

Disclosure of movement of 1% or more in substantial holding  
or change in nature of relevant interest, or both

*Sections 277 and 278, Financial Markets Conduct Act 2013*

**To** NZX Limited  
and  
**To** Augusta Capital Limited (NZX: AUG)

Relevant event being disclosed: movement of 1% or more in substantial holding

Date of relevant event: 15 June 2020

Date this disclosure made: 15 June 2020

Date last disclosure made: 12 May 2020

**Substantial product holder(s) giving disclosure**

Full name(s): Centuria New Zealand Holdings Limited

**Summary of substantial holding**

Class of quoted voting products: Fully paid ordinary shares in AUG ("**Augusta Shares**")

Summary for Centuria New Zealand Holdings Limited ("**Centuria NZ**")

For **this** disclosure,—

- (a) total number held in class: 71,504,231
- (b) total in class: 169,542,572
- (c) total percentage held in class: 42.175%

For **last** disclosure,—

- (a) total number held in class: 34,721,693
- (b) total in class: 151,791,352
- (c) total percentage held in class: 22.875%

**Details of transactions and events giving rise to relevant event**

Details of the transactions or other events requiring disclosure:

*Share Subscription*

On 26 May 2020 Centuria New Zealand Holdings Limited was issued 4,724,131 Augusta Shares at \$0.55 per share, for an aggregate subscription price of \$2,598,272.05.

### *Lock-up agreements*

On 15 June 2020, Centuria NZ entered into lock-up agreements with each of the parties (each a "Holder") set out in the table below. Under those lock-up agreements:

- Centuria NZ agreed to make a takeover offer for all of the equity securities of AUG that CNZHL does not own in accordance with and subject to agreed offer terms and conditions set out in lock up agreements ("**Offer**").
- Where a Holder holds or controls Augusta Shares, the Holder agrees to accept the Offer in respect of Augusta Shares in the numbers set out in the table below.
- The Holder, subject to certain exceptions, agrees not to sell, transfer or grant an encumbrance over the Augusta Shares in respect of which the Holder has agreed to accept the Offer.
- The agreement may be terminated in certain circumstances, including where Centuria NZ breaches its obligations to make the Offer and where the Offer does not provide for consideration of:
  - NZ\$0.20 in cash per Augusta Share; plus
  - Centuria NZ procuring the issue of 0.392 of a Centuria Stapled Security (as defined in the lock-up agreement) per Augusta Share.

<b>Holder</b>	<b>Equity securities subject to Lock-up Agreement</b>
Rockridge Trustee Company Limited and Mark Edward Francis	20,197,941 Augusta Shares
Kawaroa Trustees Limited	5,049,359 Augusta Shares
Michael Walter Daniel, Michael Murray Benjamin and Nigel Geoffrey Ledgard Burton	3,000,000 Augusta Shares
Reeve Anton Barnett	21,368 Augusta Shares
Lacey Ellen Barnett	9,921 Augusta Shares
John Kirkland Morrow, Jane Elizabeth Morrow and Michael Walter Daniel	228,947 Augusta Shares
Morrow Equity Management Limited	68,684 Augusta Shares
John Kirkland Morrow	76,315 Augusta Shares
Cypress Capital Limited	1,422,640 Augusta Shares
Phillip Michael Hinton, Robyn Kay Hinton and Stephen David Eichstaedt	1,983,232 Augusta Shares

### *Copy of relevant agreements*

The lock-up agreements (275 pages in total) are attached in full as the Schedule to this notice.

### **Details after relevant event**

Details for Centuria New Zealand Holdings Limited

Nature of relevant interest(s): Registered holder and beneficial owner of financial products

For that relevant interest,—

- (a) number held in class: 39,445,824
- (b) percentage held in class: 23.266%
- (c) current registered holder(s): Unknown
- (d) registered holder(s) once transfers are registered: Centuria New Zealand Holdings Limited

For a derivative relevant interest, also—

- (a) type of derivative: N/A
- (b) details of derivative: N/A
- (c) parties to the derivative: N/A
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

Nature of relevant interest(s): Qualified power to acquire Augusta Shares and qualified power to control the disposition of Augusta Shares under lock-up agreements, as described further above under "Details of transaction and events giving rise to relevant event".

For that relevant interest,—

- (a) number held in class: 32,058,407
- (b) percentage held in class: 18.909%
- (c) current registered holder(s): See the table under the heading "Lock-up agreements" above.
- (d) registered holder(s) once transfers are registered:

Centuria New Zealand Holdings Limited

For a derivative relevant interest, also—

- (a) type of derivative: N/A
- (b) details of derivative: N/A
- (c) parties to the derivative: N/A
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

**Additional information**

Address(es) of substantial product holder(s):

Level 41, Chifley Tower  
2 Chifley Square  
NSW 2000  
Australia

Contact details:

Simon Holt, Chief Financial Officer, Centuria Capital Group

Email: [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

Phone: +61 (0)2 8923 8923

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates:

- Rockridge Trustee Company Limited and Mark Francis;
- Bryce Barnett

**Certification**

I, Simon Holt, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

## **SCHEDULE**

Lock up agreements with the following persons are attached:

1. Rockridge Trustee Company Limited and Mark Francis;
2. Kawarua Trustees Limited;
3. Michael Walter Daniel, Michael Murray Benjamin and Nigel Geoffrey Ledgard Burton;
4. Reeve Anton Barnett;
5. Lacey Ellen Barnett;
6. John Kirkland Morrow, Jane Elizabeth Morrow and Michael Walter Daniel;
7. Morrow Equity Management Limited;
8. John Kirkland Morrow;
9. Cypress Capital Limited;
10. Phillip Michael Hinton, Robyn Kay Hinton and Stephen David Eichstaedt.

# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**

## Dated

15 June 2020

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## Parties

**MARK EDWARD FRANCIS AND ROCKRIDGE TRUSTEE COMPANY LIMITED** in their capacity as trustees of the Rockridge Investment Trust (together, the “**Shareholder**”)

**CENTURIA NEW ZEALAND HOLDINGS LIMITED** (“**Offeror**”)

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## Introduction

- A. As at the date of this Agreement:
  - a. Target has on issue 169,542,572 Target Shares; and
  - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
- B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
- C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.

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## Agreement

### 1. INTERPRETATION

#### 1.1 In this Agreement unless the context otherwise requires:

“**Agreed Offer Terms**” means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

“**Business Day**” means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

“**Encumbrance**” includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

“**Equity Security**” has the meaning in the Takeovers Code.

“**FMCA**” means the Financial Markets Conduct Act 2013.

“**Offer**” means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

“**Sale Securities**” means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

“**Target**” means Augusta Capital Limited.

“**Target Share**” means a fully paid ordinary share in the Target.

“**Takeover Notice**” means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

“**Takeovers Code**” means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

“**Unconditional Date**” means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and



- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## **2. TAKEOVER OFFER**

**2.1 Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

**2.2 Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

**2.3 Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).

2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

**3. OBLIGATIONS OF SHAREHOLDER**

3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

3.2 **New Employment Agreement:** Subject to the Offer being made by the Offeror in accordance with this Agreement and the Offeror declaring the Offer unconditional in all respects, the Shareholder will procure that Mark Francis enter into a new employment agreement, in substantially the same form as entered on 29 January 2020 (subject to any amendments approved by the Offeror), if requested by Target to do so.

**4. COMPLIANCE WITH TAKEOVERS CODE**

4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

## 5. PROHIBITED DEALINGS

5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:

- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
- (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "**Third Party**") to:
  - (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
  - (ii) make, propose or announce:
    - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
    - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
    - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
    - (D) otherwise an acquisition of, or merger with, the Target; or
    - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer, whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

5.2 **Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;

- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.

## 6. WARRANTIES

- 6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.
- 6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:
- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
  - (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
  - (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.
- 6.3 **Power etc:** Each party represents and warrants to the other that:
- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
  - (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.
- 6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).
- ## 7. NO OFFER OF CENTURIA STAPLED SECURITIES
- 7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:
- (a) this Agreement is not an offer of Centuria Stapled Securities;
  - (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and

- (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.
- 7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a “wholesale investor” for the purposes of clause 3(2) of Schedule 1 to the FMCA.
- 8. **TERMINATION**
  - 8.1 **Shareholder’s right to terminate:** The Shareholder is entitled to terminate this Agreement if:
    - (a) the Offeror does not comply with its obligations under clause 2.1; or
    - (b) the Offer, when made, does not comply with clause 2.2.
  - 8.2 **Automatic termination:** This Agreement will terminate if:
    - (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
    - (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.
  - 8.3 **Consequences of termination:** On termination of this Agreement:
    - (a) the termination will be without prejudice to either party’s rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
    - (b) clauses 4, 9, 10 and 11 must remain in full force and effect.
- 9. **CONFIDENTIALITY**
  - 9.1 **Confidentiality Obligation:** Each party agrees that:
    - (a) the existence and contents of this Agreement; and
    - (b) all information obtained from the other party or the other party’s advisers under this Agreement or in the course of negotiations in respect of this Agreement,

is to be treated as “Confidential Information” for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.
  - 9.2 **Substantial product holder notices:** The parties acknowledge that the Offeror and the Shareholder are required to make disclosure of this Agreement under subpart 5 of part 5 of the Financial Markets Conduct Act 2013.
- 10. **NOTICES**
  - 10.1 **Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:
    - (a) may be given by personal service or email;

- (b) must be in writing, legible and addressed as shown below:
- (i) if to the Shareholder, to an address set out in Schedule One;
- (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square  
NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
- (i) if delivered in person, when delivered to the addressee; or
- (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc: No:**

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or

- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,
- is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.
- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) Rockridge Trustee Company Limited (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of the Rockridge Investment Trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
- (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver

(except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).

- (c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:
- (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
  - (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

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## Signatures

**MARK EDWARD FRANCIS** in his capacity as trustee of the Rockridge Investment Trust:



Signature of

Mark Edward Francis

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**ROCKRIDGE TRUSTEE COMPANY LIMITED** in its capacity as trustee of the Rockridge Investment Trust by:



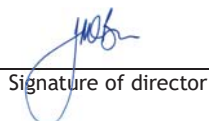
Signature of director

Mark Edward Francis

Name of director

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**CENTURIA NEW ZEALAND HOLDINGS LIMITED** by:

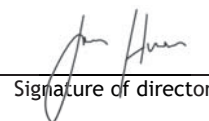


Signature of director

John McBain

Name of director

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Signature of director

Jason Huljich

Name of director

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## Schedule One

### Offer Details

<b>Sale Securities</b>	20,197,941 Target Shares and any other Equity Securities in the Target issued to the Shareholder on or after the date of this Agreement
<b>Shareholder address for notices</b>	<p>Address: 49a Argyle Street, Herne Bay, Auckland, 1011, New Zealand</p> <p>Attention: Mark Francis</p> <p>Email: <a href="mailto:mark@augusta.co.nz">mark@augusta.co.nz</a></p> <p>with a copy to (which will not constitute notice):</p> <p>Address: Mayne Wetherell</p> <p>Level 5, 30 Gaunt Street</p> <p>Auckland</p> <p>New Zealand</p> <p>Attention: Michael Pritchard</p> <p>Email: <a href="mailto:michael.pritchard@maynewetherell.com">michael.pritchard@maynewetherell.com</a></p>

## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.

## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
- (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and

- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

- 3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

- 3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### **4. WHEN YOU WILL GET PAID**

- 4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:
  - (a) the date on which the Offer becomes unconditional; and
  - (b) the date on which Centuria NZ receives your acceptance of the Offer.

4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:

- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
- (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,

by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.

4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:

- (a) giving written notice to Centuria NZ of your intention to do so; and
- (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.

4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.

5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:

**By email**

centuria.offer@computershare.co.nz (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta

Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) (“**Procurement Fee**”), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction of condition.

### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt



to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.

## **7. CONDITIONS OF THE OFFER**

### **Minimum acceptance condition**

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### **Other conditions of the Offer**

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:

- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to

do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);

- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;

- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand



dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .

9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;

- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
  - (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
  - (c) advising that a term or condition of the Offer had been waived; or
  - (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,
- that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and vice versa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;

- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.

**Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.

**Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.

**Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.

**Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.

“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.

**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [1].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.

# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**



## Dated

15 June 2020

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## Parties

**KAWAROA TRUSTEES LIMITED** in its capacity as trustee of the Kawaroa Trust (the “Shareholder”)

**CENTURIA NEW ZEALAND HOLDINGS LIMITED** (“Offeror”)

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## Introduction

- A. As at the date of this Agreement:
  - a. Target has on issue 169,542,572 Target Shares; and
  - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
- B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
- C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.

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## Agreement

### 1. INTERPRETATION

#### 1.1 In this Agreement unless the context otherwise requires:

“**Agreed Offer Terms**” means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

“**Business Day**” means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

“**Encumbrance**” includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

“**Equity Security**” has the meaning in the Takeovers Code.

“**FMCA**” means the Financial Markets Conduct Act 2013.

“**Offer**” means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

“**Sale Securities**” means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

“**Target**” means Augusta Capital Limited.

“**Target Share**” means a fully paid ordinary share in the Target.

“**Takeover Notice**” means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

“**Takeovers Code**” means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

“**Unconditional Date**” means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and

- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## **2. TAKEOVER OFFER**

**2.1 Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

**2.2 Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

**2.3 Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).

2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

**3. OBLIGATIONS OF SHAREHOLDER**

3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

3.2 **New Employment Agreement:** Subject to the Offer being made by the Offeror in accordance with this Agreement and the Offeror declaring the Offer unconditional in all respects, the Shareholder will procure that Bryce Barnett enter into a new employment agreement, in substantially the same form as entered on 29 January 2020 (subject to any amendments approved by the Offeror), if requested by Target to do so.

**4. COMPLIANCE WITH TAKEOVERS CODE**

4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

## 5. PROHIBITED DEALINGS

5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:

- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
- (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "**Third Party**") to:
  - (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
  - (ii) make, propose or announce:
    - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
    - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
    - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
    - (D) otherwise an acquisition of, or merger with, the Target; or
    - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer, whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

5.2 **Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;

- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.

## 6. WARRANTIES

- 6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.
- 6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:
- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
  - (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
  - (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.
- 6.3 **Power etc:** Each party represents and warrants to the other that:
- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
  - (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.
- 6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).
- ## 7. NO OFFER OF CENTURIA STAPLED SECURITIES
- 7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:
- (a) this Agreement is not an offer of Centuria Stapled Securities;
  - (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and

- (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.
- 7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a “wholesale investor” for the purposes of clause 3(2) of Schedule 1 to the FMCA.
- 8. TERMINATION**
- 8.1 **Shareholder’s right to terminate:** The Shareholder is entitled to terminate this Agreement if:
- (a) the Offeror does not comply with its obligations under clause 2.1; or
- (b) the Offer, when made, does not comply with clause 2.2.
- 8.2 **Automatic termination:** This Agreement will terminate if:
- (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
- (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.
- 8.3 **Consequences of termination:** On termination of this Agreement:
- (a) the termination will be without prejudice to either party’s rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
- (b) clauses 4, 9, 10 and 11 must remain in full force and effect.
- 9. CONFIDENTIALITY**
- 9.1 **Confidentiality Obligation:** Each party agrees that:
- (a) the existence and contents of this Agreement; and
- (b) all information obtained from the other party or the other party’s advisers under this Agreement or in the course of negotiations in respect of this Agreement,
- is to be treated as “Confidential Information” for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.
- 9.2 **Substantial product holder notices:** The parties acknowledge that the Offeror and the Shareholder are required to make disclosure of this Agreement under subpart 5 or 6 of part 5 of the Financial Markets Conduct Act 2013.
- 10. NOTICES**
- 10.1 **Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:
- (a) may be given by personal service or email;

- (b) must be in writing, legible and addressed as shown below:
- (i) if to the Shareholder, to an address set out in Schedule One;
- (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square  
NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
- (i) if delivered in person, when delivered to the addressee; or
- (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc: No:**

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or



- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,
- is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.
- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) Kawaroa Trustees Limited (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of the Kawaroa Trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
- (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver

(except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).

- (c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:
  - (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
  - (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

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## Signatures

KAWAROA TRUSTEES LIMITED by:



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Signature of director

Bryce Barnett

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Name of director

CENTURIA NEW ZEALAND HOLDINGS LIMITED  
by:



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Signature of director

John McBain

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Name of director



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Signature of director

Jason Huljich

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Name of director

## Schedule One

### Offer Details

<b>Sale Securities</b>	5,049,359 Target Shares and any other Equity Securities in the Target issued to the Shareholder on or after the date of this Agreement	
<b>Shareholder address for notices</b>	Address:	10 Mountain Road, Rd 3, New Plymouth, 4373, New Zealand
	Attention:	Bryce Barnett
	Email:	<a href="mailto:bryce@augusta.co.nz">bryce@augusta.co.nz</a>
	with a copy to (which will not constitute notice):	
	Address:	Mayne Wetherell
		Level 5, 30 Gaunt Street
		Auckland
		New Zealand
	Attention:	Michael Pritchard
	Email:	<a href="mailto:michael.pritchard@maynewetherell.com">michael.pritchard@maynewetherell.com</a>

## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.

## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
- (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and

- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

- 3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

- 3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### **4. WHEN YOU WILL GET PAID**

- 4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:
  - (a) the date on which the Offer becomes unconditional; and
  - (b) the date on which Centuria NZ receives your acceptance of the Offer.

4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:

- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
- (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,

by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.

4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:

- (a) giving written notice to Centuria NZ of your intention to do so; and
- (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.

4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.

5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:



**By email**

centuria.offer@computershare.co.nz (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta

Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) (“**Procurement Fee**”), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction of condition.

### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt

to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.

## **7. CONDITIONS OF THE OFFER**

### **Minimum acceptance condition**

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### **Other conditions of the Offer**

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:

- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to

do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);

- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;



- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand

dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .

9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;

- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
  - (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
  - (c) advising that a term or condition of the Offer had been waived; or
  - (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,
- that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and vice versa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;

- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.
- Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.
- Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.
- Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.
- Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.

“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.



**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [1].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.

# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**

## Dated

15 June 2020

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## Parties

THE SHAREHOLDER NAMED IN SCHEDULE ONE (the “**Shareholder**”)

CENTURIA NEW ZEALAND HOLDINGS LIMITED (“**Offeror**”)

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## Introduction

- A. As at the date of this Agreement:
  - a. Target has on issue 169,542,572 Target Shares; and
  - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
- B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
- C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.

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## Agreement

### 1. INTERPRETATION

#### 1.1 In this Agreement unless the context otherwise requires:

“**Agreed Offer Terms**” means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

“**Business Day**” means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

“**Encumbrance**” includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

“**Equity Security**” has the meaning in the Takeovers Code.

“**FMCA**” means the Financial Markets Conduct Act 2013.

“**Offer**” means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

“**Sale Securities**” means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

“**Target**” means Augusta Capital Limited.

“**Target Share**” means a fully paid ordinary share in the Target.

“**Takeover Notice**” means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

“**Takeovers Code**” means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

“**Unconditional Date**” means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and

- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## **2. TAKEOVER OFFER**

**2.1 Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

**2.2 Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

**2.3 Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).

2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

**3. OBLIGATIONS OF SHAREHOLDER**

3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

**4. COMPLIANCE WITH TAKEOVERS CODE**

4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

**5. PROHIBITED DEALINGS**

5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:

- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
- (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "**Third Party**") to:

- (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
- (ii) make, propose or announce:
  - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
  - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
  - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
  - (D) otherwise an acquisition of, or merger with, the Target; or
  - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer, whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

**5.2 Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;
- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.



## **6. WARRANTIES**

- 6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.
- 6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:
- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
  - (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
  - (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.
- 6.3 **Power etc:** Each party represents and warrants to the other that:
- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
  - (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.
- 6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).
- ## **7. NO OFFER OF CENTURIA STAPLED SECURITIES**
- 7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:
- (a) this Agreement is not an offer of Centuria Stapled Securities;
  - (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and
  - (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.
- 7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a “wholesale investor” for the purposes of clause 3(2) of Schedule 1 to the FMCA.

## **8. TERMINATION**

**8.1 Shareholder's right to terminate:** The Shareholder is entitled to terminate this Agreement if:

- (a) the Offeror does not comply with its obligations under clause 2.1; or
- (b) the Offer, when made, does not comply with clause 2.2.

**8.2 Automatic termination:** This Agreement will terminate if:

- (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
- (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.

**8.3 Consequences of termination:** On termination of this Agreement:

- (a) the termination will be without prejudice to either party's rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
- (b) clauses 4, 9, 10 and 11 must remain in full force and effect.

## **9. CONFIDENTIALITY**

**9.1 Confidentiality Obligation:** Each party agrees that:

- (a) the existence and contents of this Agreement; and
- (b) all information obtained from the other party or the other party's advisers under this Agreement or in the course of negotiations in respect of this Agreement,

is to be treated as "Confidential Information" for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.

**9.2 Substantial product holder notice:** The parties acknowledge that the Offeror is required to make disclosure of this Agreement under subpart 5 of part 5 of the Financial Markets Conduct Act 2013.

## **10. NOTICES**

**10.1 Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:

- (a) may be given by personal service or email;
- (b) must be in writing, legible and addressed as shown below:
  - (i) if to the Shareholder, to an address set out in Schedule One;
  - (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square

NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
  - (i) if delivered in person, when delivered to the addressee; or
  - (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc: No:**

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or
- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,

is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.

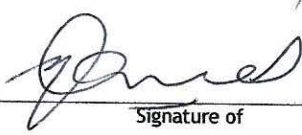
- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) To the extent a party (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of a trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
  - (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver (except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).

- (c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:
- (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
  - (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

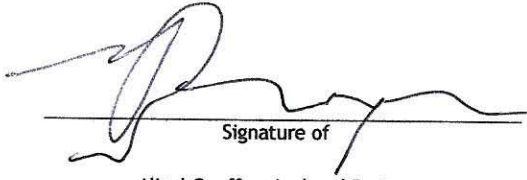
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## Signatures


**MICHAEL WALTER DANIEL** in his capacity as trustee of the Wairahi Trust:

  
Signature of  
Michael Walter Daniel

**NIGEL GEOFFREY LEDGARD BURTON** in his capacity as trustee of the Wairahi Trust:

  
Signature of  
Nigel Geoffrey Ledgard Burton

**MICHAEL MURRAY BENJAMIN** in his capacity as trustee of the Wairahi Trust:

  
Signature of  
Michael Murray Benjamin

**CENTURIA NEW ZEALAND HOLDINGS LIMITED**  
by:

  
Signature of director  
John McBain  
Name of director

  
Signature of director  
Jason Huljich  
Name of director

## Schedule One

### Offer Details

Shareholder name	Michael Walter Daniel, Nigel Geoffrey Ledgard Burton and Michael Murray Benjamin as trustees of the Wairahi Trust
Sale Securities	3,000,000 Target Shares
Shareholder address for notices	Address: _____ Attention: _____ Email: _____

## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.

## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
- (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and



- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

- 3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

- 3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### **4. WHEN YOU WILL GET PAID**

- 4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:
  - (a) the date on which the Offer becomes unconditional; and
  - (b) the date on which Centuria NZ receives your acceptance of the Offer.

4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:

- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
- (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,

by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.

4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:

- (a) giving written notice to Centuria NZ of your intention to do so; and
- (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.

4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.

5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:

**By email**

centuria.offer@computershare.co.nz (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta

Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) (“**Procurement Fee**”), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction or condition.

### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt

to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.

## 7. CONDITIONS OF THE OFFER

### Minimum acceptance condition

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### Other conditions of the Offer

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:

- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to



do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);

- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;

- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand

dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .

9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;

- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
- (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
- (c) advising that a term or condition of the Offer had been waived; or
- (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,

that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and viceversa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;



- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.
- Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.
- Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.
- Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.
- Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.

“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.

**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [ ].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.

# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**

## Dated

15 June 2020

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## Parties

THE SHAREHOLDER NAMED IN SCHEDULE ONE (the “**Shareholder**”)

CENTURIA NEW ZEALAND HOLDINGS LIMITED (“**Offeror**”)

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## Introduction

- A. As at the date of this Agreement:
  - a. Target has on issue 169,542,572 Target Shares; and
  - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
- B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
- C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.

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## Agreement

### 1. INTERPRETATION

#### 1.1 In this Agreement unless the context otherwise requires:

“**Agreed Offer Terms**” means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

“**Business Day**” means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

“**Encumbrance**” includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

“**Equity Security**” has the meaning in the Takeovers Code.

“**FMCA**” means the Financial Markets Conduct Act 2013.

“**Offer**” means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

“**Sale Securities**” means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

“**Target**” means Augusta Capital Limited.

“**Target Share**” means a fully paid ordinary share in the Target.

“**Takeover Notice**” means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

“**Takeovers Code**” means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

“**Unconditional Date**” means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and

- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## **2. TAKEOVER OFFER**

**2.1 Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

**2.2 Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

**2.3 Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).



2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

**3. OBLIGATIONS OF SHAREHOLDER**

3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

**4. COMPLIANCE WITH TAKEOVERS CODE**

4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

**5. PROHIBITED DEALINGS**

5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:

- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
- (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "**Third Party**") to:

- (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
- (ii) make, propose or announce:
  - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
  - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
  - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
  - (D) otherwise an acquisition of, or merger with, the Target; or
  - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer, whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

**5.2 Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;
- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.

## **6. WARRANTIES**

- 6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.
- 6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:
- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
  - (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
  - (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.
- 6.3 **Power etc:** Each party represents and warrants to the other that:
- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
  - (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.
- 6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).
- ## **7. NO OFFER OF CENTURIA STAPLED SECURITIES**
- 7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:
- (a) this Agreement is not an offer of Centuria Stapled Securities;
  - (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and
  - (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.
- 7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a “wholesale investor” for the purposes of clause 3(2) of Schedule 1 to the FMCA.

## **8. TERMINATION**

**8.1 Shareholder's right to terminate:** The Shareholder is entitled to terminate this Agreement if:

- (a) the Offeror does not comply with its obligations under clause 2.1; or
- (b) the Offer, when made, does not comply with clause 2.2.

**8.2 Automatic termination:** This Agreement will terminate if:

- (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
- (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.

**8.3 Consequences of termination:** On termination of this Agreement:

- (a) the termination will be without prejudice to either party's rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
- (b) clauses 4, 9, 10 and 11 must remain in full force and effect.

## **9. CONFIDENTIALITY**

**9.1 Confidentiality Obligation:** Each party agrees that:

- (a) the existence and contents of this Agreement; and
- (b) all information obtained from the other party or the other party's advisers under this Agreement or in the course of negotiations in respect of this Agreement,

is to be treated as "Confidential Information" for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.

**9.2 Substantial product holder notice:** The parties acknowledge that the Offeror is required to make disclosure of this Agreement under subpart 5 of part 5 of the Financial Markets Conduct Act 2013.

## **10. NOTICES**

**10.1 Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:

- (a) may be given by personal service or email;
- (b) must be in writing, legible and addressed as shown below:
  - (i) if to the Shareholder, to an address set out in Schedule One;
  - (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square

NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
  - (i) if delivered in person, when delivered to the addressee; or
  - (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc: No:**

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or
- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,

is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.

- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) To the extent a party (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of a trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
  - (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver (except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).

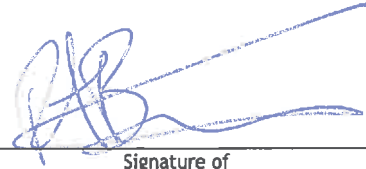
(c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:

- (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
- (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

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## Signatures

REEVE ANTON BARNETT:



Signature of

Reeve Anton Barnett

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CENTURIA NEW ZEALAND HOLDINGS LIMITED

by:



Signature of director

John McBain

Name of director



Signature of director

Jason Huljich

Name of director

## Schedule One

### Offer Details

Shareholder name	Reeve Anton Barnett
Sale Securities	21,368 Target Shares
Shareholder address for notices	Address: 91 Brooklands Road, New Plymouth Attention: Reeve Barnett Email: reeve@brixton.co.nz



## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.

## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
- (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and

- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

- 3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

- 3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### **4. WHEN YOU WILL GET PAID**

- 4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:
  - (a) the date on which the Offer becomes unconditional; and
  - (b) the date on which Centuria NZ receives your acceptance of the Offer.

4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:

- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
- (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,

by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.

4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:

- (a) giving written notice to Centuria NZ of your intention to do so; and
- (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.

4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.

5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:

**By email**

centuria.offer@computershare.co.nz (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta

Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) (“**Procurement Fee**”), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction or condition.

### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt

to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.



## **7. CONDITIONS OF THE OFFER**

### **Minimum acceptance condition**

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### **Other conditions of the Offer**

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:

- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to

do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);

- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;

- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand

dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .



9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;

- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
- (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
- (c) advising that a term or condition of the Offer had been waived; or
- (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,

that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and viceversa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;

- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.
- Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.
- Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.
- Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.
- Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.

“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.

**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [ ].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.

# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**

## Dated

15 June 2020

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## Parties

THE SHAREHOLDER NAMED IN SCHEDULE ONE (the “Shareholder”)

CENTURIA NEW ZEALAND HOLDINGS LIMITED (“Offeror”)

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## Introduction

- A. As at the date of this Agreement:
  - a. Target has on issue 169,542,572 Target Shares; and
  - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
- B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
- C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.

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## Agreement

### 1. INTERPRETATION

#### 1.1 In this Agreement unless the context otherwise requires:

“**Agreed Offer Terms**” means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

“**Business Day**” means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

“**Encumbrance**” includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

“**Equity Security**” has the meaning in the Takeovers Code.



“**FMCA**” means the Financial Markets Conduct Act 2013.

“**Offer**” means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

“**Sale Securities**” means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

“**Target**” means Augusta Capital Limited.

“**Target Share**” means a fully paid ordinary share in the Target.

“**Takeover Notice**” means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

“**Takeovers Code**” means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

“**Unconditional Date**” means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and

- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## **2. TAKEOVER OFFER**

**2.1 Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

**2.2 Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

**2.3 Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).

2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

**3. OBLIGATIONS OF SHAREHOLDER**

3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

**4. COMPLIANCE WITH TAKEOVERS CODE**

4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

**5. PROHIBITED DEALINGS**

5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:

- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
- (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "**Third Party**") to:

- (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
- (ii) make, propose or announce:
  - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
  - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
  - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
  - (D) otherwise an acquisition of, or merger with, the Target; or
  - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer, whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

**5.2 Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;
- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.

## **6. WARRANTIES**

- 6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.
- 6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:
- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
  - (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
  - (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.
- 6.3 **Power etc:** Each party represents and warrants to the other that:
- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
  - (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.
- 6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).
- ## **7. NO OFFER OF CENTURIA STAPLED SECURITIES**
- 7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:
- (a) this Agreement is not an offer of Centuria Stapled Securities;
  - (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and
  - (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.
- 7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a “wholesale investor” for the purposes of clause 3(2) of Schedule 1 to the FMCA.

## **8. TERMINATION**

8.1 **Shareholder's right to terminate:** The Shareholder is entitled to terminate this Agreement if:

- (a) the Offeror does not comply with its obligations under clause 2.1; or
- (b) the Offer, when made, does not comply with clause 2.2.

8.2 **Automatic termination:** This Agreement will terminate if:

- (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
- (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.

8.3 **Consequences of termination:** On termination of this Agreement:

- (a) the termination will be without prejudice to either party's rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
- (b) clauses 4, 9, 10 and 11 must remain in full force and effect.

## **9. CONFIDENTIALITY**

9.1 **Confidentiality Obligation:** Each party agrees that:

- (a) the existence and contents of this Agreement; and
- (b) all information obtained from the other party or the other party's advisers under this Agreement or in the course of negotiations in respect of this Agreement,

is to be treated as "Confidential Information" for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.

9.2 **Substantial product holder notice:** The parties acknowledge that the Offeror is required to make disclosure of this Agreement under subpart 5 of part 5 of the Financial Markets Conduct Act 2013.

## **10. NOTICES**

10.1 **Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:

- (a) may be given by personal service or email;
- (b) must be in writing, legible and addressed as shown below:
  - (i) if to the Shareholder, to an address set out in Schedule One;
  - (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square

NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
  - (i) if delivered in person, when delivered to the addressee; or
  - (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc: No:**

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or
- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,

is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.

- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) To the extent a party (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of a trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
  - (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver (except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).



- (c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:
- (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
  - (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

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## Signatures

LACEY ELLEN BARNETT:



Signature of

Lacey Ellen Barnett

CENTURIA NEW ZEALAND HOLDINGS LIMITED

by:



Signature of director

John McBain

Name of director



Signature of director

Jason Huljich

Name of director

## Schedule One

### Offer Details

Shareholder name	Lacey Ellen Barnett	
Sale Securities	9,921 Target Shares	
Shareholder address for notices	Address:	<u>10 Mountain Road, Sentry Hill, RD3, New Plymouth. NZ.</u>
	Attention:	<u>Lacey Barnett</u>
	Email:	<u>lacebarney@gmail.com</u>

## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.

## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
- (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and

- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

- 3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

- 3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### **4. WHEN YOU WILL GET PAID**

- 4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:
  - (a) the date on which the Offer becomes unconditional; and
  - (b) the date on which Centuria NZ receives your acceptance of the Offer.

4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:

- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
- (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,

by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.

4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:

- (a) giving written notice to Centuria NZ of your intention to do so; and
- (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.

4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.

5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:

**By email**

centuria.offer@computershare.co.nz (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta

Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) (“**Procurement Fee**”), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction of condition.



### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt

to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.

## **7. CONDITIONS OF THE OFFER**

### **Minimum acceptance condition**

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### **Other conditions of the Offer**

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:

- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to

do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);

- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;

- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or



- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand

dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .

9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;

- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
  - (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
  - (c) advising that a term or condition of the Offer had been waived; or
  - (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,
- that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and vice versa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;

- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.
- Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.
- Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.
- Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.
- Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.

“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.

**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [1].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.



# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**

## Dated

15 ~~14~~ June 2020

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## Parties

THE SHAREHOLDERS NAMED IN SCHEDULE ONE (each a "Shareholder")

CENTURIA NEW ZEALAND HOLDINGS LIMITED ("Offeror")

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## Introduction

- A. As at the date of this Agreement:
- a. Target has on issue 169,542,572 Target Shares; and
  - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
- B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
- C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.
- 

## Agreement

### 1. INTERPRETATION

#### 1.1 In this Agreement unless the context otherwise requires:

"**Agreed Offer Terms**" means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

"**Business Day**" means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

"**Centuria Stapled Security**" means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

"**Encumbrance**" includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

"**Equity Security**" has the meaning in the Takeovers Code.

**“FMCA”** means the Financial Markets Conduct Act 2013.

**“Offer”** means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

**“Sale Securities”** means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

**“Target”** means Augusta Capital Limited.

**“Target Share”** means a fully paid ordinary share in the Target.

**“Takeover Notice”** means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

**“Takeovers Code”** means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

**“Unconditional Date”** means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and

- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## 2. TAKEOVER OFFER

2.1 **Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

2.2 **Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

2.3 **Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).



2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

3. **OBLIGATIONS OF SHAREHOLDER**

- 3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

4. **COMPLIANCE WITH TAKEOVERS CODE**

- 4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

5. **PROHIBITED DEALINGS**

- 5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:

- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
- (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "Third Party") to:

- (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
- (ii) make, propose or announce:
  - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
  - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
  - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
  - (D) otherwise an acquisition of, or merger with, the Target; or
  - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer,

whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

**5.2 Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;
- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.



## 6. WARRANTIES

6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.

6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:

- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
- (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
- (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.

6.3 **Power etc:** Each party represents and warrants to the other that:

- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
- (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.

6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).

## 7. NO OFFER OF CENTURIA STAPLED SECURITIES

7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:

- (a) this Agreement is not an offer of Centuria Stapled Securities;
- (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and
- (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.

7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a "wholesale investor" for the purposes of clause 3(2) of Schedule 1 to the FMCA.

## **8. TERMINATION**

**8.1 Shareholder's right to terminate:** The Shareholder is entitled to terminate this Agreement if:

- (a) the Offeror does not comply with its obligations under clause 2.1; or
- (b) the Offer, when made, does not comply with clause 2.2.

**8.2 Automatic termination:** This Agreement will terminate if:

- (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
- (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.

**8.3 Consequences of termination:** On termination of this Agreement:

- (a) the termination will be without prejudice to either party's rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
- (b) clauses 4, 9, 10 and 11 must remain in full force and effect.

## **9. CONFIDENTIALITY**

**9.1 Confidentiality Obligation:** Each party agrees that:

- (a) the existence and contents of this Agreement; and
- (b) all information obtained from the other party or the other party's advisers under this Agreement or in the course of negotiations in respect of this Agreement,

is to be treated as "Confidential Information" for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.

**9.2 Substantial product holder notice:** The parties acknowledge that the Offeror is required to make disclosure of this Agreement under subpart 5 of part 5 of the Financial Markets Conduct Act 2013.

## **10. NOTICES**

**10.1 Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:

- (a) may be given by personal service or email;
- (b) must be in writing, legible and addressed as shown below:
  - (i) if to the Shareholder, to an address set out in Schedule One;
  - (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square



NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
  - (i) if delivered in person, when delivered to the addressee; or
  - (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc: No:**

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or
- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,

is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.

- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) To the extent a party (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of a trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
  - (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver (except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).

- (c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:
- (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
  - (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

## Signatures

JOHN KIRKLAND MORROW in his personal  
capacity: *personal owner*

  
\_\_\_\_\_  
Signature of  
John Kirkland Morrow  
*John Morrow*

MORROW EQUITY MANAGEMENT LIMITED by:

  
\_\_\_\_\_  
Signature of director  
John Kirkland Morrow  
*John Morrow*  
\_\_\_\_\_  
Name of director

JOHN KIRKLAND MORROW in his capacity as  
trustee of the Morrow Property Trust:

  
\_\_\_\_\_  
Signature of  
John Kirkland Morrow  
*John Morrow*

JANE ELIZABETH MORROW in her capacity as  
trustee of the Morrow Property Trust:


  
\_\_\_\_\_  
Signature of  
Jane Elizabeth Morrow  
*Jane Morrow*

MICHAEL WALTER DANIEL in his capacity as  
trustee of the Morrow Property Trust:

  
\_\_\_\_\_  
Signature of

Michael Walter Daniel  
*Mike Daniel*  
\_\_\_\_\_

CENTURIA NEW ZEALAND HOLDINGS LIMITED  
by:

  
\_\_\_\_\_  
Signature of director

John McBain  
\_\_\_\_\_  
Name of director

  
\_\_\_\_\_  
Signature of director

Jason Huljich  
\_\_\_\_\_  
Name of director



## Schedule One

### Offer Details

Shareholder name	John Kirkland Morrow	
Sale Securities	76,315 Target Shares;	
Shareholder address for notices	Address:	PO Box 105563, Auckland City, Auckland 1140
	Attention:	John Morrow
	Email:	jmorrow010@xtra.co.nz
Shareholder name	Morrow Equity Management Limited	
Sale Securities	68,684 Target Shares;	
Shareholder address for notices	Address:	PO Box 105563, Auckland City, Auckland 1140
	Attention:	John Morrow
	Email:	jmorrow010@xtra.co.nz
Shareholder name	John Kirkland Morrow, Jane Elizabeth Morrow and Michael Walter Daniel as trustees of the Morrow Property Trust	
Sale Securities	228,947 Target Shares;	
Shareholder address for notices	Address:	PO Box 105563, Auckland City, Auckland 1140
	Attention:	John Morrow
	Email:	jmorrow010@xtra.co.nz

## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.

## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
- (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and

- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### **4. WHEN YOU WILL GET PAID**

4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:

- (a) the date on which the Offer becomes unconditional; and
- (b) the date on which Centuria NZ receives your acceptance of the Offer.



4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:

- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
- (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,

by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.

4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:

- (a) giving written notice to Centuria NZ of your intention to do so; and
- (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.

4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.

5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:

**By email**

centuria.offer@computershare.co.nz (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta

Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) (“**Procurement Fee**”), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction or condition.

### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt

to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.

## **7. CONDITIONS OF THE OFFER**

### **Minimum acceptance condition**

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### **Other conditions of the Offer**

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:

- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to

do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);



- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;

- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand

dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .

9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;

- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
- (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
- (c) advising that a term or condition of the Offer had been waived; or
- (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,

that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and viceversa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;

- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.
- Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.
- Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.
- Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.
- Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.



“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.

**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [ ].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.

# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**

## Dated

15 June 2020

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## Parties

THE SHAREHOLDER NAMED IN SCHEDULE ONE (the “Shareholder”)

CENTURIA NEW ZEALAND HOLDINGS LIMITED (“Offeror”)

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## Introduction

- A. As at the date of this Agreement:
  - a. Target has on issue 169,542,572 Target Shares; and
  - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
- B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
- C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.

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## Agreement

### 1. INTERPRETATION

#### 1.1 In this Agreement unless the context otherwise requires:

“**Agreed Offer Terms**” means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

“**Business Day**” means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

“**Encumbrance**” includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

“**Equity Security**” has the meaning in the Takeovers Code.

“**FMCA**” means the Financial Markets Conduct Act 2013.

“**Offer**” means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

“**Sale Securities**” means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

“**Target**” means Augusta Capital Limited.

“**Target Share**” means a fully paid ordinary share in the Target.

“**Takeover Notice**” means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

“**Takeovers Code**” means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

“**Unconditional Date**” means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and

- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## **2. TAKEOVER OFFER**

**2.1 Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

**2.2 Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

**2.3 Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).

2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

**3. OBLIGATIONS OF SHAREHOLDER**

3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

**4. COMPLIANCE WITH TAKEOVERS CODE**

4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

**5. PROHIBITED DEALINGS**

5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:

- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
- (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "**Third Party**") to:



- (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
- (ii) make, propose or announce:
  - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
  - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
  - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
  - (D) otherwise an acquisition of, or merger with, the Target; or
  - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer, whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

**5.2 Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;
- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.

## **6. WARRANTIES**

- 6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.
- 6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:
- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
  - (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
  - (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.
- 6.3 **Power etc:** Each party represents and warrants to the other that:
- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
  - (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.
- 6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).
- ## **7. NO OFFER OF CENTURIA STAPLED SECURITIES**
- 7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:
- (a) this Agreement is not an offer of Centuria Stapled Securities;
  - (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and
  - (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.
- 7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a “wholesale investor” for the purposes of clause 3(2) of Schedule 1 to the FMCA.

## **8. TERMINATION**

8.1 **Shareholder's right to terminate:** The Shareholder is entitled to terminate this Agreement if:

- (a) the Offeror does not comply with its obligations under clause 2.1; or
- (b) the Offer, when made, does not comply with clause 2.2.

8.2 **Automatic termination:** This Agreement will terminate if:

- (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
- (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.

8.3 **Consequences of termination:** On termination of this Agreement:

- (a) the termination will be without prejudice to either party's rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
- (b) clauses 4, 9, 10 and 11 must remain in full force and effect.

## **9. CONFIDENTIALITY**

9.1 **Confidentiality Obligation:** Each party agrees that:

- (a) the existence and contents of this Agreement; and
- (b) all information obtained from the other party or the other party's advisers under this Agreement or in the course of negotiations in respect of this Agreement,

is to be treated as "Confidential Information" for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.

9.2 **Substantial product holder notice:** The parties acknowledge that the Offeror is required to make disclosure of this Agreement under subpart 5 of part 5 of the Financial Markets Conduct Act 2013.

## **10. NOTICES**

10.1 **Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:

- (a) may be given by personal service or email;
- (b) must be in writing, legible and addressed as shown below:
  - (i) if to the Shareholder, to an address set out in Schedule One;
  - (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square

NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
  - (i) if delivered in person, when delivered to the addressee; or
  - (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc:** No:

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or
- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,

is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.

- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) To the extent a party (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of a trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
  - (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver (except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).

- (c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:
- (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
  - (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

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## Signatures

CYPRESS CAPITAL LIMITED by:



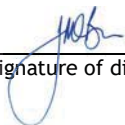
Signature of director

Peter Edward Francis

Name of director

CENTURIA NEW ZEALAND HOLDINGS LIMITED

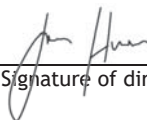
by:



Signature of director

John McBain

Name of director



Signature of director

Jason Huljich

Name of director

## Schedule One

### Offer Details

Shareholder name	Cypress Capital Limited
Sale Securities	1,422,640 Target Shares
Shareholder address for notices	Address: 72 Sarsfield St, Herne Bay, Auckland 1011 Attention: Peter Francis Email: <a href="mailto:pete@cypress.nz">pete@cypress.nz</a>

## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.



## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
  - (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and

- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### **4. WHEN YOU WILL GET PAID**

4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:

- (a) the date on which the Offer becomes unconditional; and
- (b) the date on which Centuria NZ receives your acceptance of the Offer.

4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:

- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
- (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,

by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.

4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:

- (a) giving written notice to Centuria NZ of your intention to do so; and
- (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.

4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.

5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:

**By email**

centuria.offer@computershare.co.nz (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta

Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) (“**Procurement Fee**”), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction of condition.

### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt

to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.

## **7. CONDITIONS OF THE OFFER**

### **Minimum acceptance condition**

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### **Other conditions of the Offer**

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:



- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to

do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);

- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;

- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand

dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .

9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;



- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
  - (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
  - (c) advising that a term or condition of the Offer had been waived; or
  - (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,
- that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and viceversa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;

- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.
- Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.
- Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.
- Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.
- Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.

“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.

**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [1].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.

# **LOCK-UP AGREEMENT IN RELATION TO A TAKEOVER OFFER FOR AUGUSTA CAPITAL LIMITED**



## Dated

15 ~~14~~ June 2020

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## Parties

THE SHAREHOLDER NAMED IN SCHEDULE ONE (the “Shareholder”)

CENTURIA NEW ZEALAND HOLDINGS LIMITED (“Offeror”)

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## Introduction

- A. As at the date of this Agreement:
    - a. Target has on issue 169,542,572 Target Shares; and
    - b. the Shareholder holds or controls the Target Shares set out in Schedule One.
  - B. The Offeror has agreed that, subject to the provisions of this Agreement, the Offeror will make a full takeover offer for all of the Equity Securities of the Target.
  - C. The Shareholder has agreed that, subject to the provisions of this Agreement, it will accept the Offer in respect of the Sale Securities.
- 

## Agreement

### 1. INTERPRETATION

- 1.1 In this Agreement unless the context otherwise requires:

“**Agreed Offer Terms**” means the terms and conditions of the Offer set out in Schedule Two, which must comply with clause 2.2.

“**Business Day**” means a day that is a working day as defined in section 2(1) of the Companies Act 1993.

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in the Centuria Capital Group comprising a fully paid ordinary share in Centuria Capital Limited (ACN 095 454 336) stapled to a fully paid ordinary unit in the Centuria Capital Fund (ARSN 613 856 358).

“**Encumbrance**” includes a charge, mortgage, security interest, lien, option, right of pre-emption, first right of refusal or other adverse interest of any nature.

“**Equity Security**” has the meaning in the Takeovers Code.

**"FMCA"** means the Financial Markets Conduct Act 2013.

**"Offer"** means a full takeover offer under Rule 8 of the Takeovers Code to be made by the Offeror for all of the Equity Securities of the Target on, and subject to, the Agreed Offer Terms.

**"Sale Securities"** means the Equity Securities in the Target held or controlled by the Shareholder set out in Schedule One.

**"Target"** means Augusta Capital Limited.

**"Target Share"** means a fully paid ordinary share in the Target.

**"Takeover Notice"** means the takeover notice to be sent by the Offeror to the Target under Rule 41 of the Takeovers Code and clause 2.1(a), which will have attached:

- (a) the Agreed Offer Terms;
- (b) the other information contemplated by Schedule 1 to the Takeovers Code; and
- (c) any other information required by the Takeovers Code, the FMCA or any exemption to the Takeovers Code or the FMCA.

**"Takeovers Code"** means the Takeovers Code approved by the Takeovers Regulations 2000, and includes any applicable exemption granted in respect of the Takeovers Code.

**"Unconditional Date"** means the date by which the Offer is to become unconditional as specified in accordance with Rule 25(2) of the Takeovers Code, as that date may be varied in accordance with the Takeovers Code.

1.2 **Interpretation:** In this Agreement, unless the context otherwise requires, or specifically stated otherwise:

- (a) headings are to be ignored in construing this Agreement;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) references to individuals include companies and other corporations and vice versa;
- (e) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Agreement);
- (f) reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time;
- (g) reference to a party, person or entity includes:
  - (i) an individual, partnership, firm, Target, body corporate, corporation, association, trust, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and



- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;
- (h) “written” and “in writing” include any means of reproducing words, figures or symbols in a tangible and visible form;
- (i) references to money are to New Zealand dollars;
- (j) references to time of day or dates are to New Zealand times and dates;
- (k) each schedule or other attachment forms part of this Agreement;
- (l) a right or power may be exercised from time to time and at any time;
- (m) any word or expression cognate with a definition in this Agreement has a meaning corresponding or construed to the definition;
- (n) reference to a section, clause, sub-clause, schedule or a party is a reference to that section, clause, sub-clause, schedule or party in this Agreement;
- (o) any covenant or agreement on the part of two or more persons binds those persons jointly and severally; and
- (p) a word or expression defined in the Takeovers Code and not defined in this Agreement has the meaning in the Takeovers Code.

## **2. TAKEOVER OFFER**

**2.1 Offer:** The Offeror must, subject to clause 2.3:

- (a) send the Takeover Notice to the Target in compliance with Rule 41 of the Takeovers within one Business Day after this Agreement is signed; and
- (b) make the Offer in accordance with Rules 43 and 43B of the Takeovers Code.

**2.2 Agreed Offer Terms:** Subject to clause 2.3, notwithstanding any other provision of this Agreement, the Offeror must ensure that the Offer provides consideration per Target Share, less the value of any distributions paid or authorised after the date of this Agreement in respect of Target Shares, of:

- (a) NZ\$0.20 in cash per Target Share; plus
- (b) the Offeror procuring the issue of 0.392 of a Centuria Stapled Security per Target Share.

**2.3 Conditions:** Each of the Offeror’s obligations under clauses 2.1(a) and 2.1(b) are subject to the condition (which Offeror may waive in its sole discretion) that none of the circumstances in paragraph 7.2 of the Offer Terms and Conditions (set out in the Agreed Offer Terms) has occurred (interpreted as if reference to the “Effective Date” in that paragraph were references to the date of this Agreement) in the period commencing on the date of this Agreement and ending on:

- (a) in the case of the Takeover Notice the date that the Takeover Notice is sent under clause 2.1(a); and
- (b) in the case of the Offer, the date that the Offer is made under clause 2.1(b).



2.4 **Variations:** Offeror is entitled to:

- (a) complete any missing information in the Agreed Offer Terms (including inserting all necessary dates);
- (b) include all information required by Schedule 1 to the Takeovers Code;
- (c) remove or narrow the scope of any condition in the Agreed Offer Terms;
- (d) make such changes to the Agreed Offer Terms as are required by the Takeovers Panel, the New Zealand Financial Markets Authority or are permitted by Rule 44 of the Takeovers Code or by any exemption; and
- (e) otherwise vary the Offer in accordance with the Takeovers Code,

provided that, in the case of sub-clauses (d) and (e), that variation is not materially prejudicial to Shareholder and in the case of any variation under Rule 44(1)(b)(ii) of the Takeovers Code, that variation is approved in writing by the Shareholder (other than a variation of the nature referred to in sub-clause (c), which does not require the Shareholder's prior written approval). The Shareholder must not unreasonably or arbitrarily withhold or delay that approval.

2.5 **Power to waive:** Nothing in this Agreement affects the right of Offeror to waive or invoke any condition or other right included in the Agreed Offer Terms in accordance with the Takeovers Code.

3. **OBLIGATIONS OF SHAREHOLDER**

- 3.1 **Acceptance of Offer:** Subject to the Offer being made by the Offeror in accordance with this Agreement, the Shareholder must accept the Offer in respect of all of the Shareholder's Sale Securities by no later than the date which is two Business Days after the date of despatch of the Offer, as notified by the Offeror under Rule 45 of the Takeovers Code, or, if later, on the Business Day on which the Offer is received by the Shareholder, by signing or procuring the signature of the acceptance form accepting the Offer and returning that acceptance form in accordance with the terms of the Offer or by accepting the Offer using the online acceptance facility at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz).

4. **COMPLIANCE WITH TAKEOVERS CODE**

- 4.1 **Voting rights:** Nothing in this Agreement confers on the Offeror the ability or right to hold or control the voting rights attaching to the Target Shares, and the Offeror will not become the holder or controller of those voting rights except on transfer of the Target Shares under the Offer. The Shareholder may exercise or control the exercise of all voting rights attached to the Target Shares in whatever manner it sees fit until the Target Shares are transferred under the Offer.

5. **PROHIBITED DEALINGS**

- 5.1 **Prohibited dealings:** The Shareholder will not do, or agree to do, directly or indirectly, any of the following:
- (a) sell, transfer, grant or permit an Encumbrance over, or otherwise dispose of, any interest in, or control over, any of the Shareholder's Sale Securities;
  - (b) invite, seek, solicit, encourage, initiate or otherwise facilitate any person other than the Offeror (a "Third Party") to:



- (i) acquire any interest in, or control over, any of the Shareholder's Sale Securities;
- (ii) make, propose or announce:
  - (A) any direct or indirect acquisition of an interest in, or the right to acquire or have a direct or indirect economic interest in, any other person's shares in the Target;
  - (B) any direct or indirect acquisition of, or the right to acquire or have a direct or indirect economic interest in, all or a material part of the business and/or assets of the Target and its subsidiaries;
  - (C) a transfer of control of the Target or a material part of the business of the Target and its subsidiaries;
  - (D) otherwise an acquisition of, or merger with, the Target; or
  - (E) any other transaction which could reasonably be expected to be inconsistent with the Offer or result in the Offeror abandoning or failing to proceed with the Offer, whether by way of an on-market or off-market purchase of shares, stand in the market, takeover offer, scheme of arrangement, capital reduction, buy-back of shares, sale or purchase of assets, share issue (or the issue or grant of options, convertible securities or other rights or entitlements to shares) or other recapitalisation, joint venture, insolvency proceeding, dual-listed company structure (or other synthetic merger) or other transaction or arrangement (a "**Prohibited Transaction**");
- (c) provide any information of any nature to a Third Party for the purposes of encouraging or facilitating, or allowing that Third Party to consider, a Prohibited Transaction;
- (d) make any public statement supporting or endorsing a Prohibited Transaction;
- (e) do any act, matter or thing which is, or which may reasonably be expected to be, inconsistent with the Shareholder's obligations under sub-clause (a) or (b).

5.2 **Permitted dealings:** Clause 5.1 does not prevent:

- (a) the Shareholder from exercising voting rights attaching to any Target Shares;
- (b) the Shareholder from accepting the Offer in accordance with this Agreement;
- (c) the Shareholder from transferring Sale Securities to the Offeror in accordance with the Offer;
- (d) any act, matter or thing undertaken by the Shareholder with the Offeror's prior written approval;
- (e) any individual who represents the Shareholder on the board of, or who is an officer of, the Target from doing any act, matter or thing in his capacity as a director or officer of the Target, provided that the relevant act, matter or thing does not result in a breach of any condition in the Agreed Offer Terms by the Target.



**6. WARRANTIES**

6.1 **No prohibited dealings:** The Shareholder represents and warrants that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any Third Party regarding a Prohibited Transaction.

6.2 **Shareholder warranties:** The Shareholder represents and warrants that as at the date of this Agreement and at all times thereafter prior to the Offeror making the Offer:

- (a) the Shareholder is either the legal owner of the Sale Securities or has the right for the Sale Securities to be transferred to it, and the Sale Securities are fully paid and no money is owing to the Target in respect of them;
- (b) the Shareholder has the power to deal with the Sale Securities and has the necessary capacity and authority to accept the Offer in respect of the Sale Securities;
- (c) on completion of the purchase of the Sale Securities in accordance with the Offer, including payment of the consideration, legal and beneficial title to the Sale Securities will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests of any nature.

6.3 **Power etc:** Each party represents and warrants to the other that:

- (a) it has the legal right, authority and power to enter into this Agreement and to perform its obligations under this Agreement and has taken (or, in the case of the Offeror, will have taken prior to sending the Takeover Notice to the Target) all necessary corporate and other action to authorise the execution, delivery and performance of this Agreement; and
- (b) this Agreement constitutes valid and binding obligations enforceable against that party in accordance with its terms.

6.4 **Acknowledgement:** The Offeror acknowledges that, in entering into this Agreement and making the Offer, it has not relied on any representations or warranties made by or on behalf of the Shareholder (except for the representations and warranties contained in clauses 6.1, 6.2 and 6.3).

**7. NO OFFER OF CENTURIA STAPLED SECURITIES**

7.1 **No offer of Centuria Stapled Securities:** The Shareholder acknowledges and agrees:

- (a) this Agreement is not an offer of Centuria Stapled Securities;
- (b) the Centuria Stapled Securities cannot currently be applied for or acquired as consideration for the sale of Sale Securities under the Offer; and
- (c) if an offer of Centuria Stapled Securities is made as consideration for the sale of Sale Securities under the Offer, that offer of Centuria Stapled Securities will be made in accordance with the FMCA and any applicable exemption from the FMCA.

7.2 **Wholesale investor warranty:** Without limiting clause 7.1, the Shareholder represents and warrants that it is a "wholesale investor" for the purposes of clause 3(2) of Schedule 1 to the FMCA.

## **8. TERMINATION**

8.1 **Shareholder's right to terminate:** The Shareholder is entitled to terminate this Agreement if:

- (a) the Offeror does not comply with its obligations under clause 2.1; or
- (b) the Offer, when made, does not comply with clause 2.2.

8.2 **Automatic termination:** This Agreement will terminate if:

- (a) the Offeror withdraws the Offer in accordance with the Takeovers Code; or
- (b) the Offer lapses for any reason, including if one of the conditions of the Offer is not satisfied by the Unconditional Date and the Offer lapses in accordance with Rule 25(4) of the Takeovers Code.

8.3 **Consequences of termination:** On termination of this Agreement:

- (a) the termination will be without prejudice to either party's rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurs before the termination of this Agreement; and
- (b) clauses 4, 9, 10 and 11 must remain in full force and effect.

## **9. CONFIDENTIALITY**

9.1 **Confidentiality Obligation:** Each party agrees that:

- (a) the existence and contents of this Agreement; and
- (b) all information obtained from the other party or the other party's advisers under this Agreement or in the course of negotiations in respect of this Agreement,

is to be treated as "Confidential Information" for the purposes of, and subject to the terms of, the confidentiality letter dated January 2020 between the Shareholder and the Offeror as if the terms of that confidentiality letter were set out in this Agreement.

9.2 **Substantial product holder notice:** The parties acknowledge that the Offeror is required to make disclosure of this Agreement under subpart 5 of part 5 of the Financial Markets Conduct Act 2013.

## **10. NOTICES**

10.1 **Notices:** Any notice or other communication to be given to or by a party under this Agreement by or to another party:

- (a) may be given by personal service or email;
- (b) must be in writing, legible and addressed as shown below:
  - (i) if to the Shareholder, to an address set out in Schedule One;
  - (ii) if to the Offeror:

Address: Level 41, Chifley Tower  
2 Chifley Square



NSW 2000  
Australia

Attention: John McBain / Jason Huljich / Simon Holt

Email: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au) / [jason.huljich@centuria.com.au](mailto:jason.huljich@centuria.com.au)  
/ [simon.holt@centuria.com.au](mailto:simon.holt@centuria.com.au)

with a copy to (which will not constitute notice):

Address: Harmos Horton Lusk  
Level 33, Vero Centre  
48 Shortland Street  
Auckland 1140  
New Zealand

Attention: Nathanael Starrenburg

Email: [nathanael.starrenburg@hhl.co.nz](mailto:nathanael.starrenburg@hhl.co.nz)

or to such other address (if any) as the addressee may notify to the sender by notice given in accordance with this clause;

- (c) must be signed by the sender or an officer or authorised representative of the sender; and
- (d) will be deemed to be given by the sender and received by the addressee:
  - (i) if delivered in person, when delivered to the addressee; or
  - (ii) if sent by email, on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system, which indicates that the email was sent to the email address of the addressee notified for the purpose of this clause 10.1),

but if the delivery or receipt is on a day which is not a working day in the place of intended receipt or is after 5:00 pm (addressee's time), it is deemed to have been received at 9:00 am on the next working day in that place.

## **11. GENERAL**

### **11.1 Amendments etc: No:**

- (a) amendment to this Agreement;
- (b) agreement between the parties for the purposes of, or referred to in, this Agreement; or
- (c) request, consent, or approval for the purposes of, or referred to in, this Agreement,

is effective unless it is in writing and signed (if sub-clauses (a) or (b) apply) by the Offeror and the Shareholder or (if sub-clause (c) applies) by the party making the request or required to give the consent or approval.



- 11.2 **Further assurances:** Each party will from time to time on request by any other party execute and deliver all documents and do all other acts and things, which are necessary or reasonably required to give full force and effect to the provisions of, and arrangements contemplated by, this Agreement.
- 11.3 **Costs:** The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement.
- 11.4 **Severability:** If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and that provision will be deemed to be modified to the extent necessary to render it legal, valid, and enforceable.
- 11.5 **Entire agreement:** This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the matters dealt with by this Agreement, and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.
- 11.6 **Counterparts:** This Agreement may be signed in any number of counterparts, including facsimile or scanned copies, all of which will together constitute one and the same instrument and a binding and enforceable agreement between the parties. Any party may execute this Agreement by signing any such counterpart.
- 11.7 **Compliance with law:** Nothing in this Agreement must require any party to do any act or thing in contravention of the Takeovers Code, the Financial Markets Conduct Act 2013, or the Companies Act 1993.
- 11.8 **Governing law:** This Agreement is governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand in respect of any dispute or proceeding arising out of this Agreement.
- 11.9 **Professional trustee liability:**
- (a) To the extent a party (the “**Professional Trustee**”) enters into this Agreement only in its capacity as trustee of a trust (the “**Trust**”) only and in no other capacity. A liability arising under or in connection with this Agreement is limited to and can be enforced against the Professional Trustee only to the extent to which it can be satisfied out of the assets of the Trust out of which the Professional Trustee is actually indemnified for the liability. This limitation of the Professional Trustee’s liability applies despite any other provision of this Agreement and extends to all liabilities and obligations of the Professional Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this Agreement.
  - (b) No party may take any action to seek recourse to any assets held by the Professional Trustee in any capacity other than as trustee of the Trust, including seek the appointment of a receiver (except in relation to assets of the Trust), a liquidator, an administrator or any similar person to the Professional Trustee or prove in any liquidation, administration or arrangement of or affecting the Professional Trustee (except in relation to the Trust).




- (c) The provisions of this clause will not apply to any obligation or liability of the Professional Trustee to the extent that it is not satisfied because:
- (i) under the trust deed of the Trust or by operation of law there is a reduction in the extent of the Professional Trustee's indemnification out of the assets of the Trust, as a result of the Professional Trustee's fraud, negligence or breach of trust; or
  - (ii) the Professional Trustee failed to exercise any right of indemnity out of the assets of the Trust it has in respect of that obligation or liability.

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### Signatures


PHILLIP MICHAEL HINTON in his capacity as  
trustee of the P M & R K Hinton Family Trust:



Signature of

Phillip Michael Hinton

ROBYN KAY HINTON in her capacity as  
trustee of the P M & R K Hinton Family Trust:



Signature of

Robyn Kay Hinton

STEPHEN DAVID EICHSTAEDT in his capacity  
as trustee of the P M & R K Hinton Family  
Trust:




Signature of

Stephen David Eichstaedt

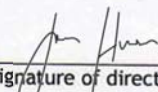


CENTURIA NEW ZEALAND HOLDINGS LIMITED  
by:

  
\_\_\_\_\_  
Signature of director

John McBain

\_\_\_\_\_  
Name of director

  
\_\_\_\_\_  
Signature of director

Jason Huljich

\_\_\_\_\_  
Name of director

## Schedule One

### Offer Details

Shareholder name	Phillip Michael Hinton, Robyn Kay Hinton and Stephen David Eichstaedt as trustees of the P M & R K Hinton Family Trust		
Sale Securities	1,983,232 Target Shares		
Shareholder address for notices	Address:	106 Buller Street, New Plymouth 4312	
	Attention:	Phil Hinton	
	Email:	p.hinton@xtra.co.nz	

## Schedule Two

### Agreed Offer Terms

#### OFFER TERMS AND CONDITIONS

#### FULL TAKEOVER OFFER BY CENTURIA NEW ZEALAND HOLDINGS LIMITED TO PURCHASE ALL OF THE SHARES OF AUGUSTA CAPITAL LIMITED

##### 1. THE OFFER

- 1.1 Centuria New Zealand Holdings Limited ("**Centuria NZ**") offers to purchase all of the fully paid ordinary shares ("**Augusta Shares**") in Augusta Capital Limited ("**Augusta**") not already held by Centuria NZ, on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Augusta Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Augusta Shares on, after, or by reference to the Effective Date ("**Entitlements**"). The "Effective Date" for the purposes of the Offer is **[insert takeover notice date]**.
- 1.3 The Offer is dated **[insert offer date]**.
- 1.4 The Offer will remain open for acceptance until 11.59pm on the "Closing Date", which is:
- (a) **[insert initial closing date]** ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the *Takeovers Code (NZ)*, that later date.
- 1.5 Centuria NZ may extend the Offer and the Closing Date one or more times.
- 1.6 The Offer is being made in reliance on the *Financial Markets Conduct (Centuria Capital Group) Exemption Notice 2020* ("**FMC Exemption Notice**") granted by the FMA. Disclosures required by the conditions to the FMC Exemption Notice are, to the extent not otherwise included elsewhere in this Offer Document, included in Schedules Two and Four of this Offer Document.
- 1.7 The Offer is also being made in reliance on the *Takeovers Code (Augusta Capital Limited) Exemption Notice 2020* ("**Code Exemption Notice**") granted by the Takeovers Panel. Centuria NZ has established nominee arrangements to sell Centuria Stapled Securities issued to Foreign Exempt Augusta Shareholders who receive scrip consideration under the Offer, to comply with the conditions of the Code Exemption Notice. Those arrangements are described in paragraph 3.
- 1.8 Capitalised terms used in the Offer Terms and Conditions, and which are not otherwise defined, are defined in the Glossary.



## 2. CONSIDERATION

### Consideration

2.1 If you accept the Offer, you will receive in respect of each Augusta Share for which you accept the Offer:

- (a) if you are an Augusta Shareholder and your registered address in Augusta's share register is in New Zealand or Australia:
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) 0.392 of a Centuria Stapled Security per Augusta Share; and
- (b) if you are an Augusta Shareholder and your registered address in Augusta's share register is not in New Zealand or Australia ("**Foreign Exempt Augusta Shareholder**"):
  - (i) \$0.20 in cash per Augusta Share; plus
  - (ii) the net proceeds of sale of 0.392 of a Centuria Stapled Security per Augusta Share, as described in paragraph 3.

### Provisions relating to Centuria Stapled Securities

- 2.2 In determining the total number of Centuria Stapled Securities to be issued, fractional numbers of Centuria Stapled Securities will be rounded down to the nearest whole number.
- 2.3 Centuria NZ will procure that Centuria takes any necessary steps to ensure that the Centuria Stapled Securities are, immediately after issue, quoted on ASX.

### Adjustments to the Offer Price

- 2.4 The price paid for Augusta Shares may be adjusted by Centuria NZ in accordance with paragraphs 9.1, 9.4 and 9.6 to take account of distributions or changes in Augusta's share capital. If Centuria NZ adjusts the price, references to the price in this paragraph 2 will be to the price as adjusted.

## 3. PAYMENT TO FOREIGN EXEMPT AUGUSTA SHAREHOLDERS WHO RECEIVE CENTURIA STAPLED SECURITIES

- 3.1 The Takeovers Panel has granted the Code Exemption Notice for the reasons set out under the section titled "The Takeovers Panel has granted an exemption in respect of the offer of Centuria Stapled Securities outside of New Zealand and Australia" in the Important Information section of this Offer Document.
- 3.2 Centuria NZ has appointed UBS AG, Australia Branch (ABN 47 088 129 613) as nominee ("**Nominee**") for those Foreign Exempt Augusta Shareholders who accept the Offer. The Nominee is the holder of an Australian Financial Services Licence in accordance with the *Corporations Act 2001 (Cth) (Australia)*. Centuria NZ will ensure that the Centuria Stapled Securities that would have otherwise been issued to the Foreign Exempt Augusta Shareholders are, instead, issued to the Nominee (or a wholly owned subsidiary of the Nominee). The Nominee has agreed to, as soon as reasonably practicable and in a manner consistent with the terms of the Offer relating to payment of consideration:
  - (a) sell, on arm's length terms, the Centuria Stapled Securities that would otherwise be issued to the Foreign Exempt Augusta Shareholders; and



- (b) pay Centuria NZ's share registrar for the Offer, Computershare Investor Services Limited, each relevant Foreign Exempt Augusta Shareholder's share of the proceeds from the sale of the Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes.

Following receipt of funds from the Nominee (or its wholly owned subsidiary), Computershare Investor Services Limited will pay each relevant Foreign Exempt Augusta Shareholder their share of the proceeds from the sale of Centuria Stapled Securities, net of any applicable expenses, brokerage costs and taxes. Payment of the relevant amount will be made in Australian dollars not later than eight working days after the date the Centuria Stapled Securities are issued to the Nominee (or its wholly owned subsidiary) on behalf of the relevant Foreign Exempt Augusta Shareholder.

3.3 For the purposes of this paragraph 3, the net proceeds payable to Foreign Exempt Augusta Shareholders will be calculated as follows:

- (a) The Nominee (or a wholly owned subsidiary) will sell Centuria Stapled Securities through ASX during a "**sale period**", being a two consecutive day trading day period after the Centuria Stapled Securities have been issued to the Nominee (or a wholly owned subsidiary) in accordance with paragraph 4.2 in respect of one or more Foreign Exempt Augusta Shareholders.
- (b) The net proceeds to be paid to a Foreign Exempt Augusta Shareholder whose entitlement to Centuria Stapled Securities is sold during a particular sale period will be calculated as follows:

*Net proceeds = Net Average Sale Price multiplied by the Foreign Exempt Augusta Shareholder's entitlement to Centuria Stapled Securities.*

- (c) "**Net Average Sale Price**" will be calculated as follows:

*Net Average Sale Price = (Total proceeds of sale of all Centuria Stapled Securities sold during a sale period minus total applicable expenses, brokerage costs and taxes in respect of the sale of those Centuria Stapled Securities) divided by the total number of Centuria Stapled Securities sold during the sale period.*

3.4 Centuria NZ as agent for Centuria agrees that Centuria will, and will also procure that Centuria does, indemnify and hold harmless each Foreign Exempt Augusta Shareholder who is to receive Centuria Stapled Securities as consideration against any damages, expenses, costs, losses or liabilities suffered or incurred by that Foreign Exempt Augusta Shareholder as a result of a failure by the Nominee (or wholly owned subsidiary) to comply with its obligations in respect of the sale of Centuria Stapled Securities contemplated by clauses 6(a), (b), (c) and (d) (and 8(a), (b), (c) and (d), if applicable) of the Code Exemption Notice.

#### 4. WHEN YOU WILL GET PAID

4.1 Centuria NZ will pay you the price for your Augusta Shares taken up under the Offer no later than five working days after the later of:

- (a) the date on which the Offer becomes unconditional; and
- (b) the date on which Centuria NZ receives your acceptance of the Offer.



- 4.2 Centuria NZ is deemed to have satisfied the obligation to pay (and send) Centuria Stapled Securities to you under the Offer, and you will be deemed to have received those Centuria Stapled Securities, on the issue by Centuria of the relevant Centuria Stapled Securities to:
- (a) you, if you are not a Foreign Exempt Augusta Shareholder; or
  - (b) the Nominee (or a wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder,
- by the entry into Centuria's share and unit registers of your name or the name of the Nominee or the name of a wholly owned subsidiary of the Nominee (as applicable) as the holder of the relevant number of Centuria Stapled Securities.
- 4.3 If you do not, within the period specified in paragraph 4.1, receive the price for your Augusta Shares in accordance with this paragraph 4, you may withdraw your acceptance of the Offer by notice in writing to Centuria NZ, but only by:
- (a) giving written notice to Centuria NZ of your intention to do so; and
  - (b) if you do not receive the price for your Augusta Shares during five working days after giving notice under subparagraph (a), giving written notice to Centuria NZ withdrawing acceptance of the Offer.
- 4.4 Further information about how Centuria NZ will pay you is set out in paragraph 8.

## **5. HOW TO ACCEPT THE OFFER**

- 5.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Augusta Shares.
- 5.2 Centuria NZ has appointed Computershare Investor Services Limited as registrar for the Offer to receive and process Acceptance Forms on its behalf. In this paragraph 5, a reference to sending Acceptance Forms to Centuria NZ, or to Centuria NZ receiving Acceptance Forms, means sending to, or receipt by, Computershare Investor Services Limited.

### **Instructions on how to accept the Offer**

- 5.3 To accept the Offer, you only need to:

#### **Online acceptance**

- (a) accept the Offer in respect of your Augusta Shares online at [www.augustatakeover.co.nz](http://www.augustatakeover.co.nz); or

#### **Paper form acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to Centuria NZ by email or post (in the reply paid envelope which is enclosed with this Offer Document) so that it is received by Centuria NZ by no later than 11.59pm on the Closing Date, to:



**By email**

[centuria.offer@computershare.co.nz](mailto:centuria.offer@computershare.co.nz) (Please type "Augusta Capital Acceptance" in the subject line for easy identification)

**By post**

Centuria New Zealand Holdings Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
New Zealand

(if mailing from overseas please affix the required postage stamp)

Centuria NZ will not provide you with any acknowledgement of receipt of your Acceptance Form.

**Acceptance Forms**

- 5.4 If you lose or damage your Acceptance Form, please request another one from the Augusta share registrar for the Offer, Computershare Investor Services Limited, at the contact details set out above, or by calling 0800 771 117 (within New Zealand) or +64 9 488 8784 (outside New Zealand).
- 5.5 If Centuria NZ receives an Acceptance Form after 11.59pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 11.59pm on the Closing Date, that Acceptance Form will be deemed to have been received by Centuria NZ prior to 11.59pm on the Closing Date (including for the purposes of the condition in paragraph 7.1).
- 5.6 Centuria NZ may, in its discretion:
- (a) treat any Acceptance Form as valid even if that Acceptance Form is not accompanied by your relevant Common Shareholder Number/Holder Number, or does not comply with any instructions on the Acceptance Form; and
  - (b) rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of Augusta Shares to Centuria NZ (including inserting or correcting details and filling in any blanks).
- 5.7 Centuria NZ will determine, in its discretion, all questions about Acceptance Forms and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. Centuria NZ's determination will be final and will bind you and all other persons. Centuria NZ will not exercise its discretion to replace the number of Augusta Shares specified in a valid Acceptance Form unless the Acceptance Form contains an error or omission.

**Centuria NZ may appoint Brokers to procure Acceptance Forms**

- 5.8 Centuria NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Brokers**") to contact Augusta Shareholders and receive Acceptance Forms.
- 5.9 If Centuria NZ chooses to do this, the key terms of the engagement of each Broker will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, Centuria NZ may pay to that Broker a handling or procurement fee of up to 0.75% of the Offer price for the Augusta



Shares the subject of that Acceptance Form which are transferred to Centuria NZ (on the basis of an implied offer price of NZ\$1.00 per Augusta Share) ("**Procurement Fee**"), up to a maximum payment of NZ\$500 per accepting Augusta Shareholder (inclusive of goods and services tax, if any);

- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Centuria NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Augusta Shareholder, or otherwise share the Procurement Fee with any Augusta Shareholder or a person on whose behalf the Augusta Shares are held;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is subject to the Offer being declared unconditional and is in respect of the Augusta Shares which are the subject of that Acceptance Form being validly transferred to Centuria NZ. In addition, the Acceptance Form must be delivered to Centuria NZ in accordance with paragraph 5.3 and must be stamped by the Broker and only that Broker;
- (d) Centuria NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptances of the Offer procured by that Broker if Centuria NZ believes that a party has structured holdings of Augusta Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 5.9; and

Centuria NZ may in its discretion determine any disputes regarding whether a Procurement Fee is payable.

## **6. KEY TERMS OF THE OFFER**

### **Who may accept the Offer**

- 6.1 The Offer is made to each holder of Augusta Shares and is open for acceptance in accordance with its terms, whether or not the holder acquired Augusta Shares before, on or after the date of the Offer.

### **Acceptance of the Offer and your agreement to sell your Augusta Shares**

- 6.2 You may accept the Offer for some or all of your Augusta Shares.
- 6.3 If you accept the Offer you create a binding contract with Centuria NZ. You agree to sell, and Centuria NZ agrees to purchase, the Augusta Shares for which you accept the Offer and all Entitlements attaching to those Augusta Shares on the terms, and subject to the conditions, of the Offer and the provisions of the *Takeovers Code (NZ)*.
- 6.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not Centuria NZ has varied the Offer in accordance with the *Takeovers Code (NZ)*, except in accordance with paragraph 4.3 (which allows you to withdraw your acceptance if Centuria NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraphs 6.9 and 6.16.
- 6.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever. If you attempt or purport to impose any amendment, restriction or condition of acceptance, it will be void and of no effect and Centuria NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any amendment, restriction or condition.

### Conditions to the Offer

- 6.6 The Offer is subject to the conditions set out in paragraphs 7.1 and 7.2. Centuria NZ will buy the Augusta Shares for which you accept the Offer only if each of those conditions is satisfied or waived, to the extent capable of waiver, and Centuria NZ declares the Offer unconditional.
- 6.7 The latest date on which Centuria NZ can declare the Offer unconditional ("**Condition Date**") is 10 working days after the Closing Date (excluding, for this purpose, any extension of the Offer under Rule 24B or 24C of the *Takeovers Code (NZ)*).
- 6.8 As a consequence:
- (a) if the Offer is not extended and the Offer period ends on the Initial Closing Date, then the Condition Date is **[Initial Closing Date + [10] working days]**;
  - (b) if the Offer is extended (excluding any extension under Rule 24B or Rule 24C of the *Takeovers Code (NZ)*), the Condition Date will be 10 working days after the end of the extended Offer period. If Centuria NZ extends the Offer period, Centuria NZ will specify in its variation notice the new Condition Date.
- 6.9 Centuria NZ may, subject to paragraph 7.6 and the *Takeovers Code (NZ)*, withdraw the Offer if a condition of the Offer is breached or becomes incapable of being satisfied at any time prior to 11.59pm on the Condition Date. If the Offer is not declared unconditional, or the outstanding conditions to it are not waived by Centuria NZ by 11.59pm on the Condition Date, then the Offer will lapse and Centuria NZ and you will be released from any and all obligations under the Offer (and any contract arising from acceptance of it). If the Offer lapses, Centuria NZ may destroy all Acceptance Forms.

### Your obligations on acceptance of the Offer

- 6.10 Legal and beneficial ownership of, and title to, the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and the Entitlements attaching to those Augusta Shares or securities (as applicable) will pass and transfer to Centuria NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any nature ("**Encumbrances**") on payment of the consideration for your Augusta Shares in accordance with paragraphs 4 and 8.
- 6.11 You must, on request by Centuria NZ, provide to Centuria NZ or Augusta's share registrar satisfactory evidence of your entitlement to the Augusta Shares for which you have, or wish to, accept the Offer and of the full and immediately effective release and discharge of any and all Encumbrances over those Augusta Shares. Centuria NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 6.11, and Centuria NZ is not obliged to notify you that it has done so.
- 6.12 You must not, and must not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Augusta Shares for which you accept the Offer, except for acceptance of the Offer.
- 6.13 You irrevocably authorise and instruct Augusta and Augusta's share registrar to refuse to register any transfer of any or all of the Augusta Shares for which you accept the Offer, except for transfers of Augusta Shares to Centuria NZ in accordance with the terms of the Offer. You agree that Augusta and Augusta's share registrar may rely on the authorisation set out in this paragraph 6.13, even if you attempt

to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 6.9 or 6.16.

**Your warranties to Centuria NZ**

6.14 By completing the Acceptance Form and accepting the Offer you represent and warrant to Centuria NZ (if you are a joint holder of Augusta Shares, on a joint and several basis), that:

- (a) you are:
  - (i) the sole legal and beneficial owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer; or
  - (ii) the sole legal owner(s) of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer and you are entitled to deal with those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6),and, in either case, you have all necessary power, capacity and authority to sell those Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) and accept the Offer;
- (b) your Acceptance Form has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
- (c) legal and beneficial title and ownership of the Augusta Shares (and all other securities referred to in paragraphs 9.4 to 9.6) for which you accept the Offer will pass to Centuria NZ free from Encumbrances and in accordance with paragraph 6.10.

6.15 Despite anything to the contrary in your Acceptance Form, if you are a joint holder of Augusta Shares (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to Centuria NZ, jointly and severally, that:

- (a) the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed such Acceptance Form; and
- (b) if you hold the relevant Augusta Shares as a trustee of a trust, the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

**All obligations will be released in certain circumstances**

6.16 You will be, and Centuria NZ will be, released from any and all obligations arising from Centuria NZ's Offer or from your acceptance of Centuria NZ's Offer if Centuria NZ withdraws its Offer with the consent of the Takeovers Panel. If the Offer is withdrawn, Centuria NZ may destroy all Acceptance Forms.

## **7. CONDITIONS OF THE OFFER**

### **Minimum acceptance condition**

7.1 The Offer and any contract arising from acceptance of it are conditional on Centuria NZ receiving acceptances by no later than 11.59pm on the Closing Date in respect of Augusta Shares that will, on the Offer being declared unconditional and the Augusta Shares being transferred to Centuria NZ, result in Centuria NZ holding or controlling:

- (a) not less than 90% of the voting rights in Augusta; or
- (b) if Centuria NZ waives the condition in subparagraph (a) (which it may do in its discretion), more than 50% of the voting rights in Augusta.

### **Other conditions of the Offer**

7.2 The Offer and any contract arising from acceptance of it are subject to the conditions that, except as otherwise agreed in writing by Centuria NZ, during the period from the Effective Date until the Condition Date (each inclusive):

- (a) there is no change to or increase in the remuneration, or change to any terms of employment or engagement, of any executive or non-executive director of any member of the Augusta Group, except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes;
- (b) no adverse public authority action has occurred, being:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency; or
  - (ii) no inquiry, action or investigation is instituted, or threatened by a Government Agency, in consequence of, or in connection with, the Offer, which restrains, prohibits, materially impedes, or materially adversely impacts (or is reasonably likely to restrain, prohibit, materially impede or materially adversely impact) the making of the Offer (including the offer of Centuria Stapled Securities as consideration under the Offer) or the completion of the Offer or requires (or is reasonably likely to require) the divestiture by Centuria NZ of any Augusta Shares, or the divestiture of any material assets of Augusta following the close of the Offer;
- (c) no Material Adverse Effect of Augusta has occurred, been announced or otherwise becomes apparent or known to Centuria NZ or Augusta (whether or not becoming public);
- (d) no Court or Government Agency:
  - (i) has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a material legal restraint or prohibition preventing the Offer and no such order, decree, ruling, other action or refusal is in effect as at the Condition Date; or
  - (ii) notifies Centuria NZ that it considers that:



- (A) any agreement under which Centuria NZ has agreed to make the Offer;
- (B) any term of the Offer (including a condition);
- (C) any conduct of Augusta in connection with a condition; or
- (D) the offer of Centuria Stapled Securities in the manner in which it is offered in the Offer,

breaches or may breach any applicable law, where such breach or potential breach is material to Centuria NZ (or a Related Company of Centuria NZ) in the context of the Offer or material to the Augusta Group as a whole and the breach or potential breach is either not capable of Remedy, or not Remedied, before 5.00pm on the Condition Date;

- (e) the Augusta Group and Centuria (as the case may be) having received all consents and approvals of any third party which, if not obtained, would result in completion of the Offer giving rise to a termination event under or material breach of any material contract to which a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) is a party including, without limitation:
  - (i) in relation to an agreement with Radisson Hotels Asia Pacific Investments Pte. Ltd or a related entity; and
  - (ii) under loan, finance and facility documentation with ASB Bank Limited, Bank of New Zealand, Westpac New Zealand Limited and BankWest facility consents;
- (f) Centuria NZ does not become aware that any document filed or disclosed by or on behalf of Augusta with NZX or the New Zealand Companies Office contains a material statement which is incorrect or misleading in a material particular or from which there is a material omission;
- (g) no litigation, arbitration or other legal proceedings against any member of the Augusta Group are commenced, instituted or threatened, except proceedings that are publicly notified at 9.00am on the Notice Date, claiming an amount, in aggregate, in excess of \$1 million;
- (h) the business of each member of the Augusta Group is carried on, in all respects which are material to the Augusta Group taken as a whole, in the usual and ordinary course of business and neither Augusta and (subject to any member of the Augusta Group's duties as manager of any fund) and, other than in the usual and ordinary course of business, no member of the Augusta Group:
  - (i) makes or undertakes unusual or abnormal payments, commitments or liabilities (including contingent liabilities) which are material or could be material to the Augusta Group taken as a whole, are made or incurred (or agreed to be made or incurred) by any of those entities, and no member of the Augusta Group makes any unusual payment of income tax;
  - (ii) disposes of, purchases, tenders or bids for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to

do any of these things or makes an announcement in respect of any of them), that is material to the Augusta Group taken as a whole; or

- (iii) enters into, materially varies or terminates an onerous, long term or material contract, commitment or arrangement, or any major transaction (as defined in section 129(2) of the *Companies Act 1993 (NZ)*) that is material to the Augusta Group taken as a whole;
- (i) no resolution is passed for any amalgamation of any member of the Augusta Group, and no member of the Augusta Group is involved, or seeks any Court orders or Augusta Shareholder approvals in respect of, in any merger or scheme of arrangement;
- (j) no member of the Augusta Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which NZX Listing Rule 5.1 or 5.2 applies, or would apply but for the granting of a waiver or exemption;
- (k) none of the following occurs:
  - (i) all or any of the Augusta Shares are converted into a larger or smaller number of shares, or a resolution is passed to do so;
  - (ii) Augusta redeems any Augusta Shares, or resolves to do so;
  - (iii) the capital of Augusta is reduced in any way (including by way of a capital distribution) or Augusta reclassifies, combines, splits, redeems, repurchases or cancels directly or indirectly any securities in Augusta or resolves to do any of the preceding;
  - (iv) Augusta buys back or agrees to buy back any Augusta Shares;
  - (v) any dividend or other distribution (as those terms are defined in the *Companies Act 1993 (NZ)*) (whether of capital or otherwise) is paid, announced, authorised or agreed to be paid or made by Augusta;
  - (vi) Augusta issues or agrees to issue Augusta Shares, warrants or options over, or entitlements to, Augusta Shares or other securities or instruments convertible into Augusta Shares (including performance rights);
  - (vii) Augusta issues or agrees to issue shares or warrants or options over, or entitlements to, shares or other securities or instruments convertible into shares in any other member of the Augusta Group to a person who is not a wholly owned member of the Augusta Group;
  - (viii) Augusta issues or agrees to issue debt securities;
  - (ix) the rights, benefits or entitlements and restrictions attaching to any Augusta Shares or any other financial products issued by any member of the Augusta Group are altered or varied;
  - (x) the constitution of Augusta or any other member of the Augusta Group is modified or repealed or replaced or a meeting of the relevant shareholders is called to consider modifying, repealing or replacing such constitution (except for an amendment required by law or to comply with the NZX Listing Rules);

- (xi) Augusta creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or assets or the business or assets of the Augusta Group;
- (xii) a member of the Augusta Group:
  - (A) makes, or agrees to make, any loan or advance, to a person which is not a Related Company;
  - (B) enters into any new financing arrangement, agreement or instrument with a person other than a Related Company; or
  - (C) amends the terms of any existing financing arrangement, agreement or instrument with a person other than a Related Company where the relevant amendment increases the aggregate credit limits or facility limits available to any relevant member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group) or is otherwise adverse to the Augusta Group as a whole;
- (xiii) in respect of any financing arrangement, agreement or instrument Augusta has with a person other than a Related Company, a member of the Augusta Group (or any fund, entity or managed investment scheme managed by the Augusta Group):
  - (A) breaches any covenant, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (B) relies on any waiver or amendment to avoid the potential breach of any covenant unless the waiver or amendment extends for a period of at least, the earlier of the term of the financing arrangement, agreement or instrument and the date which is two months after the Closing Date;
  - (C) allows an event of default, or potential event of default, to occur, which is not Remedied in accordance with the relevant cure rights under the arrangement, agreement or instrument;
  - (D) allows an obligation to pay any amount to be accelerated other than to prevent an event referred to in subparagraph (A) or (B) above from occurring; or
  - (E) permanently reduces the amount of debt ahead of a maturity date;
- (xiv) any member of the Augusta Group enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments, except foreign currency hedges or interest rate hedges made in the ordinary course of business consistent with past practice and in accordance with existing policy as at the Effective Date;
- (xv) Augusta Shares are delisted from NZX or are subject to suspension from quotation for five or more trading days, other than due to, or as a result of, an action taken by Centuria NZ or a Related Company of Centuria NZ;



- (xvi) the Augusta Group acquires any interest in, or control over any interest in (including under a management arrangement), “sensitive land” (as defined in the *Overseas Investment Act 2005 (NZ)* and *Overseas Investment Regulations 2005 (NZ)*);
- (xvii) the FMA notifies the Augusta Group, Centuria NZ or Centuria that it may:
  - (A) terminate or revoke; or
  - (B) impose material new conditions on, or make material amendments to the existing conditions of,
 the MIS Licence in connection with:
  - (C) completion of the Offer;
  - (D) Centuria NZ becoming the owner or controller of the Augusta Group; or
  - (E) any proposed changes to the Augusta Group as a result of the Offer,
 and the proposal in the notice is not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xviii) the MIS Licence is terminated or revoked, or steps are taken by or on behalf of the FMA to terminate or revoke the MIS Licence where such steps are not withdrawn by the FMA by 5.00pm on the Condition Date;
- (xix) the terms and conditions of the MIS Licence are amended, by the imposition of new material terms or conditions, or the making of material amendments to the existing terms and conditions, without Centuria NZ’s prior consent;
- (xx) Augusta Funds Management Limited breaches any condition of the MIS Licence and either the breach is not capable of Remedy, or is not Remedied, before 5.00pm on the Condition Date;
- (xxi) the FMA notifies Augusta Funds Management Limited of:
  - (A) any alleged or potential breach of any condition of the MIS Licence; or
  - (B) any other matter or circumstance that is likely to result in the MIS Licence being terminated or revoked,
 where such alleged breach, potential breach or other matter or circumstance is not capable of Remedy, or is not Remedied, by 5.00pm on the Condition Date;
- (xxii) the FMA issues a stop order in respect of any product disclosure statement under which a member of the Augusta Group is the offeror where such stop order is not withdrawn by 5.00pm on the Condition Date;
- (xxiii) a proceeding is commenced by the FMA alleging that an offer of financial products, in respect of which a member of the Augusta Group is or was the offeror, breached the *Financial Markets Conduct Act 2013 (NZ)* or other applicable law;

(xxiv) the FMA notifies the Augusta Group of an investigation in respect of alleged or potential material non-compliance with the *Financial Markets Conduct Act 2013 (NZ)* by a member of the Augusta Group in respect of:

(A) the MIS Licence; or

(B) an offer of financial products in respect of which a member of the Augusta Group is or was the offeror; and

(xxv) a member of the Augusta Group increases its holding or control of voting rights in a company which is a “code company” for the purposes of the *Takeovers Code (NZ)* (including Asset Plus Limited) where, after that increase, Augusta and its associates (as that term is defined in rule 4 of the *Takeovers Code (NZ)*) in aggregate hold or control more than 20% of the voting rights in that code company.

#### **Nature of the conditions of the Offer**

7.3 Each condition in paragraphs 7.1 and 7.2 is a separate and independent condition, and is solely for Centuria NZ's benefit. Centuria NZ may waive any or all of those conditions (except for the condition in paragraph 7.1(b) which cannot be waived), in whole or in part, and on any terms in its discretion. If Centuria NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms, and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.

7.4 Where any condition set out in paragraph 7.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of Centuria NZ or any associate of Centuria NZ) be made by a suitably qualified expert nominated by Centuria NZ who is independent of, and not an associate of, Centuria NZ.

#### **The Offer will only proceed if it becomes unconditional in all respects**

7.5 The Offer will only proceed, and you will only be paid for your Augusta Shares for which you accept the Offer, if each of the conditions set out in paragraphs 7.1 and 7.2 is satisfied or (if capable of being waived) waived by Centuria NZ and Centuria NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 6.9 will apply.

#### **When Centuria NZ will not rely on a condition**

7.6 Centuria NZ will not allow the Offer to lapse:

(a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts Augusta or the Augusta Group's activities in the ordinary course of Augusta or the Augusta Group's business during the period commencing on **[Insert takeover notice date]** and ending on the Condition Date.

## **8. HOW CENTURIA WILL SETTLE THE OFFER AND PAY YOU**

8.1 Centuria NZ will pay you for your Augusta Shares taken up under the Offer in accordance with paragraphs 2, 3, 4 and this paragraph 8 if:

- (a) Centuria NZ declares the Offer unconditional; and
- (b) your Acceptance Form is in order (or Centuria NZ rectifies any errors in or omissions from your Acceptance Form or otherwise accepts your Acceptance Form as valid under paragraph 5.6).

8.2 Centuria NZ will provide you with the consideration for your Augusta Shares, as follows:

- (a) in respect of a cash payment, by sending you a cheque by ordinary post or, if you choose in your Acceptance Form, by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank;
- (b) in respect of Centuria Stapled Securities where you are not a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to you in accordance with paragraph 4.2(a);
- (c) in respect of Centuria Stapled Securities, where you are a Foreign Exempt Augusta Shareholder, Centuria NZ will procure that Centuria issues Centuria Stapled Securities to the Nominee (or a wholly owned subsidiary of the Nominee) to be sold, and the net proceeds distributed to you in accordance with paragraph 3.

8.3 If:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide are not sufficient to make an electronic funds transfer to your desired account,

Centuria NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to Augusta's share registrar (such as for dividend payments) which is known by Centuria NZ, or by cheque.

8.4 If Centuria NZ chooses to make payment to you in accordance with paragraph 8.3:

- (a) Centuria NZ is not obliged to notify you that it has done so; and
- (b) Centuria NZ will have no liability to you for its choice to do so or in doing so.

8.5 In no circumstances will Centuria NZ be liable to you for interest on any payment due to you.

8.6 If you are a Foreign Exempt Augusta Shareholder, the net proceeds of sale of Centuria Stapled Securities, as contemplated by paragraphs 3.2 and 3.3, will be paid to you in Australian dollars. If that payment is made by electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank, Centuria NZ understands the bank will usually convert the payment into New Zealand

dollars at the bank's AU\$:NZ\$ spot exchange rate. All currency conversions of Australian dollar payments to you are solely at your risk. Centuria NZ, Centuria and the Nominee (or wholly owned subsidiary of the Nominee, if applicable) will have no liability of any nature to you in connection with any currency conversion.

## 9. CHANGE IN CIRCUMSTANCES

### Dividends and distributions

- 9.1 If, on or after the Effective Date, Augusta authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Augusta Shares (including by way of share buyback, redemption or cancellation or any other form of capital reduction) and the condition in paragraph 7.2(k)(v) is waived by Centuria NZ and the Offer otherwise becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:
- (a) you will be bound to pay to Centuria NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ; or
  - (b) the consideration which would otherwise have been provided to you for your Augusta Shares will be adjusted to reflect the Distribution Amount (defined below). Such adjustment will occur first in reduction of the cash component of the consideration specified at paragraph 2.1 and then, if the cash component has been reduced to NZ\$nil, by reduction in the number of Centuria Stapled Securities offered as consideration (and, for this purpose, 0.392 of a Centuria Stapled Security will have a nominal value of NZ\$0.80) (with any fraction of a Centuria Stapled Security rounded down). For the purposes of this paragraph (b), the “**Distribution Amount**” is an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-New Zealand resident Augusta Shareholder, ignoring any supplementary dividend paid to that non-New Zealand resident Augusta Shareholder) that is received by, or is properly payable to, you and relates to the Augusta Shares for which you accept or have accepted the Offer and which are transferred to Centuria NZ.

By way of example, if you accept the Offer for your Augusta Shares and Augusta authorises an unimputed dividend of NZ\$0.25 per Augusta Share and subparagraph (b) applies to the dividend, then the cash component of the consideration will be reduced to NZ\$nil and the number of Centuria Stapled Securities to be issued to you (or the Nominee (or wholly owned subsidiary of the Nominee), if you are a Foreign Exempt Augusta Shareholder) will be reduced from 0.392 of a Centuria Stapled Security per Augusta Share to 0.367 of a Centuria Stapled Security per Augusta Share.<sup>1</sup>

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<sup>1</sup> Calculated as follows:  $0.392 - (\text{NZ\$}0.05 \text{ value of dividend after reducing cash component to NZ\$nil} / \text{NZ\$}0.80) \times 0.392$ .

9.2 If you are required to make a payment to Centuria NZ under paragraph 9.1(a) you must make that payment:

- (a) within five working days of demand, to the bank account stated in Centuria NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

9.3 If a dividend or distribution referred to in paragraph 9.1 is not in cash in New Zealand dollars then Centuria NZ may determine the New Zealand dollar value of that dividend or distribution. Centuria NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

9.4 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary Augusta Shares) ("**Additional Securities**"), by way of bonus issue and the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer becomes unconditional, then, unless Centuria NZ determines otherwise, at the option of Centuria NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to Centuria NZ, in respect of the Augusta Shares for which you have accepted the Offer and which are transferred to Centuria NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Augusta Shares, the Offer will extend to those Additional Securities, the consideration payable for each Augusta Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Augusta Shares in Augusta under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have had no bonus issue taken place.

#### **Other issues of Augusta Shares**

9.5 If, on or after the Effective Date, Augusta authorises or makes any issue of Augusta Shares to any person other than by way of bonus issue, the conditions in paragraphs 7.2(k)(vi) and 7.2(k)(viii) are waived by Centuria NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Augusta Shares and the price payable for them will be the price set out in paragraph 2.1.

#### **Subdivisions and consolidations**

9.6 If, on or after the Effective Date, all or any of the Augusta Shares are subdivided or consolidated by Augusta then:

- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Augusta Shares resulting from that subdivision or consolidation;

- (b) the consideration per Augusta Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) you must transfer those subdivided or consolidated Augusta Shares for which you have accepted the Offer to Centuria NZ on the basis of the price so increased or reduced.

## **10. NOTICES**

10.1 If Centuria NZ gives notice to Augusta, the Takeovers Panel and NZX:

- (a) declaring the Offer unconditional; or
- (b) advising that the Offer is withdrawn in accordance with the *Takeovers Code (NZ)*; or
- (c) advising that a term or condition of the Offer had been waived; or
- (d) advising that the Offer has lapsed in accordance with its terms or the *Takeovers Code (NZ)*,

that notice will, in each case, be deemed to be notice to you and all other offerees when so given.

10.2 Notice of any variation of the Offer will be sent to Augusta, the Takeovers Panel, NZX and, except where not required in accordance with the *Takeovers Code (NZ)*, to you and each other offeree under the Offer.

## **11. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

11.1 Further information relating to the Offer, as required by Schedule 1 to the *Takeovers Code (NZ)*, is set out in Schedule One of this Offer Document and forms part of this Offer Document.

### **Interpretation**

11.2 In this Offer Document:

- (a) any reference to the "*Takeovers Code (NZ)*" means the *Takeovers Regulations 2000 (NZ)* as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act 1993 (NZ)*;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the *Takeovers Code (NZ)* have the same meaning;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;
- (d) a "working day" has the meaning given in section 29 of the *Interpretation Act 1999 (NZ)*;
- (e) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (f) the singular includes the plural and viceversa;
- (g) any other grammatical form of a defined term has a correspondence meaning;
- (h) including means including without limitation;

- (i) if you hold your Augusta Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
  - (j) all percentages are rounded to two decimal places.
- 11.3 If there is an inconsistency between the Offer Terms and Conditions and the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)*, the provisions of the *Takeovers Act 1993 (NZ)* or the *Takeovers Code (NZ)* (as the case may be) will prevail to the extent of that inconsistency.
- Cheques, documents and transfers are at your risk**
- 11.4 All cheques, electronic funds transfers, Acceptance Forms and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.
- Variation of the Offer**
- 11.5 Centuria NZ may vary the Offer in accordance with rule 27 of the *Takeovers Code (NZ)*.
- Acceptance Forms are part of the Offer**
- 11.6 The provisions set out in the Acceptance Form are part of the terms of the Offer.
- Governing law and jurisdiction**
- 11.7 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.
- 11.8 You agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## GLOSSARY

**"Acceptance Form"** means the enclosed acceptance form relating to the Offer to acquire your Augusta Shares, and includes an application for Centuria Stapled Securities to be issued to you (or to the Nominee (or wholly owned subsidiary of the Nominee) if you a Foreign Exempt Augusta Shareholder), and which forms part of this Offer Document.

**"Additional Securities"** has the meaning given that term in paragraph 9.4 of the Offer Terms and Conditions.

**"ASX"** means ASX Limited or the Australian Securities Exchange operated by it.

**"Augusta"** means Augusta Capital Limited (Company Number 1873288).

**"Augusta Group"** means Augusta and its subsidiaries.

**"Augusta Share"** means a fully paid ordinary share in Augusta.

**"Augusta Shareholder"** means the holder of one or more Augusta Shares.

**"Board"** means the board of directors of CCL and CFML.

**"Broker"** has the meaning given in paragraph 5.8 of the Offer Terms and Conditions.



“**CCL**” means Centuria Capital Limited (ACN 095 454 336).

“**CCL Shares**” means fully paid ordinary shares in CCL.

“**Centuria**” or “**Centuria Capital Group**” means the ASX listed stapled entity consisting of CCL and the CNI Fund.

“**Centuria NZ**” means Centuria New Zealand Holdings Limited (Company Number 7868548).

“**Centuria Stapled Security**” means a fully paid ordinary stapled security in Centuria, comprising a CCL Share stapled to a CNI Unit.

“**CFML**” means Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the CNI Fund.

“**Closing Date**” has the meaning given that term in paragraph 1.4 of the Offer Terms and Conditions.

“**CNI Fund**” means Centuria Capital Fund (ARSN 613 856 358) whose responsible entity is CFML.

“**CNI Units**” means fully paid ordinary units in the CNI Fund.

“**Code Exemption Notice**” has the meaning given that term in paragraph 1.7 of the Offer Terms and Conditions.

“**Combined Group**” means Centuria and Augusta as a combined economic entity assuming the acquisition of all of the Augusta Shares under the Offer.

“**Condition Date**” has the meaning given to that term in paragraph 6.7 of the Offer Terms and Conditions.

“**Corporations Act (Australia)**” means the *Corporations Act 2001 (Cth) (Australia)*.

“**Effective Date**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**Encumbrances**” has the meaning given to that term in paragraph 6.10 of the Offer Terms and Conditions.

“**Entitlements**” has the meaning given to that term in paragraph 1.2 of the Offer Terms and Conditions.

“**FMA**” means the New Zealand Financial Markets Authority.

“**FMC Exemption Notice**” has the meaning given to that term in paragraph 1.6 of the Offer Terms and Conditions.

“**Foreign Exempt Augusta Shareholders**” has the meaning given to that term in paragraph 2.1(b) of the Offer Terms and Conditions.

“**Government Agency**” means any foreign, Australian or New Zealand government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of Australia or New Zealand (including for the avoidance of doubt, the Australian Commonwealth Treasurer) and any regulatory organisation established under statute or any stock exchange including ASX and NZX.

**“Initial Closing Date”** has the meaning given to that term in paragraph 1.4(a) of the Offer Terms and Conditions.

**“Insolvency Event”** means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within seven days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (h) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

**“Material Adverse Effect”** means any matter, event or circumstance that occurs on or after the Effective Date, which individually, or when aggregated with any other matters, events or circumstances of a like kind, has resulted in or could reasonably be expected to result in a reduction in the Augusta Group's assets under management of \$285,000,000 or more by reference to the Augusta Group's assets under management of NZ\$1.83 billion on 31 March 2020.

**“MIS Licence”** means the licence granted by the FMA to Augusta Funds Management Limited to manage managed investment schemes, on the terms and conditions fairly disclosed to Centuria before the Effective Date.

**“Nominee”** has the meaning given to that term in paragraph 3.2 of the Offer Terms and Conditions.

**“NZX”** means NZX Limited.

**“NZX Listing Rules”** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

**“Offer”** means the full takeover offer under the *Takeovers Code (NZ)* by Centuria NZ for all of the Augusta Shares it does not own, on the terms conditions set out in this Offer Document and which offers a combination of cash Centuria Stapled Securities as consideration for Augusta Shares.

**"Offer Document"** means this offer document containing the Offer.

**"Offer Terms and Conditions"** means the terms and conditions of the Offer commencing on page [ ].

**"Procurement Fee"** has the meaning given in paragraph 5.9(a) of the Offer Terms and Conditions.

**"Related Company"** has the meaning given to that term in section 2(3) of the *Companies Act 1993* (NZ) provided that a reference to a company in that section will refer to any company or body corporate, notwithstanding the jurisdiction of incorporation of the relevant company or body corporate, and, in respect of Centuria NZ, also means any other person which is directly or indirectly controlled by Centuria or any person under common control with Centuria NZ.

**"Remedy"** or **"Remedied"** means, as applicable, the remedy of a breach, potential breach or other circumstances in a manner which ensures that Centuria NZ (or any Related Company of Centuria NZ) or the Augusta Group do not incur costs, obligations, or restrictions that are material in the context of the Offer or material to the Augusta Group as a whole.

**"Takeovers Act"** means the *Takeovers Act 1993* (NZ).

**"Takeovers Code (NZ)"** means the *Takeovers Regulations 2000* (NZ) as amended including by any applicable exemption granted by the Takeovers Panel under the *Takeovers Act*.

**"Takeovers Panel"** means the takeovers panel established under the *Takeovers Act*.