

Perth, Australia

17 August 2020

ASX Announcement

Ultima United Limited enters into a binding letter of intent – Master Lease of Cannington Project

Ultima United Limited (ASX: UUL) (Company) is pleased to announce that it has signed a binding letter of intent (dated 14 August 2020) to enter into a 2 (two) year master lease agreement for all 10 (ten) units at 3 Oak Street, Cannington with Rhinox Steel Pte Ltd, a Singapore-based Company (the “Master Lease Agreement”).

When entered into, the Master Lease Agreement will provide AU\$7,800 (seven thousand eight hundred Australian dollars) weekly rental income for the 10 units at 3 Oak Street, Cannington, representing a significant increase from the current total weekly rental income of AU\$3,830 (three thousand eight hundred and thirty Australian dollars) which the Company is receiving from individual leases.

The Master Lease Agreement will also see the Company collect 20 (twenty) weeks’ rental in advance to the amount AU\$156,000 (one hundred and fifty-six thousand Australian dollars) upon the execution of the formal lease agreement. The Master Lease Agreement does not represent a change in the Company’s intentions to continue with the sales efforts of the Cannington units. Contrary to that, the Board believes that this arrangement will increase the marketability of the units by being able to be sold to investors as high-yield leased apartments as well as maximising the current value of the apartments by raising its rental yields.

Rhinox Steel Pte Ltd has been given a 28 day exclusivity period to prepare all necessary documentation.

- ENDS -

Authorised by: Board of Ultima United Limited

For more information please contact:

**Eric Kong
Executive Director
T: +61 8 9367 9572**