

23 August 2016

Dear Unitholder

**Change in Management Fees for MAX**

Millinium Capital Managers Limited (**Millinium**) is the responsible entity of Millinium's Alternatives Fund (**MAX**), an ASX listed fund (ASX code: MAX).

In accordance with the Constitution of the MAX, Millinium gives notice that, with effect from 1 October 2016, the Management Fee for MAX will be 1.25% per annum of the gross asset value (**GAV**) of MAX (plus GST).

As unitholders will be aware, the previous investment and fee structure for MAX was based on MAX being an indirect and passive "feeder fund" into a master fund (**Master Fund**). Although MAX charged a relatively low management fee of 0.205% per annum of GAV the Master Fund into which MAX invested charged an additional management fee of 1.76% per annum of GAV, so that, in aggregate, unitholders were being charged management fees of 1.965% per annum of GAV plus an additional performance fee.

Following the termination of the Master Fund and redemption of MAX's investment in it, Millinium is responsible for investing MAX's funds.

The increase in the management fee reflects the increased investment management role and responsibility of Millinium.

Yours faithfully



**Tom Wallace**  
**Company Secretary**