

CHARTER HALL EDUCATION TRUST (ASX:CQE)

Notice Of Extraordinary General Meeting Of Unitholders And Explanatory Memorandum

For a meeting to be held on Monday, 27 May 2019 at 11:00 am (AEST)
At Level 14, 570 Bourke Street, Melbourne VIC 3000

Unitholders can vote by using the Proxy Form and reply paid envelope or by attending the Meeting on Monday, 27 May 2019 at 11:00 am (AEST) in Melbourne.



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Separate Attachment

Proxy Form

This is an important document. Please read it carefully.

If you are unable to attend the Meeting, please complete the Proxy Form and return it in accordance with the instructions in this Notice of Meeting and in the Proxy Form.

Chairman's Letter

Dear Unitholder,

3 May 2019

CHARTER HALL EDUCATION TRUST - MEETING OF UNITHOLDERS

The directors of Charter Hall Social Infrastructure Limited, the responsible entity for Charter Hall Education Trust ("CQE" or the "Trust"), invite all Unitholders to an extraordinary general meeting of Unitholders of CQE, to consider the matter set out in the enclosed Notice of Meeting and Explanatory Memorandum.

The meeting is called to seek Unitholder ratification of the issue of the 35,820,896 Units pursuant to the Institutional Placement announced on 26 March 2019 ("Placement Securities") which will preserve CQE's capacity to issue up to the maximum number of Units permitted within its annual 15% limit in the next 12 months under Listing Rule 7.1, if required. The outcome of this resolution will have no effect on the issue of the Placement Securities as these have already been issued within CQE's annual 15% limit prescribed by Listing Rule 7.1.

The Meeting will be held on Monday, 27 May 2019.


Please find enclosed the Notice of Meeting, Explanatory Memorandum, Proxy Form and business reply envelope.

If you are attending the Meeting, please bring the attached Proxy Form with you, as the barcode will assist in the registration process. If you are unable to attend, please complete and return your Proxy Form by no later than 11:00 am (AEST), on 25 May 2019 in accordance with the instructions on the attached Proxy Form.

If you require further information or have questions, please contact the CQE Registry, Boardroom Pty Limited on +61 2 9290 9687 between 8:30 am and 5:30 pm (AEST) Monday to Friday.

I look forward to your attendance at the Meeting.

Yours faithfully



Grant Hodgetts
Chairman
Charter Hall Social Infrastructure Limited
as responsible entity for Charter Hall Education Trust

Location Of The Meeting

Venue

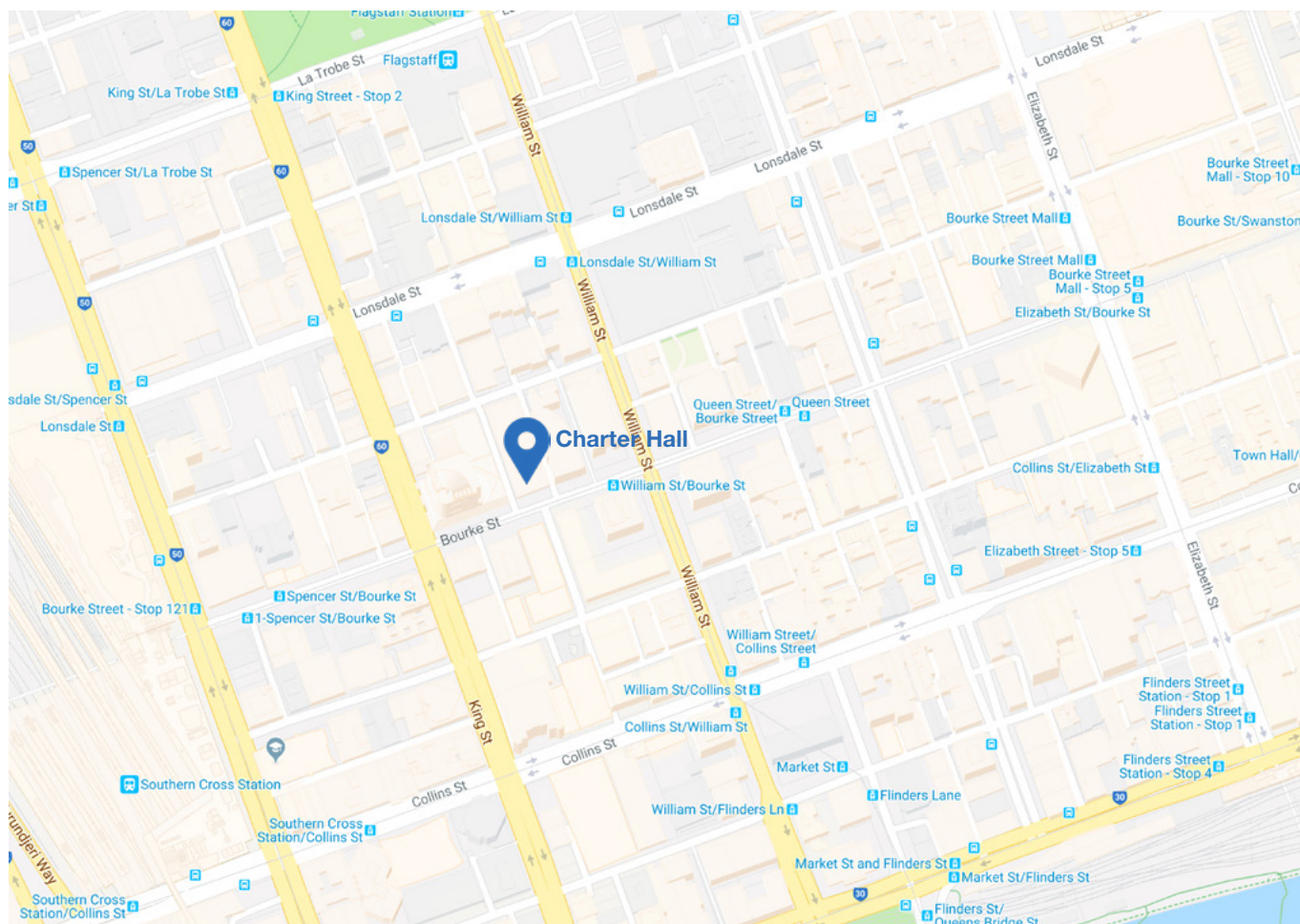
The Meeting of Unitholders of Charter Hall Education Trust will be held at:

Charter Hall Group
Level 14, 570 Bourke Street
Melbourne VIC 3000

Commencing

11:00 am (AEST)
Monday, 27 May 2019

Map



Meeting Agenda

Monday, 27 May 2019

10:30 am

Registration begins

11:00 am

Meeting commences

Welcome to Unitholders – Chairman

Business of Meeting

Meeting Protocol

The Meeting is an important event and we encourage Unitholders to actively participate. Important information about the conduct of the Meeting is set out below. Voting on the Resolution will be conducted by way of a poll.

Discussion And Asking Questions

Discussion will take place on the business of the Meeting as set out on page 6 of this Notice of Meeting.

The Explanatory Memorandum provides further information relating to the business of the Meeting.

Unitholders will have the opportunity to ask questions at the Meeting.

To ensure that as many Unitholders as possible have the opportunity to ask questions at the Meeting, Unitholders are requested to observe the following guidelines:

- Please keep questions as brief as possible and relevant to the matters being discussed; and
- If a Unitholder has more than one question, please ask all questions at the one time.

Unitholders who are unable to attend the Meeting or who prefer to register questions in advance are invited to do so by calling +61 2 9290 9687 between 8:30 am and 5:30 pm (AEST) Monday to Friday.

Unitholders will need their “Holder Identifier” (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

An opportunity for discussion will be provided on each item of business prior to Unitholders being asked to vote.

Photography

Cameras and recording devices are not permitted at the Meeting.

Notice Of Meeting

Charter Hall Social Infrastructure Limited (ABN 46 111 338 937) ("CQE")

Notice is hereby given that an extraordinary general meeting of Unitholders of the Charter Hall Education Trust will be held at:

Charter Hall Group
Level 14, 570 Bourke Street
Melbourne VIC 3000

At 11:00 am (AEST) on Monday, 27 May 2019.

Important Information:

- 1) The resolution should be read in conjunction with the Explanatory Memorandum which follows.**
- 2) Certain terms and abbreviations used below are defined in the Glossary on page 9 of the Explanatory Memorandum accompanying this Notice of Meeting.**
- 3) The Meeting will be held in accordance with the Corporations Act, the Listing Rules and the Trust's Constitution. A copy of the Trust's current Constitution can be found on the Trust's website (at <https://educationtrust.folkestone.com.au/wp-content/uploads/2019/04/FET-Trust-Constitution-including-supplemental-deeds-2019.pdf>)**

The Business Of The Meeting Is As Follows:

Resolution 1 – Ratification Of Institutional Placement

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

"To ratify, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 35,820,896 fully paid ordinary units by Charter Hall Education Trust at \$3.35 per Unit on 1 April 2019 to certain institutional, professional and other wholesale investors under an institutional placement for the purposes and on the terms set out in the Explanatory Memorandum in the Notice of Meeting convening this meeting."

Voting Exclusion Statements

CQE will disregard any votes cast in favour on this Resolution by, or on behalf of, any person who participated in the Institutional Placement or their associates.

However, the Responsible Entity need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

ASX has granted a waiver allowing CQE to limit the application of Listing Rule 14.11 so that votes of a Unitholder who participated in the Institutional Placement may be counted, to the extent that the Unitholder is acting solely in a fiduciary, nominee, trustee or custodial capacity on behalf of beneficiaries who did not participate in the Institutional Placement, on the following conditions:

- the beneficiaries provide written confirmation to the nominee holder that they did not participate in the Institutional Placement, nor are they an associate of a person who participated in the Institutional Placement;
- the beneficiaries direct the nominee holder to vote for or against Resolution 1; and
- the nominee holder does not exercise discretion in casting a vote on behalf of the beneficiaries.

In accordance with section 253E of the Corporations Act, the Responsible Entity and its associates will not vote on the Resolution if they have an interest in the Resolution other than as a member of the Trust. However, the Responsible Entity and its associates may vote as proxies if their appointments specify the way they are to vote and they vote that way.

Entitlement To Attend And Vote

The Directors have determined that the holding of each Unitholder for the purposes of ascertaining the voting entitlements for the Meeting will be as it appears in the Register at 7:00 pm (AEST) on Friday, 24 May 2019.

Quorum

Under the Constitution, the required quorum for the Meeting is at least 5 Unitholders holding or representing by proxy or attorney, at least 10% of the number of Units on issue.

Voting By Proxy

A Unitholder is entitled to appoint a proxy to attend and vote on behalf of the Unitholder at the Meeting. A proxy need not be a Unitholder of the Trust.

A Unitholder entitled to cast two or more votes at the Meeting may appoint two proxies and specify the proportion or number of votes each proxy is appointed to exercise. If the Unitholder appoints two proxies and does not specify the proportion or number of votes each proxy may exercise, then each proxy may exercise half of the votes.

A Proxy Form is attached to this Notice of Meeting. To be valid, Proxy Forms, and the authority under which any form appointing a proxy is signed or a certified copy of that authority (if any), must be received by no later than 11:00 am (AEST) on 25 May 2019 in accordance with the instructions listed on the attached Proxy Form.

If a Unitholder returns their Proxy Form but does not nominate a representative, the Chairman of the Meeting will be that Unitholder's proxy and will vote on that Unitholder's behalf as directed on the Proxy Form. If the Unitholder's nominated representative does not attend the Meeting, then that Unitholder's proxy will revert to the Chairman of the Meeting who may vote as he thinks fit in relation to any motion or resolution other than those (if any) in respect of which an indication of the manner of voting is given on that Unitholder's Proxy Form.

Undirected Proxies

Where permitted, the Chairman of the Meeting intends to vote undirected proxies in favour of the resolution set out in the Notice of Meeting.

Voting By Attorney

A Unitholder may appoint an attorney to vote on his/her behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by Boardroom Pty Limited using the contact details listed on the Proxy Form by no later than 11:00am (AEST) on 25 May 2019.

Corporate Representatives

A body corporate which is a Unitholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 253B of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to Boardroom Pty Limited.

By order of the Board



Mark Bryant
Company Secretary
3 May 2019

Explanatory Memorandum

Resolution 1 - Ratification Of Institutional Placement

On 26 March 2019, CQE announced that it would undertake an equity raising comprising a fully underwritten institutional placement to certain institutional, professional and other wholesale investors to raise up to \$100 million (the “**Institutional Placement**”) and a non-underwritten Unit Purchase Plan to eligible Unitholders in Australia and New Zealand to raise up to \$5 million¹ (“**Unit Purchase Plan**”). Under the Unit Purchase Plan, the Units were offered at the same issue price as the Institutional Placement of \$3.35 per Unit. New Units issued under the Unit Purchase Plan will rank equally with existing CQE Units from issue.

On 27 March 2019, CQE announced that due to significant demand from new and existing institutional investors, the size of the Institutional Placement was increased from \$100 million to \$120 million and announced the successful completion of the Institutional Placement which raised gross proceeds of approximately \$120 million by way of the issue of 35,820,896 fully paid Units at \$3.35 per Unit. The Units were issued pursuant to CQE’s 15% capacity under Listing Rule 7.1. The proceeds of the Institutional Placement were initially used to repay debt and then to be used to fund the acquisition of a portfolio of assets and to provide balance sheet headroom to finance CQE’s current pipeline as announced to the ASX on 26 March 2019.

Under Listing Rule 7.1, subject to certain exceptions, a listed entity may not issue equity securities in any 12 month period which exceed 15% of the number of securities of the entity on issue at the beginning of the 12 month period, except with the prior approval by the security holders of the entity of the precise terms and conditions of the proposed issue.

Under Listing Rule 7.4, an issue of securities made without security holder approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of that Listing Rule 7.1, if the issue did not breach Listing Rule 7.1 and the holders of the securities subsequently approve the issue. An issue so approved is then not counted towards the calculation of the use of the 15% limit under ASX Listing Rule 7.1.

The Resolution seeks the ratification by Unitholders of the issue of the 35,820,896 Units pursuant to the Institutional Placement. The outcome of this Resolution will have no effect on the issue of the 35,820,896 Units to certain institutional, professional and other wholesale investors as these have already been issued within CQE’s annual 15% limit prescribed by Listing Rule 7.1.

The Institutional Placement undertaken on 26 March 2019 reduced CQE’s capacity to issue Units without Unitholder approval or an exemption from ASX Listing Rule 7.1 applying. Accordingly, Unitholders are being requested to ratify the issue of Units as described above under ASX Listing Rule 7.4. This will ensure that CQE has the maximum flexibility to raise capital going forward. CQE has no current plan to raise further capital apart from the proposed issue of the Units under the Unit Purchase Plan (although it may do so in the future).

For the purposes of Listing Rule 7.5, details of the Institutional Placement are as set out below:

- (i) Number of Units issued:
35,820,896 fully paid ordinary Units
- (ii) Price at which Units were issued:
\$3.35 per Unit
- (iii) The terms of the Units:
The 35,820,896 Units issued under the Institutional Placement rank equally in all respects with existing issued fully paid Units of CQE quoted on ASX, from their issue on 1 April 2018 and subsequent quotation by the ASX.
- (iv) The name of the allottees:
The Units were issued to certain institutional, professional and other wholesale investors who were identified by J.P. Morgan Securities Australia Limited, the underwriter of the Institutional Placement.
- (v) Use (or intended use) of funds raised:
The proceeds of the Institutional Placement were initially used to repay debt and then to be used to fund the acquisition of a portfolio of assets and to provide balance sheet headroom to finance CQE’s current pipeline as announced to the ASX on 26 March 2019.

If the Resolution is approved, Unitholders will ratify the issue of Units under the Institutional Placement and preserve CQE’s capacity to issue up to the maximum number of Units permitted within its annual 15% limit in the next 12 months under Listing Rule 7.1, if required.

Directors’ Recommendation

The Directors unanimously recommend that Unitholders vote in favour of this Resolution.

¹ On 18 April 2019, CQE announced that in light of the significant demand from existing investors, the Board has utilised its discretion to increase the size of the UPP from \$5.0 million to \$19.29 million to ensure that all eligible applications are satisfied in full.

Glossary

AEST	Australian Eastern Standard Time
ASX	ASX Limited
Board	the board of Directors of the Responsible Entity
Constitution	the constitution of the Trust
Corporations Act	the Corporations Act 2001 (Cth)
CQE or Trust	Charter Hall Education Trust (ARSN 102 955 939)
Directors	the directors of the Responsible Entity
Explanatory Memorandum	the explanatory memorandum that accompanies this Notice of Meeting
Institutional Placement	the issue of 35,820,896 fully paid Units at \$3.35 per Unit on 1 April 2019 to certain institutional, professional and other wholesale investors under a fully underwritten institutional placement
Listing Rules	the Listing Rules of ASX
Meeting	the extraordinary general meeting of Unitholders of CQE to be held on Monday, 27 May 2019
Notice of Meeting	this notice of Meeting and any notice of any adjournment of the Meeting
Proxy Form	the proxy form attached to this Notice of Meeting
Register	the register of Unitholders as maintained by the Registry
Registry	Boardroom Pty Limited
Resolution	Resolution 1 included in this Notice of Meeting
Responsible Entity	Charter Hall Social Infrastructure Limited (ABN 46 111 338 937)
Unit	an ordinary unit in the Trust
Unit Purchase Plan	the non-underwritten Unit Purchase Plan to eligible Unitholders in Australia and New Zealand to raise up to \$5 million ² as announced to ASX on 26 March 2019
Unitholder	registered holder of a Unit

² On 18 April 2019, CQE announced that in light of the significant demand from existing investors, the Board has utilised its discretion to increase the size of the UPP from \$5.0 million to \$19.29 million to ensure that all eligible applications are satisfied in full.

Interpretation

The following rules apply unless the context requires otherwise:

- (a) The singular includes the plural, and the converse also applies;
- (b) If a word or phrase is defined, its other grammatical forms have a corresponding meaning; and
- (c) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.







All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00 am (AEST) on Saturday 25 May 2019.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a unitholder of the company. Do not write the name of the issuer company or the registered unitholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the unitholder.

Joint Holding: where the holding is in more than one name, all the unitholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00 am (AEST) on Saturday 25 May 2019**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

✉ **By Email** charterhall@boardroomlimited.com.au

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Charter Hall Education Trust

ABN 58 102 955 939

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Unitholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your unit holdings using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Charter Hall Education Trust** (Trust) and entitled to attend and vote hereby appoint:

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the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held at **Charter Hall Group, Level 14, 570 Bourke Street, Melbourne VIC 3000 on Monday, 27 May 2019 at 11:00 am AEST** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 1.

STEP 2 VOTING DIRECTIONS

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

Resolution 1 "To ratify, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 35,820,896 fully paid ordinary units by Charter Hall Education Trust at \$3.35 per Unit on 1 April 2019 to certain institutional, professional and other wholesale investors under an institutional placement for the purposes and on the terms set out in the Explanatory Memorandum in the Notice of Meeting convening this meeting."

For

☐

Against

☐

Abstain*

☐

STEP 3 SIGNATURE OF UNITHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Unitholder 1

Sole Director and Sole Company Secretary

Unitholder 2

Director

Unitholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019