

ASX MARKET RELEASE

Company Update: Top Level Real Estate

Highlights:

- **Top Level Real Estate, trading as 'The Agency' on east coast Australia under a license and Option Agreement¹, has achieved two significant milestones:**
 - **merged with Province Agents Lower North Shore, seamlessly merging two high-profile sales teams from Sydney's east and Lower North Shore and adding a rent roll of 1,200 properties and 18 agents,**
 - **Appointment, via its Projects team, to exclusively sell and market "Spirit", a AUD\$1.3 Billion Gold Coast residential tower,**
- **Province agreement partially satisfies one of the conditions precedent of the Option Agreement**

Ausnet Financial Services Limited (ASX: AU1) ("Ausnet" or "the Company") is pleased to provide an update on recent key developments of Top Level Real Estate ("Top Level"), including the partial satisfaction of a condition precedent to the Option Agreement, that if exercised would see Ausnet acquire the Top Level business.

Ausnet MD, Mr Paul Niardone, said he was extremely pleased with the progress Top Level was making, particularly the quality of agents it was bringing to its business and growth of both its real estate and projects divisions.

"Top Level, trading as 'The Agency' on the east coast of Australia, has achieved positive growth since launching earlier this year and is building a high quality and sustainable business," Mr Niardone said.

In January 2017 Ausnet announced it had entered into License Agreement and Option to acquire fast growing eastern seaboard real estate business Top Level¹.

Under the License Agreement, Top Level will have rights to use 'The Agency' brand and intellectual property on the East Coast of Australia, while Ausnet will retain an Option to acquire Top Level within the 12 months¹.

¹ Refer ASX announcement dated 31 January 2017

Merger with prominent Sydney agency Province Agents

Top Level, trading as 'The Agency', has merged its operations with Province Agents Lower North Shore, which enabled it to connect high-profile sales teams from Sydney's east and Lower North Shore.

The Province team has traded in the Lower North Shore market for over 40 years, having sold more than \$1 billion in residential sales collectively over that time. Its Directors include Peter Matthews, Kingsley Yates, Danny Grant and Shane Slater. It has a rent roll of 1,200 properties and 18 agents/ staff.

Current Province CEO, Mr Peter Matthews, will be taking on the role of Director of Strategy & Operations for the east coast operations of 'The Agency', drawing on his 25 years of industry experience and former roles as Chief Operating Officer of Ray White NSW, General Manager of Real Estate Services Domain and CEO of Province.

The east coast 'The Agency' Projects team appointed to exclusively sell and market "Spirit", AUD\$1.3 Billion Gold Coast residential tower

The Agency – Projects team, headed by highly experienced Executive Director Steven Chen, has the exclusive selling rights to launch and market Spirit locally and internationally.

One of Chinas' largest diversified financial Holding Companies, Beijing Based Forise, will develop the 88 level super prime tower.

Spirit is a 5 star, Green Star certified residential tower with 479 world class luxury residences boasting stunning views from every apartment. The site is on a 3494 sqm footprint in the heart of Surfers Paradise and occupies beachfront. It is designed by award winning architects DBI.

Spirit boasts three entire floors of recreational areas throughout the tower, with the top floor providing a stunning open air, north east, infinity edge swimming pool for its residents and guests. The tower will also house an extensive array of high end retailers, providers and Michelin star restaurants.

An entire floor penthouse, boasting over 1000 sqms that will allow the buyer to completely customise to suit their requirements, is expected to sell for in excess of AUD\$30m. Health and wellbeing operators will enhance the appeal to the already well-appointed, spacious and efficient floor plan residences.

Building base works commenced in the first quarter of 2017 with completion expected in 2020.

The Agency team will simultaneously launch the project offshore and locally. It is expected there will be strong demand from Asia, New Zealand and Australia.

About Ausnet

Ausnet consists of a group of successful businesses which deliver finance broking, real estate services, settlement services, property management (2017), project marketing, insurance and financial planning initially to the Western Australian market with an aim to be rolled out nationally.

This model has been created to build the core asset being a loan book currently at ~\$1.1 billion by cross referring clients between business units. The largest growing referral area has been built on a highly successful and disruptive real estate agency model named "The Agency". The agents have been referring ~60% of all sales for financing broking.

Ausnet is aiming to recruit ~100 sales representatives to "The Agency" in Western Australia that will eventually deliver over 1000 property transactions per year with the aim of converting into cross sales for mortgages, settlements and insurance. Each sales representative that joins Ausnet not only add sales activities but also on average bring in a database of ~2000 clients. Ausnet's target is to have ~600 sales representatives nationally.

The Company is also backed by Finsure Group, one of Australia's fastest growing retail finance brokerages writing over \$1 billion in new mortgages every month across 850 brokers.

Corporate website: www.ausnetrealestateservices.com.au

The Agency website: www.theagency.com.au

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