ASX Announcement

DATE: 08.05.2013

FURTHER CAPITAL MANAGEMENT INITIATIVES

Trinity Limited and Trinity Investment Management Limited as responsible entity of Trinity Stapled Trust (ASX: TCQ) are pleased to announce (following the determination of their Independent Directors) their proposal for two further capital management initiatives, being a capital distribution and an on-market buyback (with the buyback subject to Securityholder approval). The details of these initiatives and the reasons for their selection are set out below.

1. Capital Distribution

The first capital management initiative is a capital distribution of 3.0 cents per security ("**the Distribution**") which is to be paid wholly from the capital of Trinity Stapled Trust ("**the Trust**").

The key dates for the payment of the Distribution are as follows:

Distribution Timetable	
Distribution Amount	3.0 cents per security
Ex-Distribution Date	Friday 17 May 2013
Record Date	Thursday 23 May 2013
Payment Date	On or about Friday 7 June 2013

As the Distribution is to be paid wholly from the capital of the Trust, the Distribution will be treated as 'tax deferred' for Securityholders for taxation purposes.

The Distribution is independent from, and not conditional upon, the Securityholder approval of the on-market buyback discussed below.

A distribution reinvestment plan will not be available for the Distribution.

2. On-Market Buyback

The second capital management initiative is a proposed on-market buyback for up to 10% of Trinity's issued capital ("**the On-market Buyback**").

Before the On-market Buyback can be undertaken, it must be approved by Securityholders at a general meeting by an ordinary resolution. This means that more than 50% of the votes cast by Securityholders (either in person, by proxy or by attorney) must be in favour of the resolution.

An indicative timetable for the commencement of the proposed On-market Buyback is provided below.

Event	Date
Notice of meeting sent to Securityholders to approve the On-market Buyback	Monday 20 May 2013
Securityholders' meeting to approve the On-market Buyback	Wednesday 19 June 2013
Commencement of the On-market Buyback (if approved by Securityholders)	Monday 24 June 2013

The Independent Directors, being Brett Heading and Richard Friend, determined that the proposed On-market Buyback offers those Securityholders seeking to exit their Trinity investment an opportunity to sell some, or all of their securities, through the increased liquidity that the On-market Buyback will provide.

3. Funding and cost of the capital management initiatives

This capital management program (comprising the Distribution and the On-market Buyback) will be funded from available capital following recent asset sales and will conclude Trinity's capital management program that was originally announced at the end of March 2012.

Trinity anticipates that the total cost of these current combined capital management initiatives will be approximately $8.5 million, assuming that the maximum of 10% of Trinity's issued capital is bought back and based on the maximum security price at which Trinity could buy back securities as at the date of this announcement (less the Distribution of 3.0 cents).

4. Some factors considered in determining the chosen capital management initiatives

The Independent Directors considered a range of capital management initiatives, including a further off-market buyback. However, they concluded that the chosen combination of initiatives is the course of action that is in the best interests of Trinity and unitholders of the Trust.

The Independent Directors consider that the chosen combination of capital management initiatives offers the following key advantages:

Capital Distribution Advantages	On-market Buyback Advantages
• no price or pricing mechanism was required to be determined • cost effective method of capital management • short timeframe to implement • distributions will be 'tax deferred' for Securityholders	• transparency of pricing (based on market price) • no independent expert report, valuations or regulatory approvals required prior to implementation • cost effective method of capital management • short timeframe to implement • discretionary participation by Securityholders

5. Reasons for not selecting a further Off-Market Buyback as a capital management initiative

As detailed in the Notice of Meeting and Explanatory Memorandum dated 17 September 2012, the Board advised that up to $10 million would be made available for a future capital management initiative. The form of the future capital management initiative then preferred by the Independent Directors was a further off-market buyback. However, it was stated at that time, that a final decision would be made by the Independent Directors after consideration of all relevant factors at the time.

The Independent Directors have since determined that a further off-market buyback is not their preferred method of capital management, for the following reasons:

(a) The costs of undertaking a further off-market buyback are too high, given that a smaller amount of capital is involved in this further capital management initiative. The fees and expenses of an equal access off-market buyback include engaging an independent expert, new independent valuations and legal fees and printing costs associated with preparation and distribution of a lengthy and detailed explanatory memorandum.

(b) The timeframe to complete a further off-market buyback is considered too long, as was the experience with the first off-market buyback, with further regulatory relief being required in addition to Securityholder approval.

(c) The off-market buyback carried out towards the end of 2012 was over-subscribed and a further smaller off-market buyback would likely again only provide a pro rata exit for those Securityholders seeking to exit.

(d) There would be a materially greater reduction in the number of securities on issue (and therefore liquidity) under a second off-market buyback compared to the determined combination of capital management initiatives.

(e) A further off-market buyback (carried out to the full extent of the capital being made available for capital management) may place Trinity's carry forward tax losses at risk.

6. Impact of the Distribution and On-market Buyback on Trinity

The impact of the Distribution is a reduction in the net asset value per security by 3 cents. The impact of the On-market Buyback (assuming that the maximum number of securities is bought back at the buyback pricing referred to previously in this announcement) is expected to be an increase of less than 1 cent to the net asset value per security that results after the Distribution has been paid.

7. Board resolution process

All directors and management have participated in discussions relating to the determination of appropriate capital management initiatives. However, in the end, the chosen initiatives have been determined by the Independent Directors. The Deputy Chairman, Chris Morton, who is associated with entities which have substantial securityholdings in Trinity, abstained from voting on the Board resolutions for these capital management initiatives, despite there being no legal impediment to do so.

Trinity advises that the dates provided in this announcement are indicative and that it will advise the market of any changes to the Distribution dates and On-market Buyback details once they are finalised.

ENDS

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