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**MARKET RELEASE**

**ASX ANNOUNCEMENT  
24 November 2015**

### **APPF released Target's Statement**

Aspen Group (ASX:APZ) notes the announcement by the board committee of Aspen Parks Property Fund ("APPF") that the Target's Statement the Target's Statement dated 24 November 2015 in relation to the unsolicited, off-market takeover offer (**Discovery Offer**), from Beston Parks Land Co Pty Ltd (ACN 111 783 423) as trustee for the Beston Accommodation Parks Trust (ABN 61 229 965 660), a wholly owned subsidiary of Discovery Parks Holdings Pty Ltd (ACN 127 847 269).

As previously announced, Aspen Group has made no decision in relation to the Discovery Offer, including with respect to its own security holding. The Discovery Offer closes at 7.00pm (Sydney time) on Wednesday 9 December 2015, unless extended or withdrawn.

Aspen Group is the largest securityholder in APPF with a 42% ownership and is also the manager of APPF, with a management contract in place until April 2019.

Aspen Group will continue to keep the market informed as appropriate.

**End**

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## Continuous Disclosure

### Aspen Parks Property Fund

**Date: 24 November 2015**

**Title: Release of Target Statement**

Aspen Funds Management Limited as responsible entity of the Aspen Parks Property Trust and Aspen Parks Property Management Limited (together, **APPF**) confirms the release of the Target's Statement dated 24 November 2015 in relation to the unsolicited, off-market takeover offer (**Discovery Offer**), from Beston Parks Land Co Pty Ltd (ACN 111 783 423) as trustee for the Beston Accommodation Parks Trust (ABN 61 229 965 660), a wholly owned subsidiary of Discovery Parks Holdings Pty Ltd (ACN 127 847 269).

**The Target's Statement is attached and is an important document that requires your immediate attention.**



**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

YOU SHOULD READ THE DOCUMENT IN ITS ENTIRETY. IF YOU ARE IN DOUBT AS TO WHAT YOU SHOULD DO, YOU SHOULD CONSULT YOUR INVESTMENT, FINANCIAL, TAXATION OR OTHER PROFESSIONAL ADVISER.

**ASPEN PARKS PROPERTY MANAGEMENT LTD**

# TARGET'S STATEMENT

YOUR APPF BOARD COMMITTEE  
UNANIMOUSLY RECOMMENDS THAT YOU

# ACCEPT

THE OFFER FROM

Beston Parks Land Co Pty Ltd (ACN 111 783 423) as trustee for  
Beston Accommodation Parks Trust (ABN 61 229 965 660)

to acquire all of your stapled securities in  
Aspen Parks Property Fund  
for  
\$0.63 cash per APPF Stapled Security  
in the absence of a superior proposal

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE APPF SECURITYHOLDER INFORMATION LINE ON  
1300 365 969 (WITHIN AUSTRALIA) OR +61 1300 365 969 (OUTSIDE AUSTRALIA) BETWEEN 8.30AM AND 5.30PM  
(SYDNEY TIME) MONDAY TO FRIDAY.

FINANCIAL ADVISER

**FLAGSTAFF**

LEGAL ADVISER

**Allens & Linklaters**

## Important Notices

### Nature of this Document

This document is the Target's Statement dated 24 November 2015 given by Aspen Parks Property Management Ltd (ABN 91 096 790 331) (**APPML**) under Part 6.5 Division 3 of the Corporations Act. This Target's Statement is given in response to the Bidder's Statement by Beston Parks Land Co Pty Ltd (ACN 111 783 423) as trustee for Beston Accommodation Parks Trust (ABN 61 229 965 660) (**Discovery Bidder**) dated 23 October 2015 (as supplemented). Discovery Bidder is a wholly-owned subsidiary of Discovery Parks Holdings Pty Limited (ACN 127 847 269) (**Discovery Parks**).

### ASIC Disclaimer

A copy of this Target's Statement has been lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for the contents of this Target's Statement.

### Defined Terms and Interpretation

Capitalised terms used in this Target's Statement are defined in Section 9. Section 9 also sets out some rules of interpretation which apply to this Target's Statement.

### APPF Securityholder Information Line

APPF has established the APPF Securityholder Information Line, which APPF Securityholders may call if they have any queries in relation to the Offer. The telephone number for the APPF Securityholder Information Line is 1300 365 969 (within Australia) or +61 1300 365 969 (outside Australia) and will be available between 8.30am and 5.30pm (Sydney time) Monday to Friday.

Further information relating to the Offer can be obtained from the APPF website (<http://www.aspenfunds.com.au/aspenparks>).

### No Account of Personal Circumstances

This Target's Statement and the recommendations and other information contained in it do not constitute financial product advice. The recommendations and other information contained in this Target's Statement should not be taken as personal financial or taxation advice, as each Securityholder's deliberations and decision will depend upon their own financial situation, tax position, investment objectives and particular needs.

It is important that you read this Target's Statement in its entirety before making any investment decision and any decision relating to the Offer. Your Directors encourage you to obtain independent advice from your investment, financial, taxation or other professional adviser before making a decision whether or not to accept the Offer.

### Forward Looking Statements

This Target's Statement contains forward looking statements. All statements other than statements of historical fact are forward looking statements. Securityholders should note that those forward looking statements are only predictions and are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and other important factors, many of which are beyond the control of APPF. Actual values or results, performance or achievements may differ materially from those expressed or implied by such statements. The risks, variables and other factors that may affect the forward looking statements include matters specific to the accommodation park industry, as well as economic and financial market conditions; legislative, fiscal or regulatory developments; the price performance of APPF Stapled Securities; and risks associated with the business and operations of APPF.

None of APPF, any of its officers or any person named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (express or implied) or gives any assurance as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statements, except to the extent required by law. You are cautioned not to place undue reliance on any such statement. The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

### Reliance on Information Obtained from Public Sources

The information in this Target's Statement about Discovery Bidder and Discovery Parks has been compiled from, or is otherwise based on information obtained from, publicly available sources, and has not been independently audited or verified by APPML or its advisers. If the information obtained from public sources is inaccurate or incomplete, this may affect the information included in this Target's Statement. In particular, if the information has been used as the basis for forward looking statements in this Target's Statement, this may add to the risk that actual values, results, performance or achievements will differ materially from those expressed or implied by the forward looking statements.

### Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Target's Statement.

### Maps and Diagrams

Any charts, graphs and tables contained in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in maps, diagrams, charts, graphs and tables is based on information available as at the date of this Target's Statement.

### Foreign Jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

### Privacy

APPML has collected your information from the register of APPF Securityholders for the purpose of providing you with this Target's Statement. The type of information APPML has collected about you includes your name, contact details and information on your securityholding (as applicable) in APPF. Without this information, APPML would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of Securityholders to be held in a public register. Your information may be disclosed on a confidential basis to external service providers (including the APPF Share Registry and print and mail service providers) and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by APPML, please contact the APPF Securityholder Information Line on 1300 365 969 (within Australia) or +61 1300 365 969 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.

# Chairman's Letter

24 November 2015

Dear Securityholder

## **ACCEPT Discovery Bidder's Offer for your APPF Stapled Securities**

By now you should have received formal documentation from Discovery Bidder in relation to its Offer to acquire your APPF Stapled Securities for a cash price of \$0.63 per APPF Stapled Security. Discovery Bidder's Offer was increased from \$0.58 and made unconditional on 20 November 2015.

This document is APPML's Target's Statement, which sets out the unanimous recommendation of your APPF Board Committee to ACCEPT Discovery Bidder's Offer in the absence of a superior proposal and the reasons for that recommendation.

The APPF Board Committee is a separate board committee which was established to represent the interests of APPF Securityholders when assessing the commercial terms of the Aspen Group (APZ) Merger Proposal and the merits of alternative proposals, including Discovery Bidder's Offer.

## **Your APPF Board Committee unanimously recommends that you should ACCEPT Discovery Bidder's Offer, in the absence of a superior proposal, for the following reasons:**

- The APPF Board Committee unanimously recommends that APPF Securityholders ACCEPT Discovery Bidder's Offer, in the absence of a superior proposal
- The Offer represents a compelling value proposition
- The Offer provides certainty of value through 100% cash consideration
- The Offer provides certainty of timing through being unconditional
- The Independent Expert for the APZ Merger Proposal has concluded that the APZ Merger Proposal is no longer superior to Discovery Bidder's Offer
- No superior proposal from another party has emerged
- There are risks associated with not accepting the Offer

As a result of the APPF Board Committee recommending Discovery Bidder's Offer, each member of the APPF Board Committee has withdrawn their recommendation that APPF Securityholders vote in favour of the APZ Merger Proposal. Accordingly, the Merger Implementation Deed with Aspen Group entered into in connection with the APZ Merger Proposal announced on 14 September 2015 has been terminated and an application to vacate the Scheme Meeting previously scheduled for 9 December 2015 will be made.

The above reasons for your APPF Board Committee's unanimous recommendation to ACCEPT Discovery Bidder's Offer in the absence of a superior proposal are set out in greater detail in Section 1 of this Target's Statement. You are strongly encouraged to read this Section in detail.

## **To ACCEPT Discovery Bidder's Offer, you should follow the instructions contained in section 10 of the Bidder's Statement and complete and return the Offer Acceptance Form so that it is received by the end of the Offer Period.**

The APPF Board Committee urges you to read this Target's Statement in its entirety and will continue to keep you updated on all material developments with respect to Discovery Bidder's Offer and any other competing offer. In the meantime, should you have any questions in relation to this Target's Statement or your holding in APPF, please call the APPF Securityholder Information Line on 1300 365 969 (within Australia) or +61 1300 365 969 (outside of Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday.

Yours sincerely,



**Reg Gillard**

*Chairman of the APPF Board Committee  
Independent Non-executive Director, Aspen Parks Property Management Ltd*

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## Key Dates

Announcement of Offer	23 October 2015
Date of the Bidder's Statement	23 October 2015
Date of First Supplementary Bidder's Statement	9 November 2015
Date of the Offer	9 November 2015
Date of Second Supplementary Bidder's Statement	16 November 2015
Date of Third Supplementary Bidder's Statement	20 November 2015
Date of this Target's Statement	24 November 2015
Close of Offer Period (unless extended or withdrawn)	7.00pm (Sydney time) on 9 December 2015

# APPF Board Committee's Recommendation

YOUR APPF Board Committee  
**UNANIMOUSLY RECOMMENDS**  
THAT YOU **ACCEPT DISCOVERY**  
**BIDDER'S OFFER** in the absence of  
a superior proposal

## Key Reasons to **ACCEPT** Discovery Bidder's Offer:

- ✓ The APPF Board Committee unanimously recommends that APPF Securityholders ACCEPT Discovery Bidder's Offer, in the absence of a superior proposal
- ✓ The Offer represents a compelling value proposition
- ✓ The Offer provides certainty of value through 100% cash consideration
- ✓ The Offer provides certainty of timing through being unconditional
- ✓ The Independent Expert for the APZ Merger Proposal has concluded that the APZ Merger Proposal is no longer superior to Discovery Bidder's Offer
- ✓ No superior proposal from another party has emerged
- ✓ There are risks associated with not accepting the Offer

**To ACCEPT Discovery Bidder's Offer, you should complete, sign and return the Offer Acceptance Form enclosed in the Bidder's Statement so that it is received by the end of the Offer Period, being 7.00pm (Sydney time) on Wednesday, 9 December 2015, unless extended or withdrawn.**

You should read this Target's Statement in full which contains your APPF Board Committee's unanimous recommendation to ACCEPT Discovery Bidder's Offer in the absence of a superior proposal and their reasons for this recommendation. This Target's Statement does not take into account the investment objectives, financial situation and particular needs of any APPF Securityholder. You should consult your legal, financial, taxation or other professional adviser concerning the impact your decision may have on your own circumstances.

# 1 Reasons to ACCEPT the Offer

## (a) The APPF Board Committee unanimously recommends that APPF Securityholders ACCEPT Discovery Bidder's Offer, in the absence of a superior proposal

The APPF Board Committee, which was established to represent the interests of APPF Securityholders when assessing the commercial terms of the APZ Merger Proposal and the merits of alternative proposals, including Discovery Bidder's Offer, is recommending that you ACCEPT the Offer made by Discovery Bidder, in the absence of a superior proposal, as it represents the most attractive option for APPF Securityholders.

In arriving at this recommendation the APPF Board Committee concluded that:

- Discovery Bidder's Offer represents a better value proposition than the APZ Merger Proposal (as outlined in paragraph (b) below);
- APPF Securityholders who wish to exit for cash will be able to do so with certainty and at a premium to the cash option provided under the APZ Merger Proposal; and
- APPF Securityholders who would prefer to maintain exposure to the value for money accommodation asset class would be better off accepting the certain cash consideration offered under Discovery Bidder's Offer and investing these proceeds in other comparable Australian real estate investment trust (AREIT) investments.

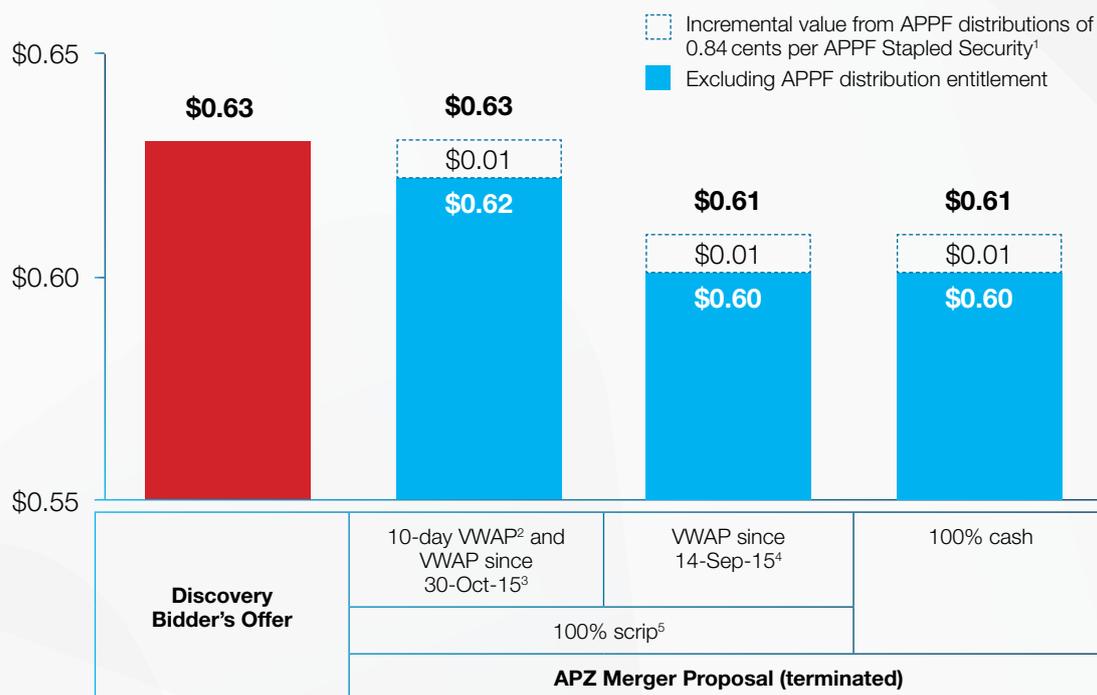
As a result of the APPF Board Committee recommending Discovery Bidder's Offer in the absence of a superior proposal, each member of the APPF Board Committee has withdrawn their recommendation that APPF Securityholders vote in favour of the APZ Merger Proposal. Accordingly, the Merger Implementation Deed with Aspen Group entered into in connection with the APZ Merger Proposal announced on 14 September 2015 has been terminated and an application to vacate the Scheme Meeting previously scheduled for 9 December 2015 will be made.

## (b) The Offer represents a compelling value proposition

Under Discovery Bidder's Offer, APPF Securityholders will receive consideration of \$0.63 cash per APPF Stapled Security without incurring any brokerage charges. This represents:

- a 38% or 17 cent premium to the APPF net asset value (NAV) per security of \$0.4571;
- a 5% to 13% premium to the value implied by the Independent Expert's assessment of fair value of APPF Stapled Securities in the Explanatory Memorandum of \$0.56 to \$0.60;
- up to a 5% or 3 cent premium to the implied value of the APZ Merger Proposal of \$0.60 to \$0.62; and
- up to a 3% or 2 cent premium to the implied value of the APZ Merger Proposal, including the value of APPF distributions until (and inclusive of) the previously proposed Merger Record Date, of \$0.61 to \$0.63.

The following graph depicts the superior value of Discovery Bidder's Offer compared to the APZ Merger Proposal (which has been terminated).



**(c) The Offer provides certainty of value through 100% cash consideration**

By accepting Discovery Bidder's Offer, APPF securityholders are able to receive the Offer consideration of \$0.63 per APPF Stapled Security, which provides certain value in the form of cash.

In contrast, by not accepting Discovery Bidder's Offer, the value which an APPF Securityholder would be able to realise per security will be subject to a number of uncertain outcomes and may be lower than the Offer consideration. Refer to Sections 3 and 4 of this Target's Statement for more information regarding these uncertain outcomes.

**(d) The Offer provides certainty of timing through being unconditional**

On 20 November 2015, Discovery Bidder's Offer was declared unconditional, meaning that any previous defeating conditions no longer apply. As such, by accepting the Offer, APPF Securityholders will from 20 November 2015 receive the Offer Price within 10 Business Days of accepting the Offer in accordance with the revised Offer terms set out in the Third Supplementary Bidder's Statement.

In contrast, by not accepting Discovery Bidder's Offer, receipt of the Offer price may be delayed (if Discovery Bidder becomes entitled to compulsorily acquire outstanding APPF Stapled Securities) and available options for APPF Securityholders to exit their investment will be limited to a number of uncertain outcomes. Refer to Sections 3 and 4 of this Target's Statement for more information regarding these uncertain outcomes.

<sup>1</sup> This is calculated by applying APPF's current annualised distribution rate of 4.0 cents per APPF Stapled Security to the period from 1 October 2015 to 17 December 2015.

<sup>2</sup> Aspen Group 10 day VWAP of \$1.45 per security as at 19 November 2015 (being the last close prior to announcement of the improved terms of Discovery Bidder's Offer).

<sup>3</sup> Aspen Group VWAP from 30 October 2015 (being the date of announcement of the APZ Merger Proposal) to 19 November 2015.

<sup>4</sup> Aspen Group VWAP from 14 September 2015 (being the date of announcement of the Original APZ Merger Proposal) to 19 November 2015.

<sup>5</sup> Value of scrip consideration calculated based on the merger ratio of 0.42857 multiplied by the relevant Aspen Group VWAP.

**(e) The Independent Expert for the APZ Merger Proposal has concluded that the APZ Merger Proposal is no longer superior to Discovery Bidder's Offer**

As part of the disclosure documentation prepared for the APZ Merger Proposal, APZ and APPF engaged an independent expert, KPMG Corporate Finance, to opine on whether the APZ Merger Proposal was in the best interests of APPF Securityholders. This assessment required, amongst other things, the Independent Expert to consider other alternatives available to APPF, including Discovery Bidder's Offer.

Following, on 20 November 2015, the increase in Discovery Bidder's Offer and it being declared unconditional, the APPF Board Committee requested the Independent Expert to consider whether its opinion in relation to the APZ Merger Proposal had changed as a consequence of Discovery Bidder revising its Offer. The Independent Expert provided the APPF Board Committee with a letter stating that the Independent Expert considers the APZ Merger Proposal is no longer superior to Discovery Bidder's Offer.

Based on a comparison of the key terms and consideration offered under each offer, on balance, the Independent Expert considers the APZ Merger Proposal is no longer superior to Discovery Bidder's Offer principally given that Discovery Bidder's Offer is unconditional, and provides both greater value and certainty than the APZ Merger Proposal. The Independent Expert notes that whilst APPF Securityholders forego the right to participate in any future upside in either APPF or the Merged Group, accepting Discovery Bidder's Offer does not prevent APPF Securityholders from re-deploying their proceeds from sale to invest in other comparable Australian real estate investment trust (AREIT) investments.

**(f) No superior proposal from another party has emerged**

The APPF Board Committee has extensively considered various alternatives to address the current structural concerns of APPF, including merging with other entities and Discovery Bidder's Offer. As at the date of this Target's Statement, the APPF Board Committee has not received any alternative proposal from any party intending to make a proposal that the APPF Board Committee considers to be superior to Discovery Bidder's Offer.

**(g) There are risks associated with not accepting the Offer**

APPF Securityholders who do not accept Discovery Bidder's Offer will be subject to a number of risks and implications depending on the outcome of the Offer, including but not limited to:

- the disadvantages of being a minority securityholder in APPF if Discovery Bidder acquires a majority securityholding, including being subject to uncertainty in relation to Discovery Bidder's intentions regarding the strategic direction of APPF;
- the risk that if there are no other offers and Discovery Bidder does not extend its Offer, consideration greater than or equal to the Offer price is never again able to be realised for APPF Stapled Securities;
- limited liquidity in APPF Stapled Securities may make it difficult for APPF Securityholders to exit their investment in the future; and
- delayed receipt of consideration if Discovery Bidder becomes entitled to compulsorily acquire any outstanding APPF Stapled Securities.

Refer to Sections 3 and 4 of this Target's Statement for more information regarding certain implications of not accepting Discovery Bidder's Offer.

## 2 Frequently Asked Questions

This Section answers some frequently asked questions about the Offer. It is not intended to address all issues relevant to APPF Securityholders. This Section should be read together with all other parts of this Target's Statement.

Question	Answer
<b>1 What is the Bidder's Statement (and the First Supplementary Bidder's Statement, the Second Supplementary Bidder's Statement and the Third Supplementary Bidder's Statement)?</b>	<p>The Bidder's Statement is the document setting out the terms of the Offer by Discovery Bidder. Discovery Bidder lodged the original Bidder's Statement with ASIC on 23 October 2015 and completed despatch of the Bidder's Statement to APPF Securityholders on 11 November 2015.</p> <p>The First Supplementary Bidder's Statement, Second Supplementary Bidder's Statement and Third Supplementary Bidder's Statement that were subsequently lodged with ASIC supplement, and are to be read together with, the original Bidder's Statement in relation to the Offer.</p>
<b>2 What is this Target's Statement?</b>	<p>This Target's Statement is a document which has been prepared by APPML and provides APPML's response to the Offer, including the APPF Board Committee's recommendation to APPF Securityholders.</p>
<b>3 What is the Offer?</b>	<p>Beston Parks Land Co Pty Ltd as trustee for Beston Accommodation Parks Trust (Discovery Bidder), which is a wholly-owned subsidiary of Discovery Parks Holdings Pty Limited, is offering you \$0.63 cash for every APPF Stapled Security you hold.</p> <p>In addition, Discovery Bidder is offering you a free two-year membership to the Discovery Holiday Parks Membership Program if you accept the Offer.</p> <p>Discovery Bidder has also stated in its Third Supplementary Bidder's Statement that APPF Securityholders who accept the Offer can keep the September 2015 APPF distribution of 0.3279 cents per APPF Stapled Security that was paid on 29 October 2015.</p>
<b>4 What is the Explanatory Memorandum?</b>	<p>The Explanatory Memorandum is a document which contains all relevant details of the APZ Merger Proposal, which you have received because you are an APPF Securityholder.</p> <p>As a result of the APPF Board Committee recommending Discovery Bidder's Offer in the absence of a superior proposal, each member of the APPF Board Committee has withdrawn their recommendation that APPF Securityholders vote in favour of the APZ Merger Proposal. Accordingly, the Merger Implementation Deed with Aspen Group in relation to the APZ Merger Proposal has been terminated and an application to vacate the Scheme Meeting previously scheduled for 9 December 2015 will be made.</p>

Question	Answer
<p><b>5 What is the APZ Merger Proposal?</b></p>	<p>On 30 October 2015, APPF received a revised proposal from Aspen Group in relation to the Original APZ Merger Proposal (the APZ Merger Proposal). The APZ Merger Proposal revised certain of the terms of the Original APZ Merger Proposal announced on 14 September 2015.</p> <p>As a result of the APPF Board Committee recommending Discovery Bidder's Offer in the absence of a superior proposal, each member of the APPF Board Committee has withdrawn their recommendation that APPF Securityholders vote in favour of the APZ Merger Proposal. Accordingly, the Merger Implementation Deed has been terminated and an application to vacate the Scheme Meeting previously scheduled for 9 December 2015 will be made.</p>
<p><b>6 What does the Independent Expert say about the Offer and the APZ Merger Proposal?</b></p>	<p>Having considered the revised terms of Discovery Bidder's Offer, the Independent Expert considers the APZ Merger Proposal is no longer superior to Discovery Bidder's Offer.</p>
<p><b>7 What are the conditions of the Offer?</b></p>	<p>There are no conditions remaining in relation to the Offer. The Offer was previously subject to the Conditions set out in section 10.7 of the Bidder's Statement.</p> <p>However, as stated in its Third Supplementary Bidder's Statement dated 20 November 2015, and pursuant to a notice freeing the off-market takeover bid from defeating conditions in accordance with the Corporations Act, Discovery Bidder has waived all of the Conditions to the Offer.</p>
<p><b>8 What is the APPF Board Committee?</b></p>	<p>The APPF Board Committee is a separate board committee which was established to represent the interests of APPF Securityholders when assessing the commercial terms of the APZ Merger Proposal and the merits of alternative proposals, including Discovery Bidder's Offer.</p>
<p><b>9 Who are the members of the APPF Board Committee?</b></p>	<p>The current members of the APPF Board Committee are:</p> <ul style="list-style-type: none"> <li>• Mr Reg Gillard (an independent non-executive director of APPML and AFML); and</li> <li>• Mr Clive Appleton (a non-executive director of APPML and AFML and an independent non-executive director of AGL).</li> </ul> <p>Mr Hugh Martin (a former non-executive director of APPML, AFML and AGL) was a member of the APPF Board Committee during the period he was a member of the boards of APPML and AFML.</p>

Question	Answer
<p><b>10 What does the APPF Board Committee recommend in relation to the Offer?</b></p>	<p>The APPF Board Committee unanimously recommends that you ACCEPT Discovery Bidder's Offer, in the absence of a superior proposal.</p> <p>The reasons for the APPF Board Committee's recommendation are set out in Section 1 of this Target's Statement. Additionally, Section 4 identifies important matters that are relevant to that recommendation and to which APPF Securityholders should have regard in determining whether or not to accept the Offer and the timing for any acceptance.</p> <p>If there is any change in this recommendation or there are any material developments in relation to the Offer, the APPF Board Committee will keep you fully informed.</p>
<p><b>11 What choices do I have in response to Discovery Bidder's Offer?</b></p>	<p>As an APPF Securityholder you have the following choices in respect of your APPF Stapled Securities:</p> <ul style="list-style-type: none"> <li>• ACCEPT Discovery Bidder's Offer in respect of some or all of your APPF Stapled Securities, in which case you should follow the instructions set out in section 10.4 of the Bidder's Statement and section 1.9 of the Third Supplementary Bidder's Statement; or</li> <li>• do nothing in respect of some or all of your APPF Stapled Securities.</li> </ul> <p>Refer to Section 3 of this Target's Statement for more information regarding your choices.</p>
<p><b>12 When do I have to make a decision in relation to the Offer?</b></p>	<p>If you wish to follow the APPF Board Committee's recommendation to ACCEPT Discovery Bidder's Offer in the absence of a superior proposal, you must do so before its scheduled closing date. Discovery Bidder has stated that its Offer remains open until 7.00pm (Sydney time) on 9 December 2015. It is possible that Discovery Bidder may choose to extend the Offer Period in accordance with the Corporations Act.</p> <p>In addition, the Offer Period may be extended automatically in certain circumstances. See Section 4.7 of this Target's Statement for details of the circumstances in which the Offer Period can be extended.</p> <p>If you do not wish to accept the Offer, then take no action.</p>
<p><b>13 What happens if a competing offer is made?</b></p>	<p>The APPF Board Committee will carefully consider the merits of any competing offer and will provide a supplementary target's statement to APPF Securityholders advising whether the competing offer affects their recommendation that APPF Securityholders accept the Offer.</p> <p>If you accept Discovery Bidder's Offer now, you will lose the ability to sell your APPF Stapled Securities to anyone else, including by accepting a superior proposal that might emerge.</p>

Question	Answer
<p><b>14 If I accept the Offer now, can I withdraw my acceptance later?</b></p>	<p>No. The Offer is unconditional, which means that you cannot withdraw your acceptance once it is received by Discovery Bidder.</p>
<p><b>15 Can Discovery Bidder withdraw the Offer?</b></p>	<p>Discovery Bidder may be able to withdraw the Offer in respect of Offers which have not yet been accepted if it obtains the written consent of ASIC, subject to the conditions (if any) specified in such consent.</p>
<p><b>16 Can Discovery Bidder extend the Offer Period?</b></p>	<p>Yes. Discovery Bidder has stated that its Offer remains open until 7.00pm (Sydney time) on 9 December 2015. It is possible that Discovery Bidder may choose to extend the Offer Period in accordance with the Corporations Act.</p> <p>In addition, the Offer Period may be extended automatically in certain circumstances. See Section 4.7 of this Target's Statement for details of the circumstances in which the Offer Period can be extended.</p>
<p><b>17 What are Discovery Bidder's intentions in relation to APPF?</b></p>	<p>Discovery Bidder's intentions are set out in section 6 of the Bidder's Statement.</p>
<p><b>18 How do I ACCEPT the Offer?</b></p>	<p>To follow your APPF Board Committee's recommendation to ACCEPT Discovery Bidder's Offer in the absence of a superior proposal, you should complete, sign and return the Offer Acceptance Form enclosed in the Bidder's Statement so that it is received by the end of the Offer Period, being 7.00pm (Sydney time) on Wednesday 9 December 2015, unless extended or withdrawn.</p> <p>Further details of how to accept the Offer are set out in section 10.4 of the Bidder's Statement and section 1.9 of the Third Supplementary Bidder's Statement.</p>
<p><b>19 How do I reject the Offer?</b></p>	<p>If you do not wish to accept the Offer, you do not need to take any action.</p> <p>However, if you decide to do nothing, you should be aware of the rights of Discovery Bidder to compulsorily acquire your APPF Stapled Securities in certain circumstances. Refer to Section 4.10 of this Target's Statement for more information on compulsory acquisition.</p>
<p><b>20 When will I receive payment if I accept the Offer?</b></p>	<p>In its Third Supplementary Bidder's Statement, Discovery Bidder has stated that if you accept the Offer, you will be sent payment within:</p> <ul style="list-style-type: none"> <li>• 10 Business Days of receipt of a valid acceptance; or</li> <li>• 10 Business Days of the date of the Third Supplementary Bidder's Statement in the case of valid acceptances already received prior to that date.</li> </ul> <p>APPF Securityholders should refer to section 1.4 of the Third Supplementary Bidder's Statement, which sets out the accelerated payment terms of the Offer, and section 10.5 of the Bidder's Statement regarding payment of Offer consideration.</p>

Question	Answer
<p><b>21 What are the tax implications of accepting the Offer?</b></p>	<p>Section 11 of the Bidder's Statement sets out a summary of the tax consequences of accepting the Offer.</p> <p>APPF Securityholders should consult their own tax adviser for tax advice tailored to their own particular circumstances.</p>
<p><b>22 Will I need to pay brokerage or stamp duty if I accept the Offer?</b></p>	<p>The Bidder's Statement states that no brokerage or stamp duty will be payable on acceptance of the Offer.</p>
<p><b>23 Who can I contact if I have further questions?</b></p>	<p>If you have any further queries, please contact your financial, legal, taxation or other professional adviser. If you have any questions about Discovery Bidder's Offer or this Target's Statement, please call the APPF Securityholder Information Line on 1300 365 969 (within Australia) or +61 1300 365 969 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.</p>

## 3 Your options as an APPF Securityholder

As an APPF Securityholder, the following choices are available to you in response to Discovery Bidder's Offer.

### (a) ACCEPT Discovery Bidder's Offer

If you wish to accept Discovery Bidder's Offer in accordance with the recommendation of the APPF Board Committee, you should follow the instructions set out in section 10.4 of the Bidder's Statement and section 1.9 of the Third Supplementary Bidder's Statement and complete, sign and return the Offer Acceptance Form enclosed with the Bidder's Statement so that it is received by the end of the Offer Period (7.00pm (Sydney time) on Wednesday 9 December 2015, unless extended or withdrawn). You may accept the Offer for all or any of your APPF Stapled Securities.

By accepting Discovery Bidder's Offer, you:

- will receive the Offer consideration within 10 Business Days;
- will not be able to withdraw your acceptance, meaning you will give up your rights to accept any superior proposal that may emerge or to sell or otherwise deal with your securities; and
- may be liable to pay tax on the disposal of your APPF Stapled Securities, which may have financial consequences for some APPF Securityholders.

Further details regarding acceptance of Discovery Bidder's Offer are set out in Section 4.4 of this Target's Statement.

### (b) Do nothing

If you do not wish to accept Discovery Bidder's Offer and you wish to retain your APPF Stapled Securities, you do not need to take any action.

If you decide to do nothing and if:

- Discovery Bidder becomes entitled to compulsorily acquire your APPF Stapled Securities under the Corporations Act, you will receive the Offer consideration, but it is likely that you will not receive payment for at least one month in such circumstances; or
- Discovery Bidder's Offer is successful and Discovery Bidder acquires a majority securityholding in APPF but Discovery Bidder does not become entitled to, or elects not to, compulsorily acquire your APPF Stapled Securities, you will be a minority securityholder in APPF, with possible implications described in Sections 4.10, 4.11 and 4.12 of this Target's Statement.

# 4 Information about the Offer and Other Important Issues

On 23 October 2015, Discovery Bidder announced its intention to make the Offer, being an offer to acquire all of the APPF Stapled Securities. Discovery Bidder is a wholly-owned subsidiary of Discovery Parks. On 9 November 2015, Discovery Bidder served APPF with a copy of the Bidder's Statement and the First Supplementary Bidder's Statement, which contain the Offer. On 16 November 2015 and 20 November 2015, Discovery Bidder served APPF with a copy of the Second Supplementary Bidder's Statement and the Third Supplementary Bidder's Statement, respectively.

APPF Securityholders should pay particular attention to the Third Supplementary Bidder's Statement, which includes significant changes to the Offer.

## 4.1 The Offer

Discovery Bidder is offering to acquire all of your APPF Stapled Securities, including any rights attaching to those Stapled Securities. You may accept the Offer for all or any of your APPF Stapled Securities.

In addition, Discovery Bidder is offering you a free two-year membership to the Discovery Holiday Parks Membership Program if you accept the Offer.

Discovery Bidder has also stated in its Third Supplementary Bidder's Statement that APPF Securityholders who accept the Offer can keep the September 2015 APPF distribution of 0.3279 cents per APPF Stapled Security that was paid on 29 October 2015.

## 4.2 Offer price

Discovery Bidder is offering \$0.63 cash for every APPF Stapled Security that you hold.

## 4.3 Conditions of the Offer

There are no remaining conditions attached to the Offer. The Offer was previously subject to the Conditions set out in section 10.7 of the Bidder's Statement. However, as stated in its Third Supplementary Bidder's Statement dated 20 November 2015, and pursuant to a notice freeing the off-market takeover bid from defeating conditions in accordance with the Corporations Act, Discovery Bidder waived all of the Conditions to the Offer.

## 4.4 Offer Period and acceptance

The Offer is open for acceptance from Monday, 9 November 2015 until 7.00pm (Sydney time) on Wednesday, 9 December 2015, unless it is withdrawn or the Offer Period is extended in accordance with the Corporations Act.

If you choose to accept the Offer, then your acceptance must be received by Discovery Bidder before the end of the Offer Period. Instructions on how to accept the Offer are set out in section 10 of the Bidder's Statement (as supplemented by section 1.9 of the Third Supplementary Bidder's Statement) and on the Offer Acceptance Form that accompanies either the Bidder's Statement or the Third Supplementary Bidder's Statement. If you want to accept the Offer, you should follow these instructions carefully to ensure that your acceptance is valid.

## 4.5 Receipt of Offer consideration

In its Third Supplementary Bidder's Statement, Discovery Bidder has stated that if you accept the Offer, you will be sent payment within:

- 10 Business Days of receipt of a valid acceptance; or
- 10 Business Days of the date of the Third Supplementary Bidder's Statement in the case of valid acceptances already received prior to that date.

APPF Securityholders should refer to section 1.4 of the Third Supplementary Bidder's Statement, which sets out the accelerated payment terms of the Offer, and section 10.5 of the Bidder's Statement regarding payment of Offer consideration.

#### 4.6 Effect of acceptance

The effect of acceptance of the Offer is explained in detail in section 10.11 of the Bidder's Statement. You should read those provisions in full to understand the effect that acceptance will have on your ability to exercise the rights attaching to your APPF Stapled Securities and the representations and warranties that you are deemed by Discovery Bidder to give to it by accepting the Offer.

If you accept the Offer, some of the consequences include the following:

- **you will be prevented from accepting any higher takeover bid** that may be made by a third party or any alternative transaction proposal that may be recommended by the APPF Board Committee;
- **you will relinquish control of your APPF Stapled Securities to Discovery Bidder;** and
- **you will appoint Discovery Bidder as your attorney to exercise all rights and powers derived from holding the APPF Stapled Securities,** including attending and voting at any meeting of APPF, APPML and/or APPT.

If Discovery Bidder improves the Offer price, all APPF Securityholders who accept the Offer (whether or not they have accepted the Offer prior to that improvement in the Offer price) will be entitled to the benefit of that improved price.

#### 4.7 Extension of the Offer Period

As the Offer is now unconditional (that is, all the Conditions are satisfied or waived), Discovery Bidder may (but is not obliged to) extend the Offer Period at any time before the end of the Offer Period.

Discovery Bidder must extend the Offer Period if, within the last seven days of the Offer Period, Discovery Bidder improves the price offered or Discovery Bidder's voting power in APPML increases to more than 50%. If either of these events happen, the Offer Period must be extended so that it ends 14 days after that event.

#### 4.8 Withdrawal of the Offer

Discovery Bidder may be able to withdraw the Offer in respect of Offers which have not yet been accepted if it obtains the written consent of ASIC, subject to the conditions (if any) specified in such consent.

#### 4.9 No rights to withdraw your acceptance

As the Offer is unconditional, you cannot withdraw your acceptance once it is received by Discovery Bidder.

#### 4.10 Implications of Discovery Bidder acquiring more than 90% of APPF Stapled Securities, including compulsory acquisition

Discovery Bidder has stated in section 6.2 of the Bidder's Statement that if it becomes entitled to proceed to compulsorily acquire APPF Stapled Securities in accordance with the Corporations Act, it intends to do so.

Discovery Bidder may be entitled to compulsorily acquire any outstanding APPF Stapled Securities for which it has not received acceptances on the same terms as the Offer if, during or at the end of the Offer Period, Discovery Bidder (taken together with its associates) has:

- a relevant interest in at least 90% (by number) of APPF Stapled Securities; and
- acquired at least 75% of the APPF Stapled Securities for which Discovery Bidder has made an Offer.

If these compulsory acquisition thresholds and the requirements under the Corporations Act are met, Discovery Bidder will have one month from the end of the Offer Period within which to give compulsory acquisition notices to APPF Securityholders who have not accepted the Offer, but it may choose to commence compulsory acquisition as soon as the relevant thresholds are satisfied. An APPF Securityholder has statutory rights to challenge compulsory acquisition, but this will require the relevant APPF Securityholder to establish to the satisfaction of a court that the terms of the Offer do not represent fair value for APPF Stapled Securities. Securityholders should be aware that if their APPF Stapled Securities are acquired compulsorily, they are not likely to receive any payment until at least one month after the compulsory acquisition notices are sent.

In addition to compulsory acquisition, if Discovery Bidder acquires more than 90% of APPF Stapled Securities, Discovery Bidder has stated in section 6.2 of the Bidder's Statement that it intends to replace the current responsible entity of APPT and conduct a strategic review of APPF's business and operations.

#### **4.11 Implications of Discovery Bidder acquiring more than 50% but less than 90% of APPF Stapled Securities**

If Discovery Bidder and its associates acquire more than 50% but less than 90% of all APPF Stapled Securities, then Discovery Bidder will have a majority securityholding in APPF. In those circumstances, APPF Securityholders who do not accept the Offer will be minority APPF Securityholders, which has a number of potential implications including that:

- Discovery Bidder will be in a position to cast the majority of votes at a general meeting of APPF, APPML and/or APPT. This will enable it to control the composition of the APPML Board and senior management, replace the responsible entity of APPT<sup>6</sup> and control the strategic direction of APPF and its subsidiaries;
- Discovery Bidder may pursue the intentions which it has set out in section 6.3 of the Bidder's Statement; and
- if Discovery Bidder acquires 75% or more of the APPF Stapled Securities, it will be able to pass special resolutions at meetings of APPF Securityholders. This will enable Discovery Bidder to, among other things, change APPML's and APPT's constitutions (subject to some potential voting restrictions).

#### **4.12 Implications of Discovery Bidder acquiring less than 50% of APPF Stapled Securities**

If Discovery Bidder and its associates acquire less than 50% of all APPF Stapled Securities, in which case it may not have a controlling interest in APPF, then Discovery Bidder has indicated that it will seek to pursue the intentions which it has set out in section 6.4 of the Bidder's Statement.

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<sup>6</sup> This assumes that all APPT members are entitled to vote on a resolution to replace the responsible entity of APPT. To the extent that any APPT members are excluded from voting on such a resolution under the Corporations Act, Discovery Bidder may be able to seek a change of responsible entity with a holding of less than 50% of APPT units.

## 5 Overview of APPF

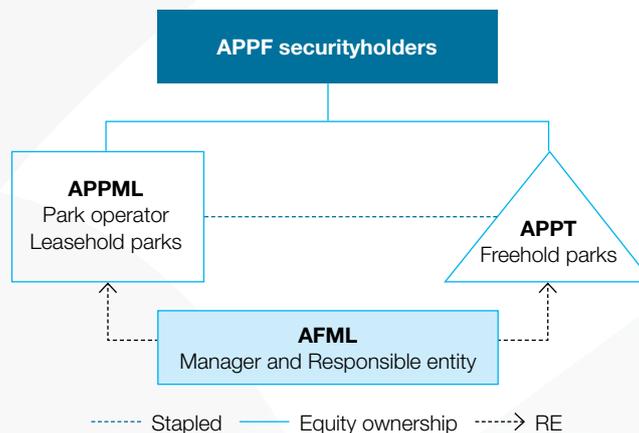
APPF is an unlisted property fund owning 21 accommodation parks across Australia valued at \$189 million. APPF's objective since its establishment in 2004 has been to provide APPF Securityholders with regular income distributions and the potential for long-term capital growth. APPF currently has approximately 3,000 securityholders on its register.

Aspen Group has a 42% holding in APPF and is its manager. As such, APPF pays fees to a subsidiary of Aspen Group (AFML) under a fund management agreement in exchange for the functions AFML performs as the Manager of APPF.

APPF consists of two entities, APPML and APPT. APPF Securityholders hold one APPML share and one APPT unit, which are stapled together to form one APPF Stapled Security.

As outlined in the diagram below, APPT owns all freehold park assets and APPML (or its subsidiaries) owns all interests in the leasehold park assets. APPT leases the freehold park assets to APPML, which manages all freehold park assets. The resulting net taxable income of APPT is fully distributed to APPF Securityholders.

In addition, APPML (or its subsidiaries) manages all leasehold park operations. APPML therefore undertakes all operational activities for each of the APPF properties. The net profit of APPML may be distributed to APPF Securityholders or retained in APPF.



Further information on APPF can be found at [www.aspenfunds.com.au/funds](http://www.aspenfunds.com.au/funds)

APPF's portfolio comprises 21 accommodation parks located in New South Wales, Victoria, Western Australia, Queensland and South Australia. The parks typically have a combination of permanent cabins, annual rentals and short-stay accommodation. A range of accommodation is offered depending on the park, including one, two and three-bedroom cabins, and powered and unpowered sites.

Four of the 21 APPF properties predominantly accommodate people employed in the resources sector. Three of these properties, Balmoral Holiday Park, Cooke Point and Pilbara Holiday Park, are located in the north west of Western Australia, and the other, Myall Grove Holiday Park, is located in South Australia. These four resource parks represent 11% of the value of the APPF property portfolio.

A brief summary of the APPF portfolio is set out below.

Number of parks	21
Value	\$189m
Hectares	148.3
Number of sites	4,673
Capitalisation rate (weighted average)	13.1

For further information in relation to APPF, please refer to section 5.2 of the Explanatory Memorandum relating to the APZ Merger Proposal,<sup>7</sup> which you should have already received. If you would like another copy of the Explanatory Memorandum, please call the APPF Securityholder Information Line on 1300 365 969 (within Australia) or +61 1300 365 969 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.

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<sup>7</sup> APPF Securityholders should note that as a result of the APPF Board Committee recommending Discovery Bidder's Offer in the absence of a superior proposal, each member of the APPF Board Committee has withdrawn their recommendation that APPF securityholders vote in favour of the APZ Merger Proposal.

## 6 Directors' Interests

### 6.1 Details of Directors

The Directors of APPML as at the date of this Target's Statement are:

Name	Position on APPML board
Clive Appleton	Non-executive Director
Reginald Gillard	Independent non-executive Director
Clem Salwin	Managing Director

### 6.2 APPF Board Committee recommendation

The APPF Board Committee is a separate board committee which was established to deal with actual, perceived and potential conflicts of interest which could arise under the APZ Merger Proposal and to represent the interests of APPF Securityholders when assessing the commercial terms of the APZ Merger Proposal and the merits of alternative proposals, including Discovery Bidder's Offer. The APPF Board Committee currently comprises one member of the APPML Board who is also a member of the AFML board (Mr Clive Appleton) and the sole director of APPML who is not also a director of AGL or AFML (Mr Reg Gillard). Decision-making in respect of any actual, perceived or potential conflict matters arising under the APZ Merger Proposal by the boards of AGL and AFML (as responsible entity of Aspen Property Trust) is carried out by those directors of AGL and AFML who are not members of the APPF Board Committee.

All of the Directors on the APPF Board Committee consider themselves independent for the purposes of the Offer and able to make a recommendation to APPF Securityholders.

Clem Salwin has not made a recommendation in relation to the Offer as he is also the Managing Director of AGL and AFML and is not part of the APPF Board Committee.

### 6.3 Directors' interests in APPF Stapled Securities

The only marketable securities that APPF has on issue are APPF Stapled Securities.

As at the date of this Target's Statement, none of the Directors has a relevant interest in APPF Stapled Securities.

### 6.4 Dealings by Directors in APPF Stapled Securities

No Director acquired or disposed of any APPF Stapled Securities within the period of four months immediately preceding the date of this Target's Statement.

### 6.5 Directors' interests in Discovery Bidder's securities

No Director has a relevant interest in any marketable securities of Discovery Bidder.

### 6.6 Dealings by Directors in Discovery Bidder's securities

No Director acquired or disposed of any marketable securities in Discovery Bidder within the period of four months immediately preceding the date of this Target's Statement.

### 6.7 Conditional agreements

No Director is a party to any agreement or arrangement with any other person in connection with, or conditional on, the outcome of the Offer.

### 6.8 Contracts with Discovery Bidder

None of the Directors has any interest in any contract with Discovery Bidder.

## **6.9 Payments and benefits**

As a result of the Offer, no benefit (other than a benefit permitted by section 200F or 200G of the Corporations Act) will or may be given to a Director:

- in connection with their retirement from office in APPML or a related body corporate of APPML; or
- in connection with the transfer of the whole or any part of the undertaking or property of APPML.

## **6.10 Insurance and indemnities**

APPML has entered into standard form deeds of indemnity with each APPML Director against all liabilities which they may incur in the performance of their duties as directors or officers of APPML.

APPML holds a Directors' and Officers' Liability Insurance Policy on behalf of current directors and officers of APPML and its controlled entities.

# 7 Additional Information

## 7.1 APPF capital structure

The total number of APPF Stapled Securities on 24 November 2015 was 232,636,714.

## 7.2 Substantial Securityholders in APPF

The following persons have substantial securityholdings in APPF:

Name	Number of APPF Stapled Securities	% of APPF Stapled Securities
Aspen Group	97,747,082	42.02%

## 7.3 Potential impact of the Offer on APPF's material contracts or regulatory approvals

APPML is not, after due inquiry, aware of any:

- (a) financing arrangement or other contract that has been entered into by APPF; or
- (b) regulatory approval or licence required for APPF's operations,

that APPML considers to be material in the context of APPF that contains a change of control provision that may be triggered if Discovery Bidder acquires APPF Stapled Securities as a result of the Offer, other than the below.

- Debt facilities: Under the loan facilities which APPF has in place with its lender as at the date of this Target's Statement, if (i) there is a change of control of APPF without the lender's prior written consent, this would trigger a right for APPF's lender to review the ongoing availability of those loan facilities. The lender is required to act reasonably and in good faith in this regard. If the lender withheld its consent, the loan facilities may be terminated and amounts owing would become immediately due and payable; or (ii) APPF is compulsorily acquired, this would constitute an event of default and trigger a right for APPF's lender to (among other things) declare all sums actually or contingently owing under the loan facilities immediately due and payable.

In these circumstances, this could require APPF to immediately find alternative financing on similar or different terms, or sell assets to repay the loan facilities. This may impact the returns of APPF and could result in the reduction in both APPF distributions and the value of APPF Stapled Securities.

APPF and various of its subsidiaries have entered into other contracts (including a number of leases) that contain change of control provisions that may be triggered if Discovery Bidder acquires control of APPF through its acquisition of APPF Stapled Securities as a result of the Offer.

Discovery Bidder has stated in sections 6.2 and 6.3 of its Bidder Statement that if Discovery Bidder acquires more than 50% of APPF Stapled Securities, it intends to replace the current responsible entity of APPT. APPF Securityholders should note the following two arrangements, which may be impacted if the responsible entity of APPT is replaced.

- Debt facilities: Under the loan facilities described above, if AFML was to cease as responsible entity of APPT, this would trigger a right for APPF's lender to review the ongoing availability of those loan facilities. In such circumstances, similar consequences to those noted above in respect of a change of control would apply.

- Manager fees: Pursuant to the terms of the Fund Management Agreement dated 16 April 2004 between APPML, APPT and AFML (as manager) and APPT's constitution, AFML is entitled to receive certain fees for the provision of its fund management services (eg, management fees, acquisition fees and project management fees). Currently, AFML waives certain of the fees it is entitled to receive and, in respect of the fees that it charges, AFML has agreed to charge some of those fees at a reduced rate for so long as AFML or a related body corporate is the responsible entity of APPT. Accordingly, if AFML was to cease as responsible entity of APPT, it is possible that AFML may (i) no longer agree to the reduced fees; and/or (ii) start charging those fees that it is entitled to, but does not currently, charge, which may then result in increased fees being charged to APPF. This may impact the returns of APPF and could result in the reduction in both APPF distributions and the value of APPF Stapled Securities.

#### **7.4 Changes in financial position**

So far as known to any Director, the financial position of APPF has not materially changed since 24 August 2015 (the date of APPF's last audited financial report, which was released on 22 October 2015) and the date of this Target's Statement, except as disclosed in this Target's Statement and the Explanatory Memorandum (including in the Independent Expert's Report).

#### **7.5 Material litigation**

As at the date of this Target's Statement, APPML has no knowledge of, nor any expectation of, any material litigation or dispute.

#### **7.6 Further developments**

Should there be any developments during the Offer Period which would alter the APPF Board Committee's recommendations in relation to the Offer, APPF Securityholders will be notified through a supplementary target's statement.

#### **7.7 Taxation considerations for APPF Securityholders**

Section 11 of the Bidder's Statement sets out advice on Australian capital gains tax consequences of accepting the Offer.

APPF Securityholders should consult their own tax adviser for tax advice tailored to their own particular circumstances. APPF Securityholders should not solely rely on section 11 of the Bidder's Statement in relation to the taxation implications of accepting the Offer. In particular, APPF Securityholders who are subject to taxation outside Australia should obtain their own advice as to the tax consequences for them of the Offer, which may be different to those applicable to Australian resident APPF Securityholders.

#### **7.8 ASIC modifications and exemption**

APPML has not been granted any modifications or exemptions by ASIC from the Corporations Act in connection with the Offer.

However, ASIC has published various 'class order' instruments providing for modifications to, or exemptions from, the Corporations Act that apply generally to all persons, including APPML.

#### **7.9 Consents**

The following persons have given and have not, before the date of issue of this Target's Statement, withdrawn their consent to:

- be named in this Target's Statement in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this Target's Statement; and
- the inclusion of other statements in this Target's Statement that are based on or referable to statements made in those reports or statements, or that are based or referable to other statements made by those persons in the form and context in which they are included.

Name of Person	Named As	Reports or Statements
Aspen Funds Management Limited	Responsible entity of Aspen Parks Property Trust and manager of APPF	N/A
Allens	Legal adviser	N/A
Flagstaff Partners	Financial adviser	N/A
KPMG Corporate Finance	Independent Expert in relation to the APZ Merger Proposal	Independent Expert's Report in relation to the APZ Merger Proposal  Letter to APPF in relation to the APZ Merger Proposal

Each of the above persons:

- does not make, or purport to make, any statement in this Target's Statement other than those statements referred to above and as consented to by that person; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement other than as described in this Section with the person's consent.

As permitted by ASIC Class Order 13/521, this Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the Listing Rules), including the Bidder's Statement. Pursuant to this Class Order, the consent of persons such statements are attributed to is not required for the inclusion of those statements in this Target's Statement.

Any APPF Securityholder who would like to receive a copy of any of those documents (or relevant extracts from those documents) may obtain a copy free of charge by contacting the APPF Securityholder Information Line on 1300 365 969 (within Australia) or +61 1300 365 969 (outside of Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday.

Additionally, as permitted by ASIC Class Order 13/523, this Target's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or published book, journal or comparable publication.

Pursuant to that Class Order, the consent of persons such statements are attributed to is not required for inclusion of those statements in this Target's Statement.

As permitted by ASIC Class Order 07/429, this Target's Statement also contains trading data obtained from IRESS without their consent.

## 7.10 Reliance on information obtained from Discovery Bidder or public sources

The information in this Target's Statement about Discovery Bidder and Discovery Parks has been compiled from or is otherwise based on information obtained from publicly available sources, and has not been independently audited or verified by APPML or its advisers. If the information obtained from public sources is inaccurate or incomplete, this may affect the information included in this Target's Statement. In particular, if the information has been used as the basis for forward looking statements in this Target's Statement, this may add to the risk that actual values, results, performance or achievements will differ materially from those expressed or implied by the forward looking statements.

## 7.11 Continuous disclosure

APPML and APPT are 'unlisted disclosing entities' under the Corporations Act and are therefore subject to regular reporting and disclosure obligations. These obligations require APPML and AFML (as responsible entity of APPT) to notify ASIC of information about specified matters and events as they occur for the purpose of making that information available to the market. In particular, there is an obligation (subject to limited exceptions) to, as soon as practicable, notify ASIC on becoming aware of any information that a reasonable person would expect to have a material effect on the price or value of APPF Stapled Securities. ASIC has indicated in ASIC Regulatory Guide 198 that in circumstances where an unlisted disclosing entity complies with ASIC's good practice guidance for website disclosure, ASIC will not insist that the entity lodges information with ASIC as is ordinarily required by the Corporations Act. In accordance with ASIC's good practice guidance, APPML and AFML maintain a 'Continuous Disclosure' area on the APPF website, which prominently discloses in a timely way any information required to be reported and disclosed by APPML and AFML in compliance with its continuous disclosure obligations.

Copies of documents lodged with ASIC in relation to APPF may be obtained from, or inspected at, an ASIC office. Copies of continuous disclosure documents are available on APPF's website (<http://www.aspenfunds.com.au/aspenparks>).

In addition, APPF will make copies of the following documents available for inspection at the registered office of APPF at Level 18, 9 Hunter Street, Sydney NSW 2000 (between 9.00am and 5.00pm on Business Days):

- APPF's Annual Report for the year ended 30 June 2015; and
- any continuous disclosure document lodged by APPF with ASIC between the lodgement of its 2015 Annual Report on 22 October 2015 and the date of this Target's Statement.

Copies of the documents are also available on APPF's website (<http://www.aspenfunds.com.au/aspenparks>), or may be requested to be provided free of charge by contacting the APPF Securityholder Information Line on 1300 365 969 (within Australia) or +61 1300 365 969 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.

## 7.12 Other information

This Target's Statement is required to include all the information APPF Securityholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer, but:

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is known to any of the APPML Directors.

The APPF Board Committee is of the opinion that the information that APPF Securityholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer is:

- the information contained in the Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement);
- the information contained in APPF's continuous disclosure lodgements with ASIC and as published on the 'Continuous Disclosure' area of its website prior to the date of this Target's Statement; and
- the information contained in this Target's Statement.

The APPF Board Committee has assumed, for the purposes of preparing this Target's Statement, that the information contained in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the APPML Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the APPF Board Committee has had regard to:

- the nature of the APPF Stapled Securities;
- the matters APPF Securityholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to the professional advisers of APPF Securityholders; and
- the time available to APPML to prepare this Target's Statement.

## 8 Authorisation

This Target's Statement has been approved by a resolution passed by the Directors of APPML. Each Director of APPML voted in favour of the resolution authorising this Target's Statement.

Dated 24 November 2015.

Signed for and on behalf of Aspen Parks Property Management Ltd:



**Reg Gillard**

Independent Non-executive Director  
Aspen Parks Property Management Ltd

# 9 Definitions and Interpretation

## 9.1 Definitions

The following definitions apply in this Target's Statement unless the context requires otherwise.

**AFML** means Aspen Funds Management Limited (ABN 48 104 322 278) (AFSL No. 227933).

**AFSL** means Australian Financial Services Licence.

**AGL** means Aspen Group Limited (ABN 50 004 160 927).

**APPF** means Aspen Parks Property Fund, comprising APPML and APPT.

**APPF Board Committee** means the committee of directors comprising Mr Hugh Martin (during the period he was a member of the APPML Board and the AFML board), Mr Clive Appleton and Mr Reg Gillard, which has been established to represent the interests of APPF Securityholders when assessing the commercial terms of the APZ Merger Proposal, and to assess the merits of alternative proposals.

**APPF Securityholder** or **Securityholder** means a person who is registered as the holder of an APPF Stapled Security in the APPF register of members.

**APPF Share Registry** means Link Market Services Limited (ABN 54 083 214 537).

**APPF Stapled Securities** or **Stapled Securities** means the fully paid stapled securities in APPF, each stapled security being comprised of one share in APPML and one unit in APPT, which have been stapled together such that they may only be transferred together.

**APPML** means Aspen Parks Property Management Ltd (ABN 91 096 790 331).

**APPML Board** means the board of directors of APPML from time to time.

**APPML Director** or **Director** means each member of the APPML Board.

**APPT** means Aspen Parks Property Trust (ARSN 108 328 669).

**APZ Merger Proposal** means the revised proposal made by Aspen Group in relation to the Original APZ Merger Proposal, as announced on 30 October 2015 and subsequently terminated pursuant to the termination of the Merger Implementation Deed on 24 November 2015.

**ASIC** means the Australian Securities and Investments Commission.

**Aspen Group** means the Aspen Group (ASX:APZ), which is a stapled group and comprises AGL and Aspen Property Trust (ARSN 104 807 767).

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as 'ASX' operated by it.

**Bidder's Statement** means the original bidder's statement dated 23 October 2015 lodged by Discovery Bidder with ASIC in relation to the Offer, as supplemented by, and to be read together with, the First Supplementary Bidder's Statement, the Second Supplementary Bidder's Statement and the Third Supplementary Bidder's Statement.

**Business Day** means a day which is not a Saturday, Sunday or a public holiday in Sydney, Australia.

**Condition** means a condition of the Offer set out in section 10.7 of the Bidder's Statement. The Offer is no longer subject to Conditions.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Discovery Bidder** means Beston Parks Land Co Pty Ltd (ACN 111 783 423) as trustee for Beston Accommodation Parks Trust (ABN 61 229 965 660).

**Discovery Parks** means Discovery Parks Holdings Pty Limited (ACN 127 847 269).

**Explanatory Memorandum** means the explanatory memorandum for the APZ Merger Proposal dated 3 November 2015, provided to APPF Securityholders on or around 9 November 2015 and available at <http://www.aspenfunds.com.au/aspensparks>.

**First Supplementary Bidder's Statement** means the first supplementary bidder's statement dated 9 November 2015 lodged by Discovery Bidder with ASIC in relation to the Offer.

**Independent Expert** means KPMG Corporate Finance (ABN 43 007 363 215).

**Independent Expert's Report** means the report and related financial services guide prepared by the Independent Expert dated 2 November 2015, which is included as Annexure A to the Explanatory Memorandum.

**Listing Rules** means the listing rules of ASX.

**Merged Group** means the group that would result from combining APPF and Aspen Group under the APZ Merger Proposal.

**Merger Implementation Deed** means the agreement dated 14 September 2015 (as amended) entered into between APPML, AGL and AFML (in its capacities as responsible entity of Aspen Property Trust and APPT) in connection with the APZ Merger Proposal and its implementation. This agreement was terminated on 24 November 2015.

**Merger Record Date** means the date and time which would have determined the entitlements of APPF Securityholders and Aspen Group securityholders (other than ineligible foreign securityholders) to participate in the APZ Merger Proposal and receive consideration under the terms of the APZ Merger Proposal, previously expected to be 7.00pm (Sydney time) on 17 December 2015.

**Offer** means the offer by Discovery Bidder to acquire all of the APPF Stapled Securities on the terms and conditions set out in the Bidder's Statement, which includes an off-market takeover bid for all of the shares in APPML under Part 6.5 of the Corporations Act.

**Offer Acceptance Form** means the acceptance form that accompanies the Bidder's Statement.

**Offer Period** means the period within which the Offer is open for acceptance in accordance with the Bidder's Statement and the Corporations Act.

**Original APZ Merger Proposal** means the original proposal by APPF and Aspen Group to combine APPF and Aspen Group to create the Merged Group, as announced on 14 September 2015.

**Scheme Meeting** means the meeting of APPML shareholders ordered by the Supreme Court of New South Wales to be convened pursuant to section 411(1) of the Corporations Act to consider the APZ Merger Proposal resolutions.

**Second Supplementary Bidder's Statement** means the second supplementary bidder's statement dated 16 November 2015 lodged by Discovery Bidder with ASIC in relation to the Offer.

**Target's Statement** means this document, being the statement of APPML under Part 6.5 of the Corporations Act in relation to the Offer.

**Third Supplementary Bidder's Statement** means the third supplementary bidder's statement dated 20 November 2015 lodged by Discovery Bidder with ASIC in relation to the Offer.

**VWAP** means the volume weighted average trading price on ASX.

## 9.2 Interpretation

The following rules of interpretation apply unless the context requires otherwise.

- (a) A term not specifically defined in this Target's Statement has the meaning given to it (if any) in the Corporations Act or the Listing Rules (as is appropriate to the context).
- (b) A gender includes all genders.
- (c) The singular includes the plural, and the converse also applies.
- (d) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
- (e) A reference to legislation or to a provision of legislation includes any modification or re-enactment of it, any legislative provision substituted for it and any regulations and statutory instruments issued under it.
- (f) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns.
- (g) A reference to a right or obligation of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).
- (h) A reference to an agreement or document is to the agreement or document as amended, supplemented, novated or replaced.
- (i) Headings used in this Target's Statement are for ease of reference only and do not affect the meaning or interpretation of this Target's Statement.
- (j) A reference to a Section or Schedule is to a Section of, or Schedule to, this Target's Statement.
- (k) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (l) \$, A\$ or AUD is a reference to the lawful currency of Australia.
- (m) A reference to time is a reference to Sydney time.



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