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SUPPLEMENTARY TARGET'S STATEMENT

Issued by RNY Australia Management Limited (*RAML*) (ACN 114 294 281, AFSL No. 289224) as responsible entity for RNY Property Trust (ARSN 115 585 709)

in response to Aurora's Bidder's Statement issued by Aurora Funds Management Limited (ACN 092 626 885), as responsible entity for Aurora Property Buy-Write Income Trust (*Aurora*) (ARSN 125 153 648) dated 28 August 2017

EACH DIRECTOR OF RAML NOW RECOMMENDS THAT YOU ACCEPT THE OFFER BY AURORA.

1. OFFER UNCONDITIONAL SO ACCEPT IT

1.1. Recommendations

Each RAML director has carefully considered all relevant matters including those discussed below and recommends that you accept Aurora's Offer for your RNY units.

1.2. Reasons for recommendation

RAML notes that Aurora's 1.5c offer for RNY units is unconditional. Any distribution from RNY is now considered unlikely to materially exceed this amount and it could be less, possibly zero. RAML must therefore recommend Aurora's unconditional 1.5c bid price save for one reservation. The timing is such that unitholders have very little time to accept before the closing date (11 October 2017). This means that in order to benefit from Aurora's 1.5c unconditional offer unitholders will need to act URGENTLY and DILIGENTLY to ensure they accept (if they wish to) prior to the deadline. How unitholders accept is a matter for them but you should consider in particular the use of fax or email due to the speed of delivery, compared to the post which may not be delivered in time.

1.3. Reasons to act quickly

Aurora has so far not decided to extend the closing date and if there is no extension, RAML has NO reason to believe that Aurora will be lenient in relation to any late acceptances. This comment is based on the following:

- (a) RAML pointed out to Aurora on Tuesday, 3 October 2017 that its offer breached s630(1) of the Corporations Act in that a particular date for the publication of a notice was missing.
- (b) The effect of the mistake by Aurora was that its defeating conditions breached the Corporations Act and, in RAML's view, were probably ineffective.
- (c) By the end of Wednesday, 4 October 2017 Aurora had declared its offers unconditional. In RAML's view the offers were already unconditional due to the breach mentioned above. Aurora's announcement put the matter beyond doubt.
- (d) But it is possible that Aurora declared its offers free from defeating conditions in order to produce an outcome which matched the effect of the breach of s630(1).
- (e) If this is correct, Aurora
 - (i) may elect not to extend the closing date for its offers in order to minimise the risk it is exposed to via its offers being unconditional; and
 - (ii) may not be inclined to process acceptances which miss the relevant deadline.

1.4. Conditional improved offer of 1.7c per unit

It is possible that unitholders may receive 1.7c if the conditions set out in Aurora's prior announcement dated 15 September 2017 are satisfied. This however is not certain.

2. DIRECTORS ARE ACCEPTING

Both of the Independent Directors of RAML (Philip Meagher & Mervyn Peacock) have accepted Aurora's offer in connection with their personal holdings of RNY units.

RXR has given instructions to its broker to cause its nominee to accept the Aurora offer in relation to its holding of 51,252,240 units. However, RXR is in the same position as other unitholders, being that it cannot fully control whether its acceptance will be processed in time before the deadline on 11 October 2017.

3. NEXT STEPS

Once the Aurora bid closes and the level of acceptances is known, including whether the 1.5c or the higher 1.7c is paid to accepting unitholders, RAML will consider the implication for its Cash Distribution Strategy. If Aurora reaches a level of acceptance allowing it to pass a resolution to change the responsible entity, this may also negatively impact the RAML Cash Distribution Strategy.

RAML has asked Aurora to extend the closing date of its offers. Aurora may or may not extend. Also, the Corporations Act requires an extension in certain circumstances. Unitholders should not assume there will be an extension. If there is no extension, RAML will consider the position of any unitholders who wished to sell into the Aurora offer but were prevented from doing so by the shortness of time. In this event, RAML will consider whether it can and should seek to proceed with the Cash Distribution Strategy previously approved

by unitholders. There is however no guarantee that such a distribution can or will occur or the amount available for such distribution."

4. RXR ROLE AS DIRECT OWNER OF 25% OF THE US LLC

RXR is also the indirect owner of a 25% interest in the US LLC which owns the remaining properties. RNY owns (indirectly) the other 75%. RXR has certain rights described in the 2005 IPO PDS in this capacity. RXR's rights include a right to cause liquidation of the portfolio in certain circumstances. RXR has not yet communicated to RAML whether it will exercise this right. The possible exercise of this right reinforces the Directors' recommendation to accept the Aurora offer.

5. ATTITUDE OF ACORE AS LENDER

The response of ACORE as lender to the Aurora bid becoming unconditional is not yet known. Certain disputes with this lender concerning the limits of the limited recourse provisions have not been finally documented as yet and further disputes may emerge in part triggered by the bid becoming unconditional and its consequences.

This uncertainty also reinforces the Directors' recommendation to accept the Aurora offer.

6. MISCELLANEOUS

As previously disclosed to unitholders via an ASX release on 11 September 2017, the Torchlight lender has already taken legal action to possess 492 River Road. The lender has now stated definitively that it will not allow RAML to market 492 River Road for sale, for a fee.

7. APPROVAL

This Supplementary Target's Statement is dated 9 October 2017, which is the date on which it was lodged with ASIC. This Target's Statement has been approved by a resolution passed by RAML Directors.

SIGNED for and on behalf of RNY Australia Management Limited as responsible entity for RNY Property Trust



Philip Meagher