

360 Capital Industrial Fund

26 June 2015

**Relative Implied Value of TIX Offer Increases by 4.1 cents per ANI Unit
TIX Offer Extended to 28 September 2015**

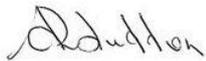
360 Capital Investment Management Limited (360 Capital) as responsible entity for the 360 Capital Industrial Fund (Bidder) refers to the off-market takeover bid (TIX Offer) which it has made for all the units in Australian Industrial REIT (ANI).

The Bidder has extended the TIX Offer until 5.00pm (AEST) on 28 September 2015.

We enclose copies of the following documents sent today to ANI Unitholders in relation to the extension:

- a letter
- Section 650D(1) Notice
- flyer

Yours sincerely



Alan Sutton
Company Secretary
360 Capital Investment Management Limited

More information on the TIX Offer can be found on the ASX's website at www.asx.com.au using the Fund's ASX code "TIX", on the Fund's website www.360capital.com.au, or by calling the TIX Offer Information Line on 1800 247 697 (callers in Australia) or +61 2 8024 1189 (callers outside Australia) between 8.30am and 5.30pm (Sydney time) on Business Days.

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About 360 Capital Industrial Fund (ASX code TIX)

360 Capital Industrial Fund is an ASX-listed Fund focused on passive rent collecting from warehouse and logistics properties in Australia in the \$10.0 million plus range. The Fund has strong, defensive, income-focused investment fundamentals via a diversified \$544 million portfolio of 22 quality assets, a weighted average lease expiry of 5.8 years, occupancy of 99.9%, distributions tax deferred at approximately 50% to 60% and a forecast FY15 distribution of 21.0cpu. The Fund is externally managed by 360 Capital Group, a leading ASX-listed real estate investor and fund manager that operates under a transparent fee structure and is the largest unitholder in the Fund to ensure ongoing alignment of interests with Unitholders.

About 360 Capital Group (ASX code TGP)

360 Capital Group is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The company actively invests in direct property assets, property securities and various corporate real estate acquisitions within Australian real estate markets on a private equity basis. 360 Capital Group's 21 full time staff have significant property, funds and investment management experience. 360 Capital Group manages nine investment vehicles holding assets valued at over \$1.2 billion on behalf of over 10,300 investors and has over \$175 million worth of co-investments across the 360 Capital Group.

Dear Fellow ANI Unitholder,

Relative Implied Value of TIX Offer Increases by 4.1 cents per ANI Unit¹

TIX Offer Extended to 28 September 2015

360 Capital Investment Management Limited (360 Capital) as responsible entity for the 360 Capital Industrial Fund (Bidder or TIX) is pleased to make the following announcement in relation to its off-market takeover bid (TIX Offer) which it has made for all the units in Australian Industrial REIT (ANI).

- TIX Offer has been extended to 5.00pm (AEST) **28 September 2015** to enable you to accept the TIX Offer

The relative Implied Value has now increased by 4.1 cents per ANI Unit¹

- The TIX Offer is unconditional meaning when you accept the TIX Offer you will receive 0.90 TIX units and 4.5 cents cash for each ANI Unit you own within five business days of valid acceptance
- If TIX Offer acceptances reach over 50% you will be entitled to receive 10.0 cents cash per ANI Unit
- You will also receive the ANI distribution of 9.6 cents per ANI Unit for six months ending 30 June 2015 (assuming you were an ANI unitholder on the record date for this distribution)

Other considerations

- After spending \$4.4 million of your capital defending its management rights, we have reason to believe that **Fife Capital has approached several parties in order to sell these management rights**
- Fife Capital continues to acquire industrial properties for mandates in conflict with ANI
- From the above, Fife Capital does not appear to be committed to the longer term management of ANI
- ANI has become illiquid and may be removed from the S&P/ASX300 Index
- TIX is ANI's largest unitholder owning in excess of 31% of ANI units. TIX is committed to combine ANI and TIX to create a larger, more profitable, more diversified and lower risk industrial AREIT for the benefit of all Unitholders

¹ The increase is based on the TIX Offer consideration relative to the value of ANI Units and results from the ANI Unit value being reduced on account of ANI paying a distribution for the six months to 30 June 2015 of 9.6 cents per ANI Unit, relative to the TIX June quarter distribution of 5.5 cents per equivalent ANI Unit. ANI Unitholders who accept the TIX Offer prior to 28 September 2015 will receive the ANI distribution for the six months ending 30 June 2015 of 9.6 cents per ANI Unit PLUS the cash payment of 4.5 cents per ANI Unit.

When will I get paid the TIX Offer consideration?

What you receive if you accept the TIX Offer	Paid by	When received
1. 0.90 TIX units per ANI Unit	TIX	Within 5 business days of accepting TIX Offer
2. 4.5 cents cash per ANI Unit	TIX	Within 5 business days of accepting TIX Offer
3. 9.6 cents being the ANI distribution six months to 30 June 2015	ANI	28 August 2015
4. 10.0 cents per ANI Unit additional cash ²	TGP	When TIX Offer acceptances reach over 50% or a 360 Capital entity is appointed ANI responsible entity

How to Accept the TIX Offer

To accept the TIX Offer, please sign and return the enclosed Acceptance Form using the enclosed replied paid envelope, as per the instructions on page five of the Bidder's Statement or the Acceptance Form so that your acceptance may be processed before 5.00pm (AEST) on 28 September 2015.

Further details can be found on the ASX's website at www.asx.com.au using the Fund's ASX code "TIX", on the Fund's website www.360capital.com.au, or by contacting the TIX Offer Information Line on 1800 247 697 (callers in Australia or +61 2 8024 1189 (callers outside Australia) between 8.30am and 5.30pm (Sydney time) on Business Days.

Yours sincerely,



David van Aanholt

Independent Chairman

360 Capital Investment Management Limited as responsible entity for the 360 Capital Industrial Fund

² Subject to satisfaction of the Cash payment Condition.



Corporations Act 2001 (Cth)

Section 650D(1)

Notice of variation of offers - Extension of offer period

TO: Australian Securities & Investments Commission (**ASIC**)

Fife Capital Funds Limited in its capacity as responsible entity of Australian Industrial REIT (**ANI**)

AND TO: In accordance with section 650D(2), to those ANI Unitholders who have not accepted the TIX Offer.

Reference is made to:

- (a) the offers dated 17 February 2015 from 360 Capital Investment Management Limited as responsible entity for the 360 Capital Industrial Fund (**Bidder**) for all the units in ANI (**TIX Offer**); and
- (b) the replacement bidder's statement dated 13 February 2015 in relation to the TIX Offer (**Bidder's Statement**).

Unless otherwise specified, terms used in this notice have the same meaning as in the Bidder's Statement.

Extension of offer period

The Bidder hereby gives notice under section 650D(1) of the Corporations Act that the TIX Offer is varied by extending the period during which the TIX Offer remains open for acceptance until **5:00pm (AEST) on 28 September 2015**.

ASIC lodgement

A copy of this notice was lodged with ASIC on 26 June 2015. ASIC takes no responsibility for the contents of this notice.

Approval

In compliance with ASIC Class Order 13/521, this notice has been approved by a unanimous resolution passed by the directors of Bidder.

Signed by,

David van Aanholt

Independent Chairman

360 Capital Investment Management Limited

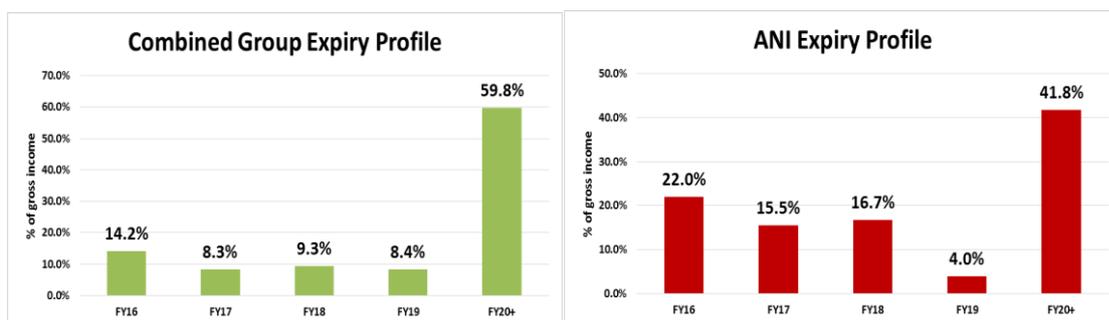
Date: 26 June 2015

WHY YOU SHOULD ACCEPT THE TIX OFFER

	TIX	ANI
Higher Cash Payments	IF YOU ACCEPT THE TIX OFFER POST 26 JUNE 2015	IF YOU STAY WITH ANI
ANI distribution six months ending 30 June 2015	9.6 cents	9.6 cents
TIX cash payment per ANI Unit	4.5 cents	Nil
Cash Payment ³ per ANI Unit	10.0 cents	Nil
Total cash per ANI Unit	24.1 cents	9.6 cents

Larger Fund⁴	\$888m gross assets	\$320m gross assets
Greater Diversification⁴	38 assets in portfolio	22 assets in portfolio

Less Risk



³ Subject to the satisfaction of the Cash Payment Condition

⁴ Assuming TIX acquires 100% of ANI