Chairman’s Address

Annual General Meeting of Trinity Limited ACN 110 831 288
and a Meeting of Members of the Trinity Stapled Trust ARSN 111 389 596

Thursday 21 November 2013 at 10.00am
Heritage Boardroom on Level 1, 308 Queen Street, Brisbane

My name is Brett Heading and I am Chairman of Trinity Limited and Trinity Investment Management Limited, the responsible entity for the Trinity Stapled Trust (ASX : TCQ).

Introduction
On behalf of the Board, I am pleased to welcome you to our 2013 Annual General Meeting.
We have seen significant movement across the Australian Real Estate Investment (A-REIT) market over the last 18 months with the sector providing positive price growth and total returns.

The most obvious driver for A-REIT performance over recent times has been the low interest rate environment and the subsequent movement of cash seeking dividend yield. This movement has resulted in a number of A-REITS now trading at a premium to their net tangible assets.

This has been a major change in the sector particularly for those stapled entities which up until recently (2012) had little or no value ascribed to their funds management businesses or other business operations.

On the whole, the sector has moved on from its post GFC lows. Optimism has returned to the sector which has moved into an expansion phase again.

Having now largely completed Trinity’s business rationalisation, asset sales and capital management program we have now achieved a stable foundation for Trinity. It has been a slow and painful process for all concerned and we acknowledge at times, frustrating for our securityholders.

In September 2013 the Trinity Board announced its determination for the future of Trinity, being a growth path for the business.

Today, it is appropriate to predominantly focus on our future direction. Chris Morton, Trinity’s CEO and Deputy Chairman, will detail the Group’s 2013 activities and financial results including an update on our property portfolio.

Trinity Today
Trinity of today is a considerably downsized and less complicated business than it was before 2009.

As at 30 June 2013, Trinity had total assets of approximately $91 million which comprised 5 real estate assets valued at approximately $76 million and cash of approximately $15 million.

This was a reduction of in total assets of $33 million from 2012 at which time the Group had assets of $124 million. The reduction in total assets is as a consequence of asset sales (including the Cumberland Lorne Resort assets and 15 Compark Circuit), the repayment of debt, capital management initiatives (including the return of capital) and the write down of the Cumberland Lorne Resort.

Performance History
As at 30 June 2013, Trinity had a market capitalisation of $35.8 million (currently $40.1 million based on a security trading price of $0.28 on 19 November 2013).

As we resolved, one by one, the myriad of issues faced by the Group, Trinity achieved good security price growth between FY2010 and FY2012. However, the security price has steadied since 2012 and closed at 25 cents on 30 June 2013. That said, the security price achieved a high of 30 cents in May 2013 following the announcement of a 3 cents per security capital distribution which was paid on 7 June 2013.

TCQ Security Price vs NTA per Security
Unfortunately, the ASX trading price of Trinity's securities does not currently reflect the underlying net tangible assets (NTA) per security. However, the extent of the discount has reduced over time with that discount at 30 June 2013 being 28.5% and currently (at the close of trading on 19 November) is a 21.5% discount. The Board accepts that this level of discount is still not acceptable in today's market.

The Board attributes the size of the discount of the Trinity security price to the NTA per security as being primarily due to:

- the inability to pay distributions to securityholders since 2008;
- the small market capitalisation of Trinity; and
- the uncertainty that has surrounded the future direction of Trinity.

The Board considers that as Trinity now starts to make material steps towards giving effect to the determined growth path and the likelihood of sustainable income distributions becomes clearer to the market that the closing of the gap between NTA and market price should occur. Trinity now has a story to tell other than that of a "work out" NTA play.

Alternative Growth Pathways
In September this year, after completion of our stated business objectives (for example, capital management), the Board completed its review and unanimously determined that a growth path for Trinity is the better option to maximise securityholder returns.

The Board's intentions are that Trinity will now seek to:

- purchase the whole or part of an existing funds management business utilising existing surplus funds and if required, proceeds from the sale of assets which are determined to be non-core or non-income producing; or
- establish and gradually build a new funds management business and externally managed investment funds. These funds could be within a variety of different categories including but not limited to retail and/or wholesale funds, listed and unlisted property trusts or syndicates and property securities funds; or
- a combination of the above.

The timing and selection of acquisitions and investments or the establishment and promotion of new platforms will be a function of how quickly opportunities are identified, analysed and executed.

The Board's focus will be on achieving a financial position for Trinity that should result in sustainable income distributions to securityholders from and including the 2015 financial year.

Appointment of Chief Investment Officer

Given the priority to deliver sustainable income distributions to securityholders, the Board is pleased to announce, the appointment of Mr Bevan Towning as Trinity's Chief Investment Officer. We regard Bevan's appointment as an important initial step in our growth plan.

Bevan is a highly experienced senior executive with over 30 years experience in property funds management. He has worked in both the listed and unlisted real estate investment trust sector and been a very senior executive with a number well known property entities including General Property Trust (GPT), Colonial First State (CFS), Challenger, Grocon Asset Management and more recently Mirvac. Bevan also has an extensive network of associates across property, funds management and capital markets. A separate ASX announcement has been made this morning in relation to Bevan's appointment.

We believe the opportunity for Bevan to join Trinity is timely given current market conditions and the determination of the Board to deliver on the growth path objective. He has a demonstrated ability and experience in the execution and delivery of new property funds management platforms.

The skill set and experience of Bevan will complement well with those of our CEO, Chris Morton, and enable Trinity to make confident steps forward in achieving its state objective, if market conditions allow.

We welcome Bevan to the Trinity team.

The New Trinity

In our announcement of 26 September 2013, the Board described what it expects to be the features of the revitalised Trinity (at least in the medium term):

- owns a small income producing commercial property portfolio on its own balance sheet so as to underpin the value of Trinity securities;
- owns a property funds management business which primarily manages external property investment vehicles and funds;
- does not carry out property development activities on its own balance sheet;
- has a financial position that should result in sustainable income distributions to securityholders from and including the 2015 financial year; and
- may possibly operate under a different name from that of Trinity, in which case, securityholders would be asked to vote on a change of name resolution.

On behalf of the Board, I confirm the Board's commitment to focus on the timely delivery of a revitalised Trinity.

Non-Executive Director Remuneration

I understand that some larger securityholders have expressed concern with the remuneration that I (and possibly the other non-executive director, Richard Friend) received in FY13 and as a consequence intend to vote (or have already voted) against the remuneration report. Whether this vote will result in a "first strike" is yet unknown.

I do confess to some disappointment that those securityholders have not possibly considered the extra effort required of the Board in recent years.

I simply state for the record that since being appointed as Chairman of Trinity Limited and Trinity's responsible entity on 21 August 2009 in a crisis position I have been a hands-on Chairman involved, with the assistance of the management team and the Board, in resolving the following:

- securing the funds management rights for Trinity's unlisted funds;
- corporate governance;
- appointment of an independent board for Trinity Funds Management Limited (TFML);
- proceedings instituted against Trinity;
- proceedings and litigation by Trinity against numerous parties including project partners associated with the former development arm of Trinity;
- recovery of outstanding debts;
- negotiations of debt forgiveness;
- meeting Trinity's financier bank LVR and ICR covenants;
- sale of 50% of TFML to satisfy NAB loan repayment schedule;
- sale of six property assets to satisfy financier's loan repayment schedule;
- sale of units in Trinity managed unlisted funds to reduce gearing;
- sale of Japan subsidiary;
- sale of the balance of the TFML funds management business;
- working through the complexity of capital management initiatives to address competing securityholder desires and interests of the Group.

During that period the Board membership totalled four (until Steve Leigh's resigned on 19 May 2010) and thereafter three. There have only ever been two non-executive directors, Richard Friend and myself, and as a consequence we have shared a larger time commitment than would ordinarily be the case for non-executives.
During the same period the security price has moved from $0.12 to $0.28 as at 19 November 2013.

Due to the hands-on role that we have undertaken, the Board has met many more times than other similar boards as the number on the slide demonstrates.

The Board recently discussed (before receiving any securityholder feedback), that it would be appropriate to implement a reduction in directors fees. Both Richard Friend and I have agreed to a material reduction in directors' fees from January 2014. This reduction is a reflection of the anticipated reduced time commitment that should be required of us in the next 12 months.

Conclusion
Fortunately Trinity is no longer in a time of challenge and controversy but now is in a time of opportunity. It can look forward to a more promising future.

Finally, I take this opportunity to publicly thank my fellow directors, Deputy Chairman and CEO, Chris Morton and Richard Friend, our two Company Secretaries and CFOs during the period Laura Fanning and Janita Robba, Trinity staff and our securityholders for their continued support.

Thank you.