securities relative to other listed securities, especially other listed property trusts, may also affect prices at which securities trade
- **Liquidity risk** – there can be no assurance of an active trading market for the securities. Liquidity of the securities will be dependent on the relative volume of the buyers and sellers in the market at any given time. Changes in liquidity may affect the price at which securityholders are able to sell their securities. Significant blocks of securities held by individual investors may reduce liquidity in the trading of securities.

Macro-economic

Changes in the general economic outlook both in Australia and globally may impact the performance of the REIT and its portfolio.

Examples include (whether individually or in combination):

- changes in economic conditions and outlook in Australia and internationally;
- changes in Australian government, industrial, fiscal, monetary, regulatory policies or changes to laws (e.g. taxation laws);
- changes in interest rates, exchange rates or rates of inflation;
- investor sentiment for particular sectors and real estate sectors over the economic cycle;
- the impact of international conflicts or acts of terrorism;
- performance of comparable listed entities and projects;
- changes in the general level of prices in local and international share markets and general investor sentiment in these markets; and
- significant industrial, contractual or political disturbances impacting the REIT or the continuity of its business.

Consequently the trading price of securities may be influenced by factors non-specific to the REIT and out of the REIT's ability to control.

No assurances can be made that the performance of the securities will not be adversely affected by such market fluctuations or factors. Neither the REIT or the Directors or any other person guarantees the performance of the securities.

Changes in laws, regulation and policy

Changes in laws, regulations and government policy may affect the REIT or the tenants and the attractiveness of an investment in the REIT. Further, the impact of actions by governments may affect the REIT's activities including such matters as compliance with environmental regulations and taxation.

Tax

The REIT's Operating Earnings may be affected by changes in taxation law, including changes in income tax, GST or stamp duty legislation, particularly if they relate to property investment. Taxation law may change as a result of legislation, case law in Australia, rulings and determinations issued by the Australian Commissioner of Taxation or other practices of tax authorities. The tax treatment of distributions in the hands of the REIT's securityholders may also be affected by changes to the tax regime applicable to the REIT, or the REIT's ability to make tax deferred distributions. Tax considerations may differ between investors, therefore prospective investors are encouraged to seek professional tax advice in connection with any investment in securities.

Offshore investors in managed investment trusts are governed by particular taxation rules. An offshore investor should obtain their own taxation advice in relation to those rules.

As the REIT is already established, there is a risk that unrealised capital gains exist within the portfolio. As such, the disposal of an existing property may crystallise a capital gain that will be distributed to investors and will need to be included in the calculation of the investor's taxable income. The impact of this will depend on a number of factors including the price and timing of the sale and the profile of the investor. There is no current intention to dispose of any assets within the existing portfolio.

Accounting standards

The Australian Accounting Standards to which the REIT adheres are set by the Australian Accounting Standards Board ("AASB") and are consequently out of the control of the REIT and the Directors. Changes to accounting standards issued by AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in the REIT's financial statements.

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Appendix



Foreign selling restrictions

This document does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Securities are not being offered to the public within New Zealand other than to existing security holders of CLW with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Other than in the entitlement offer, the New Securities may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. CLW is not a collective investment scheme authorised under Section 286 of the SFA or recognised by the MAS under Section 287 of the SFA and the New Securities are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Securities may not be circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA. This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an "institutional investor", please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

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Foreign selling restrictions

Switzerland

The New Securities may not be distributed in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Securities may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Securities will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA), and the offer of New Securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of New Securities.

This document is personal to the recipient only and not for general circulation in Switzerland.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Securities have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

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Appendix



Glossary

Defined term	Meaning
Balance Sheet Gearing	Calculated as the ratio of net drawn debt (excluding unamortised debt establishment costs) to total tangible assets less cash.
Capitalisation Rate	The return of a property or portfolio of properties calculated by dividing the market level of Net Operating Income of that property or portfolio by the assessed Independent Valuation of that property or portfolio.
GLA or Gross Lettable Area	Total lettable floor area of Industrial properties including common areas, in square meters.
Look Through Gearing	Calculated as the ratio of net debt to total tangible assets less cash, which adjusts for the REIT's share of the debt, assets and cash held in equity accounted investments.
Occupancy	The proportion of total premises area that is subject to a tenancy agreement for a property or portfolio as at 30 June 2018. The proportion of total premises area that is subject to a tenancy agreement for a property or portfolio as at 30 June 2018. In this context, total premises area refers to net lettable area in respect of the office properties in the Portfolio, gross lettable area in respect of the industrial properties in the Portfolio and the site in respect of the retail properties in the Portfolio.
Operating Earnings (OEPS)	Operating Earnings is a financial measure which represents the profit / (loss) under Australian Accounting Standards adjusted for net fair value movements non-cash accounting adjustments such as straight-lining of rental income, amortisation and other unrealised or one-off items.
Operating Earnings (OEPS) Yield	The percentage rate of return calculated by dividing the Operating Earnings per Security by the Offer Price.
NLA or Net Lettable Area	Total lettable floor area of Office properties less common areas, in square metres.
Responsible Entity	Charter Hall WALE Limited (ABN 20 610 772 202, Australian Financial Services Licence Number 486721).
WACR	The average capitalisation rate across the Portfolio or group of Properties, weighted by Independent Valuation.
Weighted Average Lease Expiry or WALE	The average lease term remaining to expiry across the Portfolio or a property or group of properties, weighted by gross passing income or as noted.
Weighted Average Rent Review or WARR	The average rent review across the Portfolio or a property or group of properties, weighted by gross passing income.

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Glossary

Defined Term	Meaning
Acquisition	The acquisition of a portfolio of 27 agri-logistics properties leased to a subsidiary of Inghams Group Ltd. for \$207 million
Additional New Securities	Securities issued in excess of an Eligible Retail Securityholder's Entitlement
AEDT	Australian Eastern Daylight Time
Application	An application for New Securities under the Retail Entitlement Offer
Application Monies	Monies received from an applicant in respect of their Application
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates (i.e. the Australian Securities Exchange)
ASX Announcement	The announcement released by Responsible Entity to ASX on Wednesday, 5 December 2018 in relation to the Entitlement Offer and annexed as Annexure A to this Retail Offer Booklet
ASX Listing Rules	The official listing rules of the ASX, as amended or repealed from time to time
Corporations Act	<i>Corporations Act 2001 (Cth)</i>
Distribution	The amount of income of the REIT payable to Securityholders in accordance with the constitution of the REIT
Distribution Yield	The rate of return derived by dividing the Distribution per Security by the Issue Price
Early Retail Acceptance Due Date	5:00pm (AEDT), Monday, 17 December 2018
Early Retail Entitlement Offer	That part of the Retail Offer in respect of which applications have been received by the Early Retail Acceptance Due Date
Early Retail Entitlement Offer Allotment Date	Wednesday, 19 December 2018
Eligible Institutional Securityholder	An Institutional Securityholder which has been invited to participate in the Institutional Entitlement Offer
Eligible Retail Securityholder	A Securityholder who satisfies the definition outlined in Section 1.1
Eligible Securityholder	An Eligible Institutional Securityholder or an Eligible Retail Securityholder
Entitlement	The entitlement to 1 New Security for every 8.1 Securities held on the Record Date by Eligible Securityholders
Entitlement and Acceptance Form	The Entitlement and Acceptance Form accompanying this Retail Offer Booklet which can be used to make an Application
Entitlement Offer	The accelerated non-renounceable entitlement offer of approximately 1 New Security for every 8.1 Securities held on the Record Date at the Issue Price, and comprised of the Institutional Entitlement Offer and the Retail Entitlement Offer
Final Allotment Date	Friday, 28 December 2018
Final Retail Closing Date	5.00pm (AEDT), Thursday, 20 December 2018
Ineligible Securityholder	A Securityholder that is neither an Eligible Institutional Securityholder nor an Eligible Retail Securityholder
Institutional Entitlement Offer	The offer of New Securities to Eligible Institutional Securityholders and invited Institutional Investors under the Entitlement Offer, as described in Section 1.2

Defined Term	Meaning
Institutional Investor	A person: <ol style="list-style-type: none"> 1. in the case of a person with a registered address in Australia, who is an “exempt investor” as defined in ASIC Corporations (Non-Traditional Right Issues) Instrument 2016/84; or 2. if outside Australia, to whom offers for issue of Securities may lawfully be made without the need for a lodged product disclosure statement, prospectus or other disclosure document or other lodgement, registration, filing with or approval by a governmental agency (other than one with which Responsible Entity is willing, in its absolute discretion, to comply)
Institutional Securityholder	A holder of Securities on the Record Date who is an Institutional Investor
Investor Presentation	The investor presentation dated Wednesday, 5 December 2018 in relation to the Entitlement Offer and annexed as Annexure B to this Retail Offer Booklet
Issue Price	The issue price per New Security, being \$4.05 per New Security
New Securities	Securities offered under the Entitlement Offer
Operating Earnings	Operating Earnings is a financial measure which represents the profit/(loss) under Australian Accounting Standards adjusted for net fair value movements non-cash accounting adjustments such as straight-lining of rental income, amortisation and other unrealised or one-off items. Operating Earnings also aligns to the Funds from Operations as defined by the Property Council of Australia
Operating Earnings Yield	The percentage rate of return calculated by dividing the Operating Earnings per Security by the Issue Price
Record Date	7.00pm (AEDT) on Friday, 7 December 2018
Registry	Link Market Services Limited
REIT	Charter Hall Long WALE REIT
Responsible Entity	Charter Hall WALE Limited (ABN 20 610 772 202, AFSL 486721)
Retail Entitlement Offer	The offer of New Securities to Eligible Retail Securityholders under the Entitlement Offer, as described in Section 1.3
Retail Offer Booklet	This booklet dated Tuesday, 11 December 2018, including the ASX Announcement and the Investor Presentation
Retail Offer Period	The period from the date the Retail Entitlement offer opens until the Final Retail Closing Date
Security	One unit in Charter Hall Long WALE REIT
Securityholder	The registered holder of a Security
Underwriter	UBS AG, Australia Branch (ABN 47 088 129 613)
Underwriting Agreement	The underwriting agreement between Responsible Entity and the Underwriter dated Wednesday, 5 December 2018, as described in Section 4.19
US Person	Has the meaning given under Regulation S in the US Securities Act of 1933 as amended

Corporate Directory

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Level 20, No.1 Martin Place
Sydney NSW 2000
GPO Box 2704
Sydney NSW 2001

Charter Hall Long WALE REIT Offer Information Line

+61 1300 303 063

Open between 8.30am and 5.30pm (AEDT) Monday to Friday during the Retail Offer Period
(Tuesday, 11 December 2018 to Thursday, 20 December 2018)

Underwriter

UBS AG, Australia Branch
Level 16, Chifley Tower, 2 Chifley Square
Sydney NSW 2000

Legal Adviser

King & Wood Mallesons
Level 61, Governor Phillip Tower, 1 Farrer Place
Sydney 2000 NSW

Registry

Link Market Services Limited
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