

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Australian United Investment Company Limited

ABN

37 004 268 679

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid new ordinary shares ('New Shares') |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Approximately 13,691,614 New Shares pursuant to the Entitlement Offer as described in Announcement made to ASX on 12 October 2015 ('the Offer'). |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid New Shares |

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<p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>The New Shares will not rank for any interim dividend in respect of the year to 30 June 2016, otherwise they rank equally with existing fully paid ordinary shares (ASX code: AUI).</p>
<p>5 Issue price or consideration</p>	<p>\$6.50</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Directors see advantages in the Company raising additional funds in order to invest in new opportunities and to re-balance the portfolio without having to sell long-term investments. The Issue will also provide shareholders with the opportunity to increase their investment in the Company, will lower the management expense ratio and should improve liquidity in the trading of the Company's shares.</p> <p>When the funds are received from the issue of New Shares the Company expects to re-balance the portfolio by investing mainly in sectors other than banking, energy, and mining sectors which are already well represented in the portfolio. Areas of focus will include health and services sectors.</p>
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>

+ See chapter 19 for defined terms.

6b	The date the security holder resolution under rule 7.1A was passed	
6c	Number of +securities issued without security holder approval under rule 7.1	
6d	Number of +securities issued with security holder approval under rule 7.1A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	
6f	Number of +securities issued under an exception in rule 7.2	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	<p>13 November 2015</p>

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	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Approximately 123,224,525 shares, comprising 109,532,911 existing fully paid ordinary shares (ASX code: AUI) and approximately 13,691,614 New Shares.	Fully paid ordinary shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Nil	

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company's expects to maintain the current interim dividend rate for Existing Shares of 15.5 cents per share in respect of the year ending 30 June 2016 and expects, in the absence of unforeseen circumstances, to at least maintain the current annual dividend rate of 18.5 cents per share on the increased capital for the final dividend in respect of the year ending 30 June 2016 .
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Part 2 - Pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	The Offer is renounceable.
13 Ratio in which the +securities will be offered	1 New Share for every 8 Existing Shares held as at the Record Date.
14 +Class of +securities to which the offer relates	Fully paid ordinary shares
15 +Record date to determine entitlements	7.00pm AEDT 16 October 2015

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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	In calculating Entitlements to New Shares, fractional Entitlements will be rounded up to the nearest whole share.
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries (Canada, Great Britain, Hong Kong, France an USA) other than Australia and New Zealand. A nominee will seek to sell the Entitlements of ineligible shareholders and remit any net proceeds to ineligible shareholders.
19	Closing date for receipt of acceptances or renunciations	5.00pm AEDT 6 November 2015
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Evans and Partners Pty Ltd (Evans) Baillieu Holst Ltd (Baillieu) and Dixon Advisory and Superannuation Services Ltd, (Dixon) as joint Placing Agents
23	Fee or commission payable to the broker to the issue	1% on the amount paid for New Shares to be issued under a Bookbuild process. A brokerage fee of 15bps is also payable to Evans and Baillieu on the placement of equity orders after the issue of the New Shares. A fixed stamping fee of \$40,000 is payable to Dixon.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Nil
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable.

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26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	20 October 2015
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	14 October 2015
29	Date rights trading will end (if applicable)	29 October 2015
30	How do security holders sell their entitlements in full through a broker?	Security holders should contact their broker or other professional adviser if they wish to sell their entitlements through a broker. Sale of Entitlements must be completed by close of trading on 29 October 2015, when rights trading ceases.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Security holders should contact their broker or other professional advisor in relation to the part of their entitlements that they wish to sell. Sale of part of an Entitlement must be completed by close of trading on 29 October 2015, when rights trading ceases. Security holders should also complete the Entitlement and Acceptance Form provided for the balance and lodge the Form with the Share Registry together with a cheque (or make payment by BPay) for the amount due in respect of the New Shares accepted no later than 5.00pm AEDT on 6 November 2015.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Security holders can transfer their entitlements to another person by completing a standard renunciation form(s) (obtainable from their broker or other professional advisor or from the Share Registry) together with the Entitlement and Acceptance Form and send it to the Share Registry so as to reach the Share Registry no later than 5.00pm AEDT on 6 November 2015.

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To the extent that entitlements are not taken up by the closing date, they may be placed, at the discretion of the Company after the conduct of a shortfall bookbuild by the Placing Agents, to shareholders eligible to participate in the Offer or new institutional investors. Any net proceeds from such sale (being the gross proceeds from the sale less the issue price and the fees and other costs of the Placing Agents) will be distributed in due proportion among the shareholders whose Entitlements were neither sold nor taken up.

33 +Issue date

13 November 2015

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Not Applicable

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000

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1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 12 October 2015

Print name: Andrew J Hancock
Company secretary

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