

ASX ANNOUNCEMENT

16 April 2019

MCP MASTER INCOME TRUST (ASX:MXT) ANNOUNCES \$400 MILLION NON-RENOUNCEABLE ENTITLEMENT OFFER

- **Proceeds of capital raising to fund investment opportunities that are consistent with MXT's investment mandate and target return**
- **Capital raising will provide Trust with greater scale to participate in the Australian private credit market, reduce management costs and increase MXT's market liquidity**
- **Offer open to existing unitholders and new investors (subject to shortfall offer) at an offer price of \$2.00 per New Unit.**

Sydney, 16 April 2019: The Trust Company (RE Services) Limited (ABN 45 003 278 831) (**Responsible Entity**), is the responsible entity for the MCP Master Income Trust ARSN 620 465 090 (**MXT** or **Trust**). The Responsible Entity has today announced a pro rata 1 for 1.8 non-renounceable entitlement offer of new fully paid ordinary units in the Trust (**New Units**) to raise up to \$400 million (**Entitlement Offer**).

Metrics Managing Partner, Andrew Lockhart said the capital raising will provide the Trust with additional scale to invest in a strong pipeline of investment opportunities, improve the Trust's liquidity and lower the total costs to unitholders whilst maintaining target returns.

"We are pleased to again offer our existing unitholders and new investors an opportunity to gain exposure to the private credit market and an investment that is uncorrelated to listed equities or

bonds. The Trust aims to continue to deliver monthly cash income, with a low risk of capital loss, through a diversified portfolio of directly originated loans that reflects activity in the Australian private credit market.”

As previously disclosed, the investment objective of the Trust is to provide monthly cash income, low risk of capital loss and portfolio diversification, by actively managing diversified loan portfolios and participating in Australia’s corporate loan market. The Trust may not be successful in achieving its investment objective.

MXT has consistently delivered cash income of 5.8% per annum over the twelve months including March 2019 and 5.5% per annum since listing in October 2017. Past performance is not a reliable indicator of future performance.

The Trust’s investment manager, Metrics Credit Partners Pty Ltd (**Investment Manager** or **Metrics**), has a proven and strong track record in asset management with AUM in excess of \$3.7bn, including the MCP Income Opportunities Trust (ASX:MOT), (expected to list on 29 April 2019), as well as a number of other wholesale funds. Metrics seeks to implement active strategies designed to balance delivery of the Target Return (defined below), while at the same time seeking to preserve investor capital in the Trust.

The Trust aims to provide investors with:

- Monthly cash income:
 - The Trust targets a return of RBA Cash Rate plus 3.25% per annum net of fees (**Target Return**) and pays cash distributions monthly. The Target Return is only a target and may not be achieved. The Trust also operates a Distribution Reinvestment Plan.
- Exposure to Australian corporate loans that generally offer low risk of capital loss:
 - Corporate loans generally have floating interest rates with lender protections, such as security, resulting in an expected stable capital value and low loss rates

- Attractive risk-adjusted returns from a portfolio currently in excess of 100 corporate loans diversified by: borrowers; industries; across the credit spectrum; position in the capital structure; and by loan product.
- An experienced and active management team:
 - The investment team each has on average over 30 years' experience in origination and active risk management of private credit asset portfolios and has achieved strong investor market interest from wholesale, institutional and retail investors since Metrics' inception in 2011
- Low management fees:
 - Base management fees are equivalent to fees paid by wholesale investors in Metrics wholesale funds.

The Trust may from time to time be unsuccessful in providing all these benefits.

Since the Trust's initial public offering in October 2017 (**IPO**), the Trust has exceeded all targets disclosed in its product disclosure statement prepared in connection with the IPO, including the deployment of proceeds raised under the IPO, payment of monthly distributions from January 2018 consistent with the Target Return, and has established a diversified loan portfolio. Past performance is not a reliable indicator of future performance.

An investment in the New Units, or if applicable to you, Additional New Units, is subject to a range of risks, which are more fully detailed in section 8 of the PDS. Key risks to the Trust include credit and default risk, investment strategy risk, interest rate risk, credit cycle risk, liquidity risk and leverage risk, among others. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Trust's future financial performance and position. An investment in the Trust also carries investment risks such as loss of invested capital, units trading at less than their net asset value, inability to buy and sell units on the

ASX, volatility of returns and the Trust not delivering the Target Return and distributions set out above.

The PDS for the Trust will be lodged today with ASIC. The PDS contains important information regarding the Offer. We encourage you to read it carefully and in its entirety, including Section 8. If you have any questions, you should seek relevant professional advice before making an investment decision.

Details of the capital raising

Key Dates

Announcement of Offer	16 April 2019
Lodgement of PDS with ASIC	16 April 2019
Notice to unitholders with information required in Appendix 3B	29 April 2019
Units trade on an ex-Entitlement basis	1 May 2019
Record Date for Entitlement Offer (7:00pm AEDT)	2 May 2019
Offer opens	6 May 2019
Dispatch of PDS and Application Forms for the Offer	6 May 2019
Last day to extend the Offer	22 May 2019
Offer closes	27 May 2019
New Units quoted on ASX on a deferred settlement basis	28 May 2019
Results of the Offer announced	29 May 2019
Shortfall Notification Date	30 May 2019
Issue of New Units and Additional New Units under the Entitlement Offer	3 June 2019
Normal trading of New Units and Additional	4 June 2019

New Units issued under the Entitlement Offer expected to commence on ASX	
Issue of New units under the Shortfall Offer	7 June 2019
Normal trading of New Units under the Shortfall Offer expected to commence on ASX	11 June 2019

The above timetable is indicative only and subject to change without notice. All times and dates refer to Sydney time. The Responsible Entity reserves the right, subject to the Corporations Act, ASX Listing Rules, lead arranger and joint lead manager approval and other applicable laws, to vary the dates of the Offer without prior notice, including closing the Offer early, extending the closing date for the Offer or accepting late applications, either generally or in particular cases, or to withdraw the Offer for any reason without prior notice. Applicants are encouraged to submit their application forms as soon as possible. Any changes to the Offer timetable including closing the Offer early will be made via the website: www.metrics.com.au/mxt/ and ASX announcement. The commencement of quotation of New Units and Additional New Units is subject to confirmation from the ASX.

Pinnacle Investment Management has been appointed as the Distribution Partner and MinterEllison as legal adviser.

Taylor Collison is the Lead Arranger and Joint Lead Manager, Commsec, Ord Minnett and Wilsons are Joint Lead Managers, and Bell Potter the Co-Manager.

Investor enquiries

Please call Pinnacle Investment Management Ltd, the Distribution Partner, between 9.00am and 5.00 pm Sydney time Monday to Friday on 1300 010 311, email invest@metrics.com.au or visit www.metrics.com.au/mxt/.

About Metrics

Metrics is an alternative asset management firm specialising in direct lending to Australian companies and is an active participant in the Australian private credit market. Metrics launched its first wholesale fund in 2013 and is the appointed manager of a number of wholesale investment trusts, in addition to the MCP Master Income Trust (ASX: MXT), which successfully listed on 9th October 2017.

Metrics currently manages in excess of A\$3.7 billion in assets, including the MCP Income Opportunities Trust which is expected to commence trading on the ASX on 29 April 2019 following on from successfully raising \$300 million of investor capital.

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Directory**Trust****MCP Master Income Trust**

ARSN 620 465 090

Responsible Entity**The Trust Company (RE Services) Limited**

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Sydney NSW 2000

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Manager**Metrics Credit Partners Pty Ltd**

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Unit Registrar

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This document is prepared by Metrics Credit Partners Pty Ltd (ABN 27 150 646 996 AFSL No. 416 146) and is issued by The Trust Company (RE Services) Limited (ABN 45 003 278 831 and AFSL No. 235150) the responsible entity of MCP Master Income Trust. This document has been prepared without taking account the objectives, financial situation or needs of individuals. Before making an investment decision about the Trust persons should read and consider the product disclosure statement for the Trust dated 16 April 2019 (**PDS**), carefully and in its entirety, consider the appropriateness of the information and if an investment in the Trust is appropriate having regard to their objectives, financial situation and needs, and obtain advice from an appropriate financial adviser. The PDS is available at www.metrics.com.au/mxt/. The Trust Company (RE Services) Limited and Metrics Credit Partners Pty Ltd do not guarantee investment performance or distributions, and the value of your investment may rise or fall.