

PRODUCT DISCLOSURE STATEMENT
FOR AN OFFER OF ORDINARY SHARES IN



AUGUSTA
INDUSTRIAL

AUGUSTA INDUSTRIAL FUND LIMITED



Issued by Augusta Industrial Fund Limited - 30 April 2018

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on <https://disclose-register.companiesoffice.govt.nz>. Augusta Industrial Fund Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

1. KEY INFORMATION SUMMARY

What Is This?

This is an offer of ordinary shares (the **Shares**) in Augusta Industrial Fund Limited (**Augusta Industrial**). Ordinary shares give you a stake in the ownership of Augusta Industrial. You may receive a return if dividends are paid or Augusta Industrial increases in value and you are able to sell your Shares at a higher value than you paid for them.

If Augusta Industrial runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

About Augusta Industrial

Augusta Industrial Fund Limited has been established by Augusta Funds Management Limited with the purpose of investing solely in industrial property.

Augusta Industrial will be managed by Augusta Funds Management Limited, which is a wholly owned subsidiary of the NZX listed Augusta Capital Limited. As detailed in section 2.8 Augusta Funds Management has an experienced management team who provide a wide range of management services including asset management, development and project management, treasury and financial management and legal and compliance services. It has total assets under management of approximately \$1.85 billion.

It is intended that Augusta Industrial Fund Limited will register as a multi-rate PIE. Further details are set out in section 9.

Augusta Industrial is a limited liability company incorporated in New Zealand. Investors in Augusta Industrial receive ordinary shares in this company. It is not a "Managed Investment Scheme" for the purposes of the Financial Markets Conduct Act 2013 and does not have a Financial Markets Authority (FMA) - licensed manager or a FMA - licensed independent supervisor to govern its investment activities.

Investor rights are set out in the constitution of Augusta Industrial which has been set up in accordance with the Companies Act 1993.

Purpose of this Offer

The purpose of the offer is to raise sufficient capital to enable Augusta Industrial to purchase the Industrial Portfolio. The remaining funds required to complete the acquisition and pay the offer costs will be obtained by borrowings from ASB.

The Industrial Portfolio that Augusta Industrial will initially acquire comprises four industrial properties – three located in Auckland and one in Wellington. The weighted average lease term of that portfolio is 8.7 years across 15 tenants. The current “as if complete” valuation of the portfolio is \$117.96 million and gearing will be 38.1% of that value.

Key terms of the Offer

Description of the equity securities being offered	Ordinary shares in a limited liability company, Augusta Industrial Fund Limited, which will be a portfolio investment entity (PIE) for New Zealand tax purposes
Issue price	\$1 per share
Total number of Shares being offered	75,000,000, with a minimum of 7,500,000 to be subscribed for by the Manager's parent, Augusta Capital (being 100% of the total shares on issue immediately following the issue of the shares)
Minimum number of Shares that may be applied for¹	10,000 and thereafter, in multiples of 1,000
Maximum number of Shares that may be applied for*	14,999,999 (being 19.99% of the Augusta Industrial's shares), to ensure Augusta Industrial can register as a PIE and maintain that status

¹ Augusta Industrial and the Manager reserve the right to amend the above minimum and maximum subscription amounts.

1. KEY INFORMATION SUMMARY (CONT.)

Minimum and maximum amount of equity to be raised	The minimum amount to be raised in order for the Offer to proceed is \$75,000,000. This is also the maximum amount as no over-subscriptions will be accepted.
Expected distribution rate	Forecast pre-tax cash return of 6.50% of the subscription amount per annum for the accounting periods ended 31 March 2019 and 31 March 2020. See section 7 for further information on the forecast returns after tax and depreciation.
Preference for Brick Street Investors	Investors in the existing Augusta managed syndicate that owns Brick Street have a right of first refusal to acquire 61,000 Shares in the Offer for every one unit that they currently hold in that syndicate. Those investors must exercise this right by providing a completed application form by 31 May 2018.
Underwrite	The Offer is fully underwritten
PDS registration date	30 April 2018
Offer open date	8 May 2018**
Offer close date	11 June 2018**
Allotment date and settlement of acquisition of the Industrial Portfolio	15 June 2018**

Liabilities, fees and charges	If you sell your Shares, you may be required to pay brokerage or other sale expenses. You may also be liable for tax on the sale of your Shares if you acquired the Shares with the intention to sell. You should seek your own tax advice in relation to your Shares.
Management	<p>Augusta Funds Management has been appointed to manage Augusta Industrial and will provide asset management, development and project management, treasury and financial management, investor relations and legal and compliance services.</p> <p>The key terms of the Management Agreement (including fees) have been set having regard to what the Manager and Augusta Industrial consider appropriate and industry benchmarks for listed property funds.</p> <p>The fees payable to Augusta Funds Management include:</p> <ul style="list-style-type: none"> • A management fee of 0.50% per annum of the total average value of Augusta Industrial's tangible assets up to \$0.5 billion of assets under management and 0.40% of the total average value of any tangible assets above \$0.5 billion. • A property management fee equal to 1.5% of the gross rental income from any properties owned by Augusta Industrial and its subsidiaries. However, in respect of 862-880 Great South Road, Brick Street and The Hub, the Manager has agreed that it will only charge a property management fee of \$50,000 per annum for the first three years, unless a greater amount is recoverable from the tenants under the terms of their leases.

** The above dates are indicative only and the dates may change. In particular, Augusta Industrial reserves the right to close the offer at any time prior to that date or extend the offer by up to 25 working days without prior notice.

<p>Management (cont.)</p>	<ul style="list-style-type: none"> • A performance fee equal to 10% of any shareholder returns above 10% per annum and capped at 15% per annum. • Certain other transaction fees are payable to the Manager as set out in section 2.8, including an acquisition fee, sale fee, underwrite fee, leasing fee and development/capital expenditure fee. <p>If the Management Agreement is terminated without cause and Shareholders vote by Special Resolution to terminate the Management Agreement (being a resolution passed by 75% or more of the votes that are cast by Shareholders entitled to vote and voting on the resolution), the Company must pay the Manager a sum equal to 30% of the aggregate of all fees paid to the Manager in the preceding 5 years before termination. No termination fee is payable where the Management Agreement is terminated in any other scenario.</p> <p>Details of the Management Agreement are set out in section 2.8. The Management Agreement is also available on the Offer Register at https://disclose.register.companiesoffice.govt.nz/disclose.</p>
<p>Offer to investors</p>	<p>The offer is only being made to potential investors in New Zealand and any institutions in Australia or other countries to which Augusta Industrial is able to offer without having to prepare a disclosure document.</p>

How You Can Get Your Money Out

As part of this Offer, Augusta Industrial does not intend to quote the Shares on a licenced market in New Zealand and there is no other established market for trading them. This means that you may not be able to sell your Shares.

Key drivers of returns

Augusta Industrial's directors believe its returns will be driven by the following current and future factors:

Key factor driving return

Rental income and tenant retention: increases in Augusta Industrial's income will be driven by rent review provisions in the various leases across the Industrial Portfolio, as well as either retention of tenants on lease expiry or re-leasing to new tenants.

There are fixed annual or bi-annual increases generally ranging between 1-3.5% across approximately 74% of the rental income in the Industrial Portfolio and CPI increases across approximately 18% of the rental income in the Industrial Portfolio. There is no guarantee that any properties acquired in the future will have fixed or CPI rental increases.

There are also various market rent reviews across the leases, either at fixed periods during a lease or on renewal.

Sale or redevelopment of 880 Great South Road: as set out in more detail in Section 2.4 under the heading "880 Great South Road, Penrose, Auckland", Augusta Industrial Fund No.2 Limited has entered into a conditional agreement to sell approximately 4,000m² of the 9,000m² front portion of the property to a third party. If the agreement proceeds, the sale will result in a pre-tax profit of approximately \$1.2 million and will be accretive to earnings. The proceeds of the sale will be applied towards debt repayment to reduce gearing and provide capability for future acquisitions. If the agreement is cancelled, Augusta Industrial considers that there are number of possible re-development options for the front portion of that property. If the re-development is successfully executed this could see a potential increase in the value of 862-880 Great South Road.

Future acquisitions: Augusta Industrial has a strategy to grow the value of the Industrial Portfolio through further property purchases. The ability to source value and earnings accretive acquisitions will drive future returns and provide further diversification.

1. KEY INFORMATION SUMMARY (CONT.)

Key factor driving return

Interest rates: Interest costs are forecast to be 25% of Augusta Industrial's net income in FY19. Increases or decreases in interest rates will have a material effect on Augusta Industrial's returns.

Other expenses: the level of other expenses, including management fees, will effect returns.

More information on Augusta Industrial and the Manager's strategies and plans for the above (and other) factors can be found in Section 2.

Key Risks affecting this investment

Investments in shares are risky. You should consider if the degree of uncertainty about Augusta Industrial's future performance and returns is suitable for you. The price of these Shares should reflect the potential returns and the particular risks of these Shares.

Augusta Industrial considers that the most significant risk factors that could affect the value of the Shares are as follows:

Loss of tenant at Great South Road	<p>The new building and canopy to be constructed on the property at 862-880 Great South Road are due to be completed by 31 December 2018. If these works are not completed by 31 March 2019, the tenant may cancel the agreement to lease. The existing lease of the property is due to expire on 31 March 2019, so the existing leasing arrangement may also come to an end if the works are not completed by that date.</p>
Interest Rate Risk	<p>The return to Investors will be subject to interest rate variations on the bank borrowings (refer to Section 2.6 for a summary of the bank borrowings). Interest rate movements are unable to be accurately predicted. Augusta Capital has entered into three interest rate swap agreements under which 75% of Augusta Industrial's debt will be hedged. Augusta Capital will transfer these agreements to Augusta Industrial. This will reduce the exposure to floating interest rates and the Manager will, as part of its role, monitor interest rates.</p> <p>The Manager will actively manage the benchmark and margin components of Augusta Industrial's debt by entering into forward start swap agreements.</p>

This summary does not cover all of the risks of investing in the Shares. You should also read section 8 of the PDS (risks to Augusta Industrial's business and plans) and to other places in the PDS that describe risk factors (for example, risks arising for investors from the nature of the product).

Where you can find Augusta Industrial's Financial Information

The financial position and performance of Augusta Industrial are essential to an assessment of this Offer. You should also read section 7 of this PDS (Augusta Industrial's financial information).

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LETTER FROM THE CHAIR

Dear Investor

Augusta Industrial is a limited liability company that has been established as an open-ended, unlisted property fund to invest in a portfolio of strategically selected industrial assets that provide both tenant and location diversification within a strongly performing sector of the New Zealand property market.

A key objective for Augusta Industrial will be to deliver a sustainable and stable income return paid to investors monthly, plus the potential for capital growth.

This portfolio will be managed by Augusta Funds Management. Established in 2003 Augusta has an established track record in offering and managing successful shared ownership structures with \$1.85 billion of property under management across New Zealand and Australia on behalf of over 3,300 investors.

The industrial property sector is currently experiencing historically low vacancy in most of New Zealand's major cities and strong demand from investors and owner occupiers along with high rental growth. Industrial property has consistently outperformed other commercial property sectors with the highest total returns over the past five years.

Augusta Industrial is initially comprised of four, well located industrial assets with 15 global and national tenants providing 100% occupancy. Further details of these properties are located on pages 12–25.

In our opinion the increasing shortage of good quality industrial opportunities will ensure industrial property values remain well underpinned. The fund structure allows for retention of such assets and greater degree of long-term sustainability of shareholder returns along with the ability to capitalise on new opportunities.

Augusta Industrial intends to grow the asset base to approximately \$250 million over the next two - three years and maintain a gearing target of 35% - 40%. Assets will be selected for their ability to contribute to a blended fund weighted average lease term of 6 years and a stabilised 75% weighting within the strong performing locations of Auckland, Hamilton and Tauranga. Assets in other major cities will be chosen for their ability to enhance yield and provide further diversification.

Targeted investment attributes are:

- Functional broad user or logistic based warehouses, temperature-controlled storage facilities and manufacturing facilities
- In close proximity to major infrastructure with strong tenant covenants
- Low capital expenditure real-estate (unless specifically required for repositioning) or older well-located assets underpinned by land value.

In the next two-three years, once this approximate gross asset value of \$250 million is reached Augusta Industrial intends to apply for a listing on the NZX Main Board.¹

Augusta Capital will be the cornerstone investor taking at least 10% of the shareholding. Its interests are aligned with the fund's shareholders with significant incentive to ensure the fund is performing well.

Augusta Industrial is hugely excited to offer this opportunity to be a foundation shareholder in the Augusta Industrial Fund with a minimum investment of \$10,000 and \$1,000 increments thereafter providing increased liquidity. With the objectives of diversification, sustainable and stable income, strong interest is expected in this offer.

Augusta Industrial welcomes the opportunity for you to co-invest with Augusta Capital in this investment opportunity.²

This PDS contains important information about this offer. I encourage you to read the PDS carefully and consider in particular section 8 on "Risks To Augusta Industrial's business and plans" before making your investment decision.

Yours sincerely,



Mark Petersen

Chair, Augusta Industrial Fund Limited

¹ No guarantee is given that Augusta Industrial will apply to have the Shares quoted or that Augusta Industrial will be listed. Augusta Industrial has not made, and does not intend to make, an application to NZX for permission to list Augusta Industrial as part of this Offer. NZX Main Board is a licensed market operated by NZX, which is a licensed exchange regulated under the Financial Markets Conduct Act 2013.

² Neither Augusta Capital nor any other person guarantees the Shares offered under this Offer, nor warrants or guarantees the future performance of Augusta Industrial, the Shares or any return on investment pursuant to this Offer.

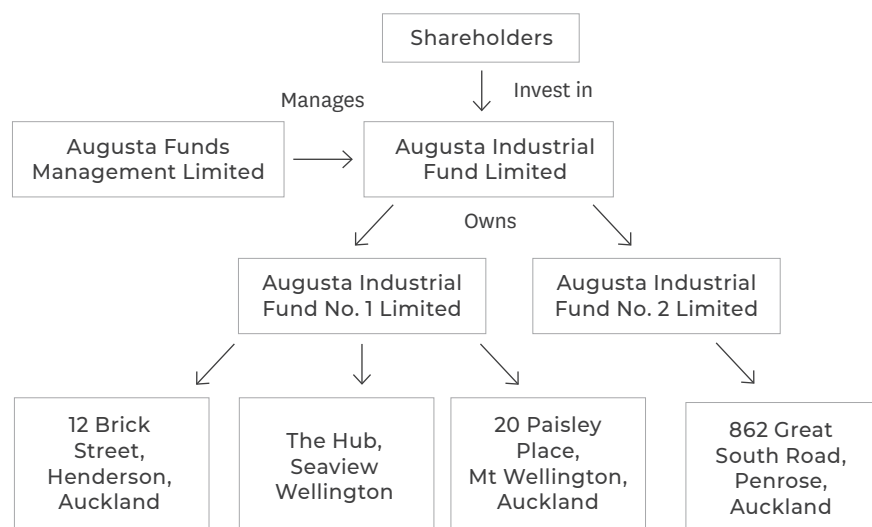
2. AUGUSTA INDUSTRIAL AND WHAT IT DOES

2.1 Overview of Augusta Industrial

Augusta Industrial has been established by Augusta Funds Management to invest solely in industrial property. Initially, Augusta Industrial will own four industrial properties – one of which is located in Wellington and the remainder are located in Auckland. Further details on those properties are set out in section 2.4.

Augusta Industrial will be managed on a day to day basis by Augusta Funds Management who currently manages approximately \$1.85 billion of commercial property across New Zealand and Brisbane, Australia. Further details about Augusta Funds Management are set out in section 2.8.

Augusta Industrial was incorporated on 16 April 2018 and will only commence business on allotment of the Shares and acquisition of the Industrial Portfolio. It will have two subsidiaries – Augusta Industrial Fund No. 1 Limited and Augusta Industrial Fund No. 2 Limited – who will each hold legal title to one or more of the properties in the Industrial Portfolio.



What is Industrial Property?

Industrial property is land and buildings utilised for industrial purposes such as logistics, production, manufacturing, assembly, warehousing, storage and distribution

The four properties to be owned by Augusta Industrial will be purchased from the following vendors:

- 12 Brick Street will be purchased from the Brick Street Nominees Joint Venture (an existing proportionate ownership scheme managed by the Manager);
- The Hub will be purchased from Augusta Property Holdco Limited;
- 862-880 Great South Road will be purchased from Penrith Holdings Limited; and
- 20 Paisley Place will be purchased from Madill & Smeed Limited.

2.2 Investment philosophy and strategy

Investment Philosophy

Augusta Industrial is a limited liability company that has been established to invest in a diversified portfolio of industrial real estate. Augusta Industrial will target a geographic weighting of 75% in Auckland, Hamilton and Tauranga, and 25% in assets located in major cities outside Auckland.

Investment Strategy

Augusta Industrial's strategic investment objectives will be:

- A predominant focus on Auckland, Hamilton and Tauranga based assets but with strategic exposure to other major cities where considered necessary for yield enhancement and geographic diversification.
- A sustainable and stable income, plus the potential for capital growth.
- Investment in:
 - functional warehouse and/or logistics assets;
 - temperature controlled storage facilities;
 - manufacturing sites;
 - properties located in close proximity to major infrastructure including; major roads, airports, ports, rail and CBD's;
 - leases with strong tenant covenants;
 - assets with long lease terms or the ability to convert to long lease terms;

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

- properties where capital expenditure is expected to be low (unless the capital expenditure is specifically required to re-position the asset); and
- older, well located assets underpinned by land value.
- Maintaining a target WALT of 6 years or greater.
- A long term gearing target of 35-40%, but with the ability to increase gearing to 45% on a short term basis to facilitate acquisitions.
- An interest rate management strategy that considers both the length of the remaining loan facility term and the WALT for the Industrial Portfolio when hedging interest rate risk.

Over a two - three year period Augusta Industrial will seek to grow to an asset base of approximately \$250 million and then seek a listing on the NZX Main Board. The size of the asset base and market conditions will be an important consideration for the timing of the listing.

No guarantee is given that Augusta Industrial will apply to have the Shares quoted or that Augusta Industrial will be listed. Augusta Industrial has not made, and does not intend to make, an application to NZX for permission to list Augusta Industrial as part of this Offer. NZX Main Board is a licensed market operated by NZX, which is a licensed exchange regulated under the Financial Markets Conduct Act 2013. Augusta Industrial cannot be listed on the NZX without the prior approval of the Shareholders.

2.3 Key drivers of Augusta Industrial's future financial performance

The current and future aspects that will have, or may have, the most impact on the financial returns for Augusta Industrial are set out below as well as the specific strategies and plans to manage those factors.

Key factor driving return	Strategies and plans to manage this factor
<p>Rental income and tenant retention: increases in Augusta Industrial's income will be driven by rent review provisions in the various leases across the Industrial Portfolio, as well as either retention of tenants on lease expiry or re-leasing to new tenants.</p> <p>There are fixed annual or bi-annual increases ranging between 1-3.5% across approximately 74% of the rental income in the Industrial Portfolio and CPI increases across approximately 18% of the rental income in the Industrial Portfolio.</p> <p>There are also various market rent reviews across the leases, either at fixed periods during a lease or on renewal.</p>	<p>The Industrial Portfolio provides a diverse tenant mix with 15 tenants and a WALT⁴ of 8.7 years. Augusta Industrial will continue to target properties with long lease terms and a range of tenants.</p> <p>The two largest tenants by income are D & H Steel at Brick Street and Americold at Paisley Place. D & H Steel represents 18% of the forecast income for the Industrial Portfolio in FY19 but has a lease term remaining of at least a further 9.8 years. Americold represents 21% of the forecast income for the Industrial Portfolio in FY19 and has a remaining lease term of 18 months, but will be replaced by Icepak Limited with a further lease term of 12 years.</p> <p>Augusta Industrial will also generally target properties for acquisition which have leases with fixed rental increases or negotiate any new leases in the future with fixed rental increases to the extent possible.</p> <p>Each property will have a dedicated asset manager who will be responsible for engaging with each of the tenants and developing those relationships in order to attract and retain tenants and negotiate rental increases. Augusta Funds Management also has a wide range of relationships in the property industry which it considers will be of assistance in identifying leasing and acquisition opportunities.</p>

⁴ WALT means weighted average lease term which measures the average lease term across each of the leases in the Industrial Portfolio weighted by the relative income of each lease. The higher the income a lease has the higher the effect on the calculation of average lease term that it has.

Key factor driving return	Strategies and plans to manage this factor
<p>Market value of the Industrial Portfolio: the market value of each property in the Industrial Portfolio is subject to change as a result of overall market conditions (including rental yields and sales of other similar properties), as well as property specific factors such as the remaining lease term and income growth prospects of the property.</p>	<p>Augusta Industrial's strategy for the acquisition of properties (described above under "Investment Strategy") has a focus on assets with strong property fundamental such as proximity to key infrastructure and strong tenant covenants.</p> <p>Each property will be actively managed by Augusta Funds Management in order to maintain or increase property values and achieve growth in rental income.</p>
<p>Capital Expenditure: the amount of capital expenditure required for the properties will affect Augusta Industrial's returns.</p>	<p>Augusta Funds Management has engaged various building surveyors to provide building condition reports and provide capital expenditure plans. Recommended capital expenditure in the short term has been built into the financial forecasts for the first two financial years. In addition, the Loan Facility has an undrawn amount of approximately \$2 million after the office building is completed which effectively provides a sinking fund for any future capital expenditure.</p>
<p>Future acquisitions: Augusta Industrial has a strategy to grow the value of the Industrial Portfolio through further property purchases. The ability to source value and earnings accretive acquisitions will drive future returns.</p>	<p>Augusta Industrial will target, in the medium term, a 75% weighting towards industrial property in Auckland, Hamilton and Tauranga. Any future properties will only be purchased if they maintain or increase current returns to Shareholders.</p> <p>Augusta Industrial is planning to raise further equity and debt to fund future acquisitions, as described in more detail in section 7.</p>
<p>Other expenses: the level of other expenses, including management fees, will effect returns.</p>	<p>Management fees will increase as the gross value of Augusta Industrial's assets grows. The Manager expects to be able to negotiate competitive expenses with various suppliers (such as consultants, valuers and lawyers) due to the size of its managed portfolio (currently \$1.85 billion).</p>

Key factor driving return	Strategies and plans to manage this factor
<p>Front portion of 880 Great South Road: as set out in more detail in Section 2.4 under the heading "Great South Road", Augusta Industrial considers that there are a number of possible options for the front portion of that property, including sale or redevelopment. The front portion of 880 Great South Road comprises approximately 9,000m². Augusta Industrial Fund No.2 Limited has entered into a conditional agreement to sell approximately 4,000m² of the 9,000m² front portion of the property. If the agreement proceeds, the sale will result in a pre-tax profit of approximately \$1.2 million and will be accretive to earnings. Augusta Industrial will apply the proceeds of the sale towards debt repayment to reduce gearing and provide capability for future acquisitions. If the agreement is cancelled, a re-development could be successfully executed, which could see a potential increase in the value of 862-880 Great South Road.</p>	<p>As part of its due diligence on 862-880 Great South Road, Augusta Funds Management has reviewed the potential sale and re-development options, and the likely costings of the redevelopment options.</p> <p>The Manager will provide a specialist development manager to oversee any re-development.</p>
<p>Interest rates: Interest costs are forecast to be 25% of Augusta Industrial's income in FY19 and are the greatest expense for Augusta Industrial. Increases or decreases in interest rates will have a material effect on Augusta Industrial's returns.</p>	<p>Augusta Capital has entered into three interest rate swap agreements under which approximately 75% of Augusta Industrial's debt will be hedged. Augusta Capital will transfer these agreements to Augusta Industrial. The Manager will, as part of its role, monitor interest rates.</p> <p>Fixed rental increases also provide a partial hedge against increasing interest rates.</p>

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

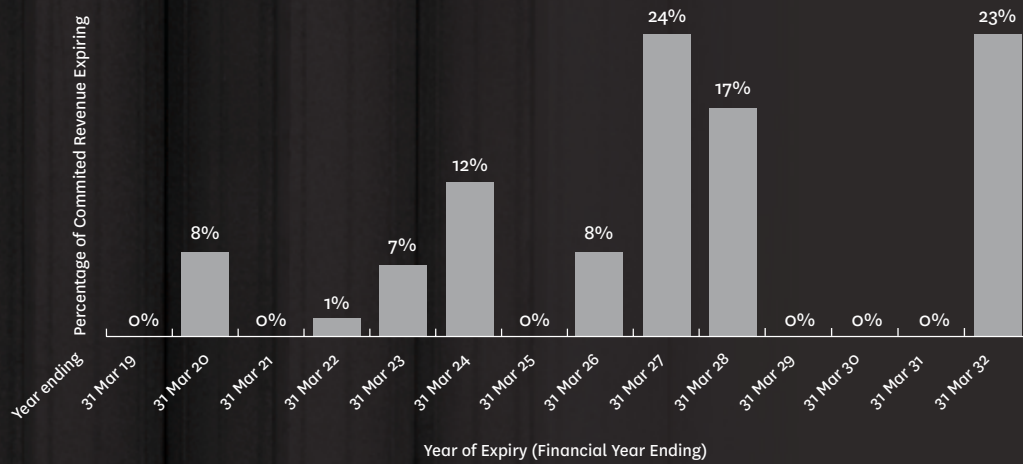
2.4 Augusta Industrial's property portfolio

This section sets out a snapshot on key metrics for the Industrial Portfolio as well as more specific information on each of the four properties initially being acquired.

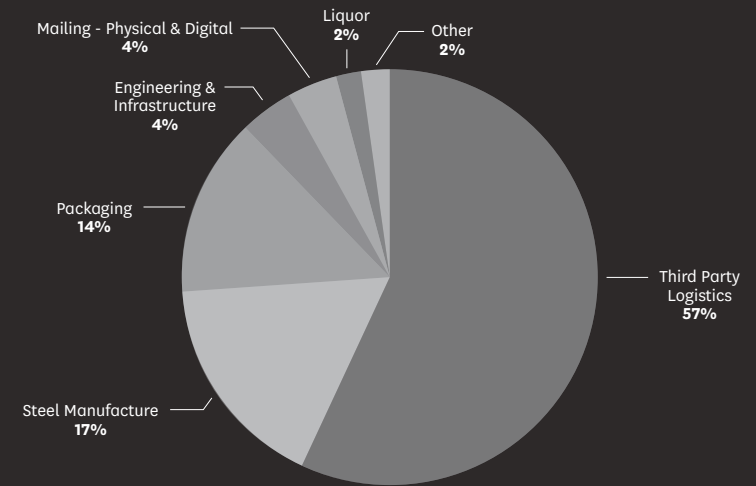
Augusta Industrial's Industrial Portfolio – Investment Snapshot

Number of properties	Four: <ul style="list-style-type: none"> • 862-880 Great South Road, Penrose, Auckland • 12 Brick Street, Henderson, Auckland • 20 Paisley Place, Mount Wellington, Auckland • The Hub, Seaview, Wellington
Portfolio Valuation (“as if complete”)	\$117.96 million
Purchase price for the properties (including construction cost for new office building at Great South Road)	\$114.074 million
Number of tenants	15
WALT	8.7 years
Net lettable area	67,784 m ²
Occupancy	100%
Net Contract Rental	\$7.37 million
Rental Yield	6.60%
Forecast distribution for FY18 and FY19	6.50% pre-tax cash return of the subscription amount per annum
Gearing	38.1%

15 Year Lease Expiry Profile



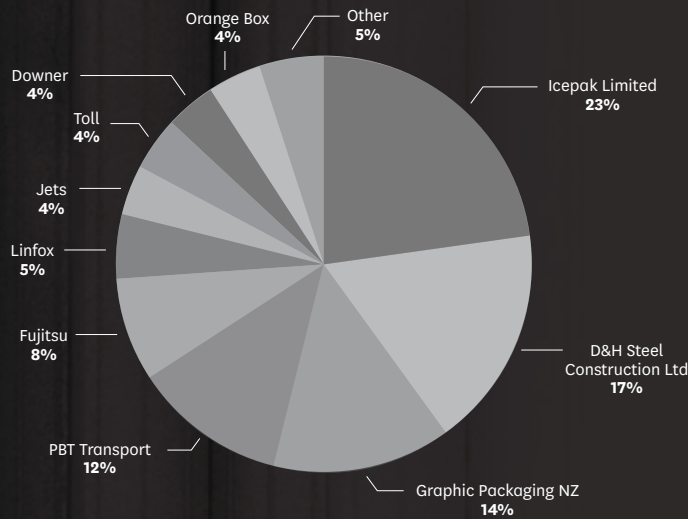
Tenant Industry Mix (Lease Revenue)



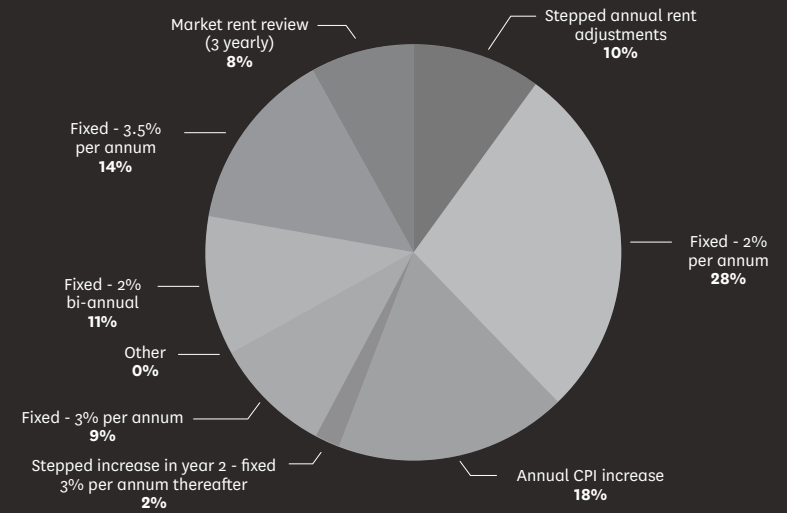
*Icepak Limited lease for 20 Paisley Place does not commence until the expiry of the current lease to Americold (1 December 2019). For the purposes of this graph the terms of the Americold lease and Icepak lease have been combined.

*Icepak Limited lease for 20 Paisley Place does not commence until the expiry of the current lease to Americold (1 December 2019). For the purposes of this graph only the Icepak lease has been included for 20 Paisley Place.

Largest 10 Tenants (Lease Revenue)



Rent Review Mechanism (Revenue)



*Icepak Limited lease for 20 Paisley Place does not commence until the expiry of the current lease to Americold (1 December 2019). For the purposes of this graph only the Icepak lease has been included for 20 Paisley Place.

*23.9% of the Fixed 2% per annum segment relates to the 20 Paisley Place lease for Icepak Limited, commencing on expiry of the current lease to Americold (1 December 2019). For the purposes of this graph only the Icepak lease has been included for 20 Paisley Place.

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

862-880 Great South Road, Penrose, Auckland

- A SH1
- B Great South Road
- C Sylvia Park
- D 10km to Auckland CBD
- E 14km to Auckland Airport



Boundary lines indicative only.

The Properties

862- 880 Great South Road, Penrose, Auckland

Located in a prime industrial location in the key Auckland market, this property provides both a stable income from a new 8 year lease (expected to be from 30 November 2018⁵) for the rear portion of the site and a redevelopment opportunity for the front portion of the site which is one of the few available opportunities in this location.



Property and building description

The total site area is 2.37ha, comprising of the following areas:

Development Site (Front site)

The site measures approximately 9,017sqm, with 135 metres of frontage to Great South Road. The majority of the structures and sealed areas are to be demolished. It is intended that the demolition works will be completed by the vendor pursuant to the sale and purchase agreement, but if the vendor has not completed these works prior to settlement, Augusta Industrial will need to complete them at the vendor's cost. There are different options for this part of the property which are discussed further in the "Sale or re-development opportunity" section below.

Investment Property (Rear site)

The rear part of the property comprises land of 1.47ha improved with warehouse/factory and associated yard areas dating from the 1960's. The total area of buildings to be retained is approximately 8,450sqm.

The buildings to be retained comprise a 7 metre stud warehouse, a lower stud factory building including basic offices and amenities. The buildings are of steel truss frame construction with concrete block walls. The majority of the buildings to be retained have recently been re-roofed and the parts of the factory building facing the yard have been reclad.

⁴ Estimated period for the completion date for completion of new offices required to be constructed under an agreement to lease.

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

862 Great South Road, Penrose, Auckland

<p>Property and building description</p>	<p>The total area of buildings to be retained is approximately 8,450m², comprising:</p> <p>Warehouse: 2,745 m² Factory: 5,222 m² Offices & Amenities: 476 m² Canopy: 187 m²</p> <p>As part of the new lease agreed with Graphic Packaging, a new office and canopy will be constructed together with additional yard. New structures to be completed include:</p> <p>Office: 412 m² Truck Canopy: 276 m² Pedestrian canopy 81 m²</p> <p>The reconfigured yard area will be over 5,000 m² in size and will provide approximately 120 car parks.</p>	<p>Completion of works (cont.)</p>	<p>Augusta Industrial will be responsible for all costs in respect of the construction of the office, truck canopy and pedestrian canopy up to \$2,300,000 plus GST, plus certain other costs relating to the construction works including project management costs and the costs of works to the high voltage power line. The additional costs are estimated to be in the order of \$140,000 plus GST. The vendor will be responsible for the costs of the demolition and re-roofing works referred to above, and the balance of the construction costs.</p>
<p>Location characteristics</p>	<p>The property is located on Great South Road with the Southern Motorway to the rear and some 300 metres from the intersection with the South-Eastern Highway. Augusta Industrial considers this is a prime position within an established central Auckland industrial precinct.</p>	<p>Purchase Price</p>	<p>\$19,050,000 plus GST (if any), but will be increased or decreased if the rental payable under the new lease of the property (excluding the front portion) is greater or less than \$1,019,000 plus GST and outgoings. The rental payable under the new lease will be based on the final measurement of each part of the premises being leased to Graphic Packaging. Any increase or decrease in the purchase price will reflect a 6.5% yield on the rental income.</p>
<p>Completion of works</p>	<p>The vendor has agreed with Graphic Packaging that a new office, truck canopy and pedestrian canopy will be constructed at the property.</p> <p>It is intended that the demolition works will be completed by the vendor pursuant to the sale and purchase agreement. If the vendor has not completed these works prior to settlement, Augusta Industrial will need to complete them at the vendor's cost.</p> <p>Augusta Industrial will appoint Eberts Construction Limited as the main contractor to undertake the works.</p>	<p>Current Independent Valuation</p>	<p>Wouter Roberts and Charlie Todd of Jones Lang La Salle have valued the property at \$23.2 million as at 7 December 2017 on an "as if complete" basis once the demolition works are complete and the new office, truck canopy and pedestrian canopy have been built for Graphic Packaging. You can find a copy of the independent valuation report on the Offer Register at https://disclose-register.companiesoffice.govt.nz/disclose.</p>
<p>WALT</p>		<p>WALT</p>	<p>8.4 years (assuming new lease commences 30 November 2018).</p>
<p>Occupancy</p>		<p>Occupancy</p>	<p>100%</p>
<p>Land area</p>		<p>Land area</p>	<p>2.37 Ha</p>

Net lettable area	8,450 m ² (this excludes the buildings at the front portion of the site which are to be demolished).
Seismic rating	An initial seismic assessment assesses the existing buildings as having a seismic rating of 75% NBS.
New Lease Terms	
Tenant	Graphic Packaging is a subsidiary of the New York Stock Exchange listed Graphic Packaging Holding Company. The obligations of Graphic Packaging International New Zealand Ltd are guaranteed by its Australian holding company, Graphic Packaging International Australia Pty Limited, but not by the New York Stock Exchange listed Graphic Packaging Holding Company.
Term	Eight years from practical completion of the office and canopy works (expected to be 30 November 2018).
Tenant Rights of Renewal	One right of eight years
Net rental income and rent review provisions	<p>\$1,019,000 (assuming the net lettable area is as described above).</p> <p>Annual increases of 3.5% per annum from 1 January 2019, with a market review every fourth year (with the first review on 1 January 2023).</p> <p>Until the new lease is in place, Graphic Packaging is required to pay a rental of \$980,000 plus GST per annum.</p>

Sale or re-development opportunity

As noted above, the vendor of the property is demolishing substantially all of the buildings in the front portion of the site which will provide a 9,000m² bare site capable of re-development. Augusta Industrial believes this provides the following opportunities:

- A sale of the development site to enable development by a third party, with the proceeds of the sale being applied towards debt repayment to reduce gearing and provide capability for future acquisitions.
- A basic subdivision of the front portion into two to four separate titles with those separate titles then on-sold.
- Development of one to two separate industrial buildings of approximately 3,000 to 6,000m² in size. The buildings could then be leased and held by Augusta Industrial.
- Development into smaller units (potentially 20 or more separate units).

To progress this opportunity, Augusta Industrial Fund No. 2. Limited has entered into a conditional contract to sell approximately 4,000m² of the 9,000m² front portion of the property to a third party for a purchase price of approximately \$4,000,000 plus GST (if any). There is approximately 5,000m² of the front portion which would continue to be held by Augusta Industrial. The final purchase price will be calculated on the basis of the exact area of the property.

The agreement is conditional on the purchaser completing a due diligence investigation by 8 June 2018 and the vendor obtaining a subdivision resource consent within three months of completing the due diligence investigation. If the sale proceeds, the sale will result in a pre-tax profit of approximately \$1.2 million and will be accretive to earnings. The proceeds of the sale will be applied towards debt repayment to reduce gearing and provide capability for future acquisitions. If the sale doesn't proceed, Augusta Industrial intends to further assess the potential of each of the redevelopment options set out above in order to potentially increase the value of the whole property at 862-880 Great South Road.

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

12 Brick Street, Henderson, Auckland

- A Swanson Road
- B Waitakere College
- C 10km to Auckland CBD
- D 14km to Auckland Airport



The Properties

12 Brick Street, Henderson, Auckland

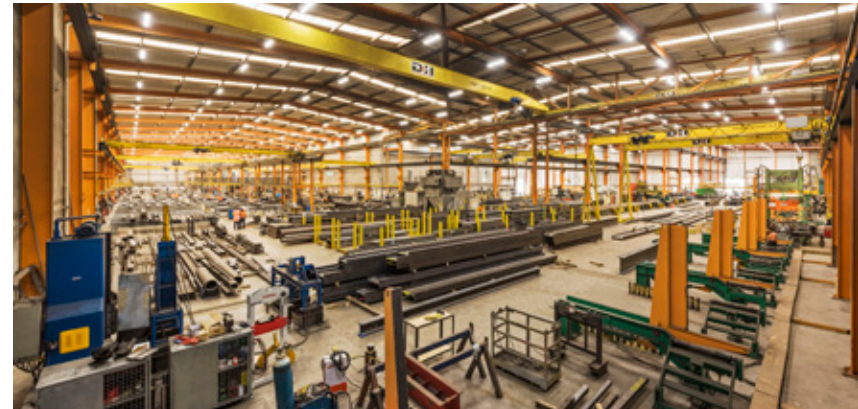
A relatively new industrial property constructed in 2009 with a long term lease of at least 9.8 years remaining to D&H Steel Construction Limited (and potentially a further five years if the tenant does not exercise its early termination right in just over 9.8 years' time).

Property and building description	<p>This property occupies two adjoining lots providing a total area of approximately 1.9876 hectares. The buildings occupy the southern and eastern portions of the site providing an 'L' shaped industrial facility offering high stud warehouse, manufacturing facilities and high quality offices and amenities over two levels. The premises were purpose built for the tenant in 2009 and present to a modern standard offering, in Augusta Industrial's opinion, one of Auckland's premium industrial buildings.</p> <p>Administration offices have been constructed over two levels to the street frontage with staff amenities situated to the rear of the ground floor offices.</p> <p>Additional site improvements comprise extensive retaining along the reserve edge, concrete sealed yard for site circulation and carparking, and landscaped gardens adjacent to the offices.</p>
Location characteristics	<p>The property is located in the West Auckland suburb of Henderson to the south of Brick Street and the Mihini Road cul-de-sac, approximately one kilometre north-west of its juncture with Lincoln Road.</p> <p>Surrounding development provides for commercial and light industrial uses interspersed with residential activity. Swanson Road, approximately 120 metres to the east, is a major thoroughfare connecting Henderson with the western suburbs. Regular public transportation service is provided off Swanson Road in both directions.</p>

Location characteristics (cont.)	<p>Further afield, Lincoln Road has been the subject of heightened commercial development of a mixed-use nature providing further amenity and support for the surrounding suburbs.</p> <p>Access to the north-western motorway is provided via ingress and egress points off Lincoln Road. Auckland City is situated 15 kilometres to the east.</p> <p>In summary, the property is well located in the suburb of Henderson offering good access to the north-western motorway, public transportation and access to both skilled and unskilled labour.</p>
Purchase Price	\$22,360,000 plus GST (if any)
Current Independent Valuation	\$22,360,000 prepared by Wouter Robbers and Charlie Todd of Jones Lang LaSalle as at 17 November 2017. You can find a copy of the independent valuation report on the Offer Register at https://disclose-register.companiesoffice.govt.nz/disclose .
WALT	9.8 years
Occupancy	100%
Land area	19,876 m ²
Net lettable area	12,012 m ²
Seismic rating	<p>An initial evaluation procedure by Stephen Mitchell Engineers Limited assessed the following ratings:</p> <p>Workshop building = 150% NBS</p> <p>Office building = 124% NBS</p>

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

Lease Terms	
Tenant	D&H Steel Construction Limited. D&H Steel is one of New Zealand's largest structural steel fabricators involved in a wide range of projects throughout New Zealand and the Pacific Islands.
Term	The initial term expires on 2 April 2033 but the tenant has a right to break the lease with effect from 3 April 2028 (provided the tenant gives notice between 3 April 2026 and 3 October 2026).
Tenant Rights of Renewal	Two rights of 10 years each.
Net rental income and rent review provisions	\$1,423,247 plus GST (subject to a market review which will be effective from 3 April 2018). There are annual CPI rent reviews and a market review on each fifth anniversary of 3 April 2013. The rent following any such market review cannot be less than 90% or more than 110% of the rent payable immediately prior to that review date.



2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

20 Paisley Place, Mt Wellington, Auckland



- A** South-Eastern Highway
- B** Pakuranga Highway
- C** Sylvia Park
- D** 14km to Auckland CBD
- E** 15km to Auckland Airport

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

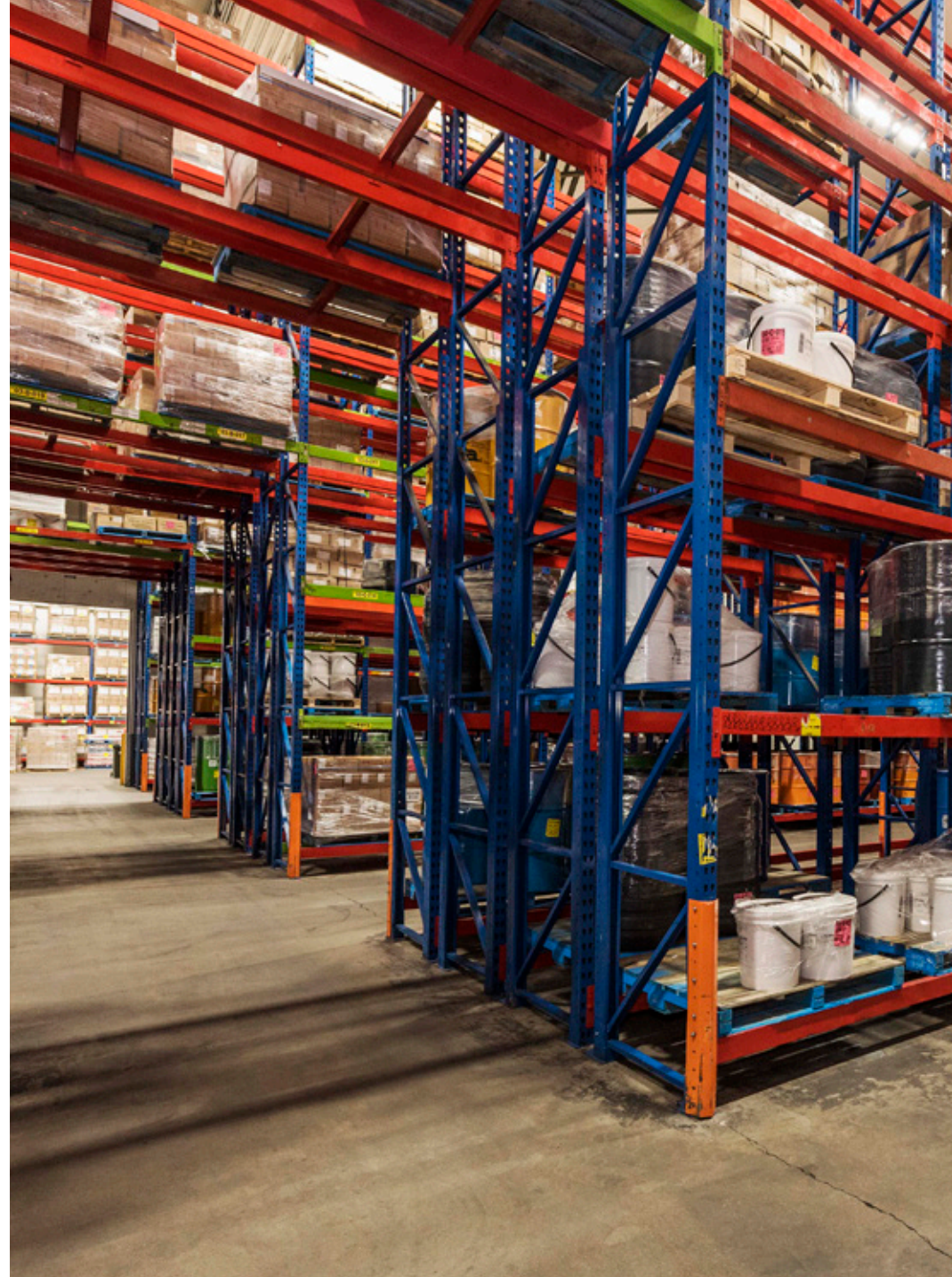
The Properties

20 Paisley Place, Mt Wellington, Auckland

A substantial industrial property incorporating a speciality coolstore and distribution complex. It was constructed in circa 1999. The property is subject to a lease to Americold NZ Limited which expires in November 2019, and then a long term triple net lease to Icepak Limited commencing on 1 December 2019. A triple net lease means that Icepak Limited is responsible for all operating and capital expenditure during the term of the lease.

Property and building description	<p>This property occupies one lot of approximately 1.3630 hectares. A large industrial building which incorporates a specialist coolstore and distribution complex is located on the property.</p> <p>There are a number of building condition and maintenance issues with the building at this property. The tenant has requested repairs be undertaken by the current landlord (the vendor). If the vendor fails to complete the requested repair works before settlement, Augusta Industrial (as purchaser of the property) has the benefit of an indemnity from the vendor in relation to all of the landlord's repair, replacement, renewal and maintenance obligations for which Augusta Industrial becomes liable.</p>
Location characteristics	<p>The property is in the industrial suburb of Mt Wellington. Mt Wellington is an established industrial location in South Auckland and is located alongside the main State Highway 1 Southern Motorway. It is surrounded by other predominantly industrial suburbs such as Penrose, Westfield and Onehunga. Paisley Place extends from Gabador Place which links to Carbine Road and a number of other transportation links such as Mt Wellington Highway located to the northwest connecting to the South Eastern Highway. The South Eastern Highway provides access from the Southern Motorway to Ti Rakau Drive in the east. The Penrose/Mt Wellington area is generally recognised as being the pre dominant industrial area of New Zealand.</p>

Purchase Price	\$25,384,615 plus GST (if any)
Current Independent Valuation	\$25,900,000 by Russell Clark of Colliers as at 5 December 2017. You can find a copy of the independent valuation report on the Offer Register at https://disclose-register.companiesoffice.govt.nz/disclose .
WALT	13.5 years
Occupancy	100%
Land area	1.3630 hectares
Net lettable area	7,877 m ²
Seismic rating	<p>An initial evaluation procedure by Stephen Mitchell Engineers Limited assessed the following ratings:</p> <p>113% for the Coolstore building 150% for the Office building</p>
Lease Terms	
Tenant	<p>Currently Americold NZ Limited but will be replaced with Icepak Limited on 1 December 2019.</p> <p>Hall's Group Limited guarantee Icepak's obligations under its lease.</p>
Term	The current lease to Americold expires on 29 November 2019 but the lease to Icepak Limited is for a 12 year term from 1 December 2019.
Tenant Rights of Renewal	The lease to Icepak Limited is for a term of 12 years from 1 December 2019, with 2 further rights of renewal of 6 years each.
Net rental income and rent review provisions	\$1,650,000 plus GST per annum (from settlement of the purchase of the property by Augusta Industrial), but the rent will increase to \$1,709,000 plus GST per annum under the triple net lease to Icepak Limited. Under the Icepak lease, there are fixed 2% increases per annum.



2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

The Hub, Seaview, Wellington

- A 17-23 Toop Street
- B 25 Toop Street
- C 109-117 Port Road
- D 101-103 Port Road



Boundary lines indicative only.

The Properties

The Hub, Seaview, Wellington

17-23 Toop Street, 25 Toop Street, 109-117 Port Road and 101-103 Port Road, Seaview, Wellington.

A multi-tenanted warehouse and distribution centre providing diversification across 12 separate tenants with two road frontages.

Property and building description	<p>The hub is held across five separate titles and is effectively four adjoining industrial properties:</p> <ul style="list-style-type: none"> • 17 Toop Street: A medium sized warehouse building with front showroom and offices built over two levels. Originally built circa 1970s (with recent refurbishment), the warehouse accommodation provides a stud height of approximately 3.9 metres rising to 4.9 metres, and benefits from a large number of onsite carparking, and designated yard areas. • 25 Toop Street & 109-117 Port Road: a combination of large to medium sized, warehouse tenancies of medium stud height all containing basic offices and amenities. The Hub building has a large drive-in common central circulation area with a new two storey northern office block for PBT Transport and associated carparking currently being completed. • 101-103 Port Road: consists of two medium sized two bay factory warehouse buildings with front showroom and offices built over two levels. The property provides contemporary factory/warehouse accommodation, having a stud height rising to approximately 7.5 metres.
Location characteristics	<p>Seaview is a traditional established industrial area of a substantial size at the eastern end of the Petone foreshore in Wellington. The area consists of a number of mainly medium to large industrial buildings and complexes which are multi tenanted or have been partitioned into separate tenancies.</p>

Location characteristics (cont.)	<p>Seaview is the largest industrial area in the Wellington region. Due to its size and critical mass, Augusta Industrial considers it will continue to attract and hold a wide range of industrial uses including distribution and logistics companies.</p>
Purchase Price	<p>\$44,900,000 plus GST (if any)</p>
Current Independent Valuation	<p>\$46.5 million by Michael Horsley and Reuben Blackwell of Colliers as at 15 March 2018 on an "as if complete" basis. You can find a copy of the independent valuation report on the Offer Register at https://disclose-register.companiesoffice.govt.nz/disclose.</p>
Tenants	<p>12 tenants, as set out in the tenancy schedule below.</p>
Occupancy	<p>100%</p>
WALT	<p>5.5 years</p>
Land area	<p>52,756 square metres</p>
Net lettable area	<p>Currently 38,972 m² (excluding yard) but following completion of the construction of new offices for PBT Transport, the net lettable area will be 39,446 m².</p>
Net rental income	<p>\$3,390,927</p>
Seismic rating	<p>Detailed Seismic Assessments assess the buildings as having the following seismic ratings:</p> <p>25 Toop Street: 80% NBS 109-117 Port Road: 75% NBS 17 Toop Street: 90% NBS 101 Port Road: 70% NBS</p>

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

The Hub, Seaview, Wellington - Tenancy Schedule

Tenant	Current rent per annum	Expiry Date of Initial Term	Rights of Renewal (remaining)
Downer Utilities Alliance New Zealand Limited (main premises and upstairs premises)	\$290,000.00 plus GST per annum	31 October 2023 (subject to the tenant's right to break in respect of the upstairs premises)	Two (2) of three (3) years each (main premises only)
Linfox Logistics (N.Z.) Limited	\$369,975.00 plus GST per annum (warehouse, office and portion of yard)	31 December 2022	Nil
	\$40,000.00 plus GST per annum (western yard)	31 December 2022	Nil
Fujitsu General New Zealand Limited	\$462,912.41 plus GST per annum	31 March 2020	Two (2) of six (6) years each
Seaview Commercial Investments Limited	\$54,340.00 plus GST per annum	31 August 2023	Nil
Tiger Construction NZ Limited (sublease)	\$20,000.00 plus GST per annum	31 October 2019	One (1) of two (2) years
Orangebox Limited (warehouse, office, yard, mail sorting area and printing sorting area, canopy and 18 carparks)	\$196,710.00 plus GST per annum	31 January 2026	Two (2) of three (3) years each
Orangebox Limited (level 1 offices and 13 carparks) - incorporated into main lease	\$77,385.00 plus GST per annum	31 January 2026 (subject to the tenant's rights to break in 2020 and 2023).	Two (2) of three (3) years each
Just Water International Limited	\$84,269.11 plus GST per annum	31 December 2021	Two (2) of three (3) years each
Tasman Liquor Company Limited	\$140,000.00 plus GST per annum	30 April 2023	Nil
Toll Logistics (NZ) Limited (10 carparks across 17 and 25 Toop Street)	\$3,500.00 plus GST per annum	30 April 2026	Nil
Jets Transport Limited	\$356,950.00 plus GST per annum	31 August 2023	One (1) of six (6) years
PBT Transport Limited (Current lease)	Current: \$608,310.00 plus GST per annum	30 June 2022	Two (2) of five (5) years each

Tenant	Current rent per annum	Expiry Date of Initial Term	Rights of Renewal (remaining)
	Agreement to lease: \$751,360 plus GST per annum (subject to completion of certain works and final measure of the premises). Under the agreement to lease, the works are due to be completed by 30 April 2018. If the works are not completed by the sunset date of 12 July 2018 and PBT Transport Limited cancels the agreement to lease, then the vendor (Seaview Commercial Investments Limited) will provide Augusta Industrial with a replacement lease on the same terms as the agreement to lease.	Nine (9) years less one (1) day from the commencement date	Two (2) of six (6) years each
Nature Pac Limited	\$95,450.00 plus GST per annum	29 February 2024	Two (2) of three (3) years each
Toll Logistics (NZ) Limited (warehouse, office, yard and covered yard)	\$357,715.00 plus GST per annum	30 April 2026	Nil
Toll Logistics (NZ) Limited (10 carparks across 17 and 25 Toop Street)	\$1,500.00 plus GST per annum	30 April 2026	Nil
Fujitsu New Zealand Limited	\$190,636.00 plus GST per annum	31 March 2020	Two (2) of six (6) years each
Seaview Commercial Investments Limited	\$146,720.00 plus GST per annum	31 December 2023	Nil



2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

2.5 The Industrial Property Market

Goran Ujdur of Bayleys Research has provided the following commentary on the recent performance of the Industrial property markets in Auckland and Wellington as well as its outlook for those markets.

The NZ industrial property market continues to perform strongly, driven by positive economic conditions, tight vacancies and high levels of demand from both occupiers and investors. Going forward, a growing shortage of good quality opportunities will ensure values remain well underpinned and upward rental momentum continues.

Historically NZ industrial property has consistently outperformed other commercial property sectors with the highest returns over the past 5 years and, importantly, with the lowest levels of volatility.

to Sept 2017	Total Returns (rolling annual % change)		
	Industrial	Retail	Office
1 year	12.2	7.1	8.9
3 year	13.4	10.4	10.1
5 year	12.5	10.4	10.7

Source: MSCI September 2017

AUCKLAND INDUSTRIAL INDICATORS

Key numbers: Auckland region 2017 yr vs 2016 yr		Latest	Previous	Change
Industrial vacancy		3.5%	3.2%	0.3bpts
New Industrial Supply ⁽¹⁾		\$413.4million	\$264.4million	56%
Bayleys Sentiment Survey (Dec 17)	Respondents expecting rents to rise	65%		
	Respondents expecting values to rise	61%		
Key numbers: Penrose - West Auckland				
Average rent	Penrose - warehouse	\$120/m ²	\$110/m ²	9%
	West Auckland - warehouse	\$110/m ²	\$110/m ²	0%
Yield range ²	Penrose	5.5 - 7.0%	6.5 - 7.5%	
	West Auckland	6.25 - 8.5%	7.0 - 8.5%	
Land Value ²	Penrose	\$500 - \$700/m ²	\$400 - \$500/m ²	33%
	West Auckland	\$400 - \$650/m ²	\$400 - \$550/m ²	11%

⁽¹⁾ Statistics NZ industrial building consents Auckland-wide by \$ value (12 months to November)

⁽²⁾ Percentage changes have been calculated on the basis of the average value in the specified range.

Auckland Outlook

- Historically low vacancies are likely to persist over 2018 reflecting on-going strong demand from occupiers
- Rents are expected to show further upside based on current tight market conditions and new benchmark rents being achieved on new builds

- High levels of investment demand expected to continue over 2018 with a shortage of quality opportunities ensuring yields remain firm
- Development activity is likely to increase however a combination of rising land values and construction costs will limit the actual amount of new stock bought to market
- Potential for increased investor activity from overseas buyers as they face further severe restrictions in their ability to purchase residential and rural property.

WELLINGTON INDUSTRIAL INDICATORS

Key numbers: Wellington region 2017 yr vs 2016 yr		Latest	Previous	Change
Industrial vacancy		2.96%	4.45%	-1.49bpts
New Industrial Supply ⁽¹⁾		\$29.5million	\$28.0million	5.4%
Bayleys Sentiment Survey (Dec 17)	Respondents expecting rents to rise	59%		
	Respondents expecting values to rise	59%		
Key numbers: Seaview				
Rental range	Seaview - warehouse	\$80 - \$150/m ²	\$75 - \$150/m ²	2.2%
Yield range ²	Seaview	6.75- 9.0%	7.0 - 9.5%	0.375bpts
Land Value ²	Seaview	\$250 - \$450/m ²	\$250 - \$450/m ²	0%

Wellington Outlook

- Booming business conditions are underpinning demand for industrial space in Wellington.
- The current sub 3% industrial vacancy rate is expected to lead to further upward pressure on rents over 2018.

- Investment demand remains very strong across the board and will ensure values are well underpinned in 2018.
- The Petone to Grenada Link Road, if progressed, would improve the Seaview industrial precincts travel times and connectivity to Wellington and new roading networks to the North of Wellington.

Source: Bayleys Research.

⁽¹⁾ Statistics NZ industrial building consents Wellington-wide by \$ value (12 months to November).

⁽²⁾ Percentage changes have been calculated on the basis of the average value in the specified range.

This market overview was prepared by Bayleys Research. All opinions, statements, analyses are based on information from sources which Bayleys Research believes to be authentic and reliable. Bayleys issues no invitation to anyone to rely solely on the information contained herein and intends by this statement to exclude liability for any such opinions, statements and analyses.

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

2.6 Augusta Industrial's Bank facilities

Augusta Industrial will part fund the acquisition of the Industrial Portfolio through a loan facility from ASB. The key terms of the borrowings are:

Size of facility	\$47,165,000
Interest rate	The 30 day BKBM rate plus a margin of 1.75%. Augusta Industrial has managed the floating nature of the 30 day BKBM rate by entering into interest rate swap agreements. Augusta Capital has entered into three interest rate swap agreements under which approximately 75% of Augusta Industrial's debt will be hedged on establishment. Augusta Capital will transfer these agreements to Augusta Industrial.
Establishment fee	\$200,000
Bank legal fees	\$40,000
Term	An extendable facility with an initial term of 36 months. With an extendable term, the facility is reviewed annually and subsequently extended by a further 12 months at the agreement, at that time, of both the Bank and Borrower.

Security	General security deed over all assets and undertakings of Augusta Industrial and its subsidiaries. Guarantees from Augusta Industrial Fund No. 1 Limited and Augusta Industrial Fund No. 2 Limited. Mortgages over the titles to all properties.
Key covenants	Interest cover is to be maintained at not less than two times Augusta Industrial's EBITDA. The ratio of all outstanding debt to the value of all properties is to be no more than 50%. The WALT is to be at least 3 years.

The bank debt will rank in priority to the Shares.

Augusta Industrial intends that its bank borrowings will be obtained from a group of banks going forward as it looks to grow the Industrial Portfolio. This means that the bank borrowings will likely be from a group of banks, rather than one single bank.

2.7 Directors of Augusta Industrial

Augusta Industrial will be overseen by a board of directors that is led by Mark Petersen, as Chairman. The members of the Board are:



Mark Petersen
Dip Urb Val

Mark is a professional director and corporate adviser who has worked in the commercial property sector for the past 35 years. Initially working as a registered valuer, Mark's background includes development management, project management and investment management. Mark was Managing Director of NZX listed Shortland Properties Limited from 1989 to 1999 and he is currently a director of CentrePort Limited, Wellington's container port company and its subsidiaries and is also an advisory Board member for Te Tumu

Kainga, a trust administered by the Maori Trustee for the provision of affordable housing. Mark is a former director of Wellington Waterfront Limited, a former director of Australian property focused private equity funds which were established and managed by Grant Samuel and is a past Chair of the NZ Hockey Federation.



Mark Francis
BCom (Fin)

Mark is currently the Managing Director of Augusta Capital. Mark has a Bachelor of Commerce in Finance from the University of Otago and a background in finance and property in roles with Hendry Hay MacIntosh, Force Corporation Limited and Village Roadshow Australia Pty Limited. Mark formed Augusta Group Limited in 2001 and began property syndication through Augusta Funds Management in 2003. Mark is the largest shareholder in Augusta Capital.



Guy French-Wright
BCom VPM (Valuation & Property Management)

Guy joined Augusta in March 2017, from Quintessential Equity, a wholesale property fund manager based in Melbourne, Australia, where he was General Manager – Development and was responsible for building a diversified development business. Prior to that, he was Development Director – Commercial at the Mirvac Group in Melbourne and had previous roles at Mirvac, Salta Properties and Austcorp Group in Australia. On 30 April 2018, Augusta announced that Guy was stepping down as its Chief Operating Officer, effective 29 June 2018, to return to Melbourne.

Mark Petersen and Mark Francis are also directors of Augusta Funds Management and Augusta Capital.

As soon as practicable following completion of the Offer, the Board intends to seek a further director who is independent of Augusta Funds Management and Augusta Capital.

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

2.8 The Manager

Augusta Industrial will be managed by Augusta Funds Management, which is a wholly-owned subsidiary of Augusta Capital. Augusta Capital is one of New Zealand's leading property fund managers, managing over 100 commercial and industrial properties with a total value of approximately \$1.85 billion, on behalf of over 3,300 investors. Augusta Capital is listed on the NZX Main Board.

Directors of the Manager

In addition to Mark Francis and Mark Petersen (who are directors of Augusta Industrial), the directors of the Manager are:



Martin Goldfinch
BCom, LLB

Martin has experience across a range of industries in both public and private companies. He holds degrees in Law and Commerce from Auckland University. He is currently the Private Equity Manager for Accident Compensation Corporation (ACC) and represents ACC on the board of CWS Assets Limited, Syft Technologies Limited and Partstrader Markets Limited. He is also a director of Les Mills Holdings Limited, Youi NZ Pty Limited and Youi Holdings Pty Limited.



Kevin Murphy
Chartered Accountant

Kevin became a director of Augusta Funds Management on 29 March 2018. He was formerly the Managing Director of TSB New Zealand (until January 2018) where he helped grow a small regional bank into the sixth largest retail bank in New Zealand with assets in excess of \$7 billion. During his time as Managing Director he also served as a director of Fisher Funds, Payments NZ and the New Zealand Banking Ombudsman. Mr Murphy is a Chartered Accountant and was previously the Vice President of Chartered Accountants Australia and New Zealand (CA ANZ).



Bryce Barnett
Chartered Accountant, FRINZ

Bryce's career started as a Chartered Accountant for the Inland Revenue before becoming Chief Accountant of the Moller Group of Companies. Bryce has held executive positions including Managing Director within publicly listed and private companies each with a strong emphasis on property. Bryce went on to form his own company, KCL Property Limited in 1994, which merged its business with Augusta Capital in 2014. His property experience over the last 47 years includes; commercial, industrial, larger format retail and residential development and investment in New Zealand and Brisbane, Australia. In 2017, Bryce was awarded both a Chartered Accountants Fellowship and is a Member of the New Zealand Order of Merit for recognition of his contribution to governance and philanthropy in the Taranaki region.



Paul Duffy
Dip Urb Val

Paul Duffy has over 35 years' experience in the property investment/development industry, including CEO/executive director of DNZ Property Fund (now named Stride Property) for 13 years. During his career, Paul held the position of general manager of Fletcher Property Limited and was joint managing director of US Real Estate Subsidiaries for the Abu Dhabi Investment Authority. In this role he oversaw the formation of a large real estate portfolio in the United States and Europe. Paul is currently a director of NPT Limited, Leighs Construction and a number of other private companies.

Paul is the chairman of Augusta Capital and Augusta Funds Management.



John Loughlin
MBA, BCA, FCA, ANZIF (Fellow), INFINZ (fellow), FNZIM, AFInstD

John Loughlin is a professional company director. He is chairman of Powerco Limited, Tru-Test Corporation Limited, EastPack Limited and Rokit Global Limited. John is retiring as a director of Augusta Funds Management Limited with effect from 30 June 2018.

The following personnel of the Manager who will be responsible for the management of Augusta Industrial alongside the board of Augusta Funds Management are:



Simon Woollams

BCom (Accounting), Chartered Accountant

Chief Financial Officer of Augusta. Simon will provide financial oversight of Augusta Industrial and will, in particular, be responsible for Augusta Industrial's bank finance.

Simon joined Augusta in 2007. He is a chartered accountant and has a strong financial background, including roles with BDO and ANZ Bank in the property and finance teams, and has experience from the UK.



Will Ellison

BBS VPMFin, Certificate in Real Estate Agency Representation, Post Graduate Diploma in Surveying

Will is a Development Manager at Augusta Funds Management. He will oversee any development that might be undertaken at 880 Great South Road. As a Development Manager he is responsible for achieving corporate objectives in relation to property development activities and major capital works programmes through strategic planning, development management and financial management and reporting.

Prior to joining Augusta in October 2017, Will previously held roles as the National Property Development Manager for Progressive Enterprises and as Associate Director, Funds Management for LaSalle Investment Management in London.



Bernie Smith

BBS (Valuation & Property Management)

Bernie is a Senior Asset Manager at Augusta Funds Management, responsible for the asset management of a number of properties in the Manager's portfolio predominantly located in the Lower North Island and Queensland, Australia. Bernie will be responsible for the asset management of The Hub as he currently manages that asset.

Bernie became a part of the Augusta team when it acquired KCL Property in 2014. Bernie completed a Bachelor of Business Studies majoring in Valuation & Property Management at Massey University. Prior to joining KCL, Bernie managed a private portfolio in Auckland.



Ben Visser

BBS VPMFin

Ben is an Asset Manager at Augusta Funds Management, responsible for the asset management of a number of properties in the Manager's portfolio predominantly located in the Upper North Island. Ben will be responsible for the asset management of Brick Street as he currently manages that asset.

Ben joined Augusta in March 2017. Ben holds a Bachelor of Business Studies with a double major in Finance and Valuation & Property Management. Previously Ben had roles with Jones Lang LaSalle in the valuations and office leasing team and most recently worked for Trust Investments Management as a Property Manager.

None of the directors of Augusta Industrial nor any director or senior manager of Augusta Capital or Augusta Funds Management will own any Shares in Augusta Industrial on completion of the Offer.

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

Summary of Augusta Industrial's Management Agreement

The key terms of the Management Agreement (including fees) have been set having regard to what the Manager and Augusta Industrial consider appropriate and industry benchmarks for listed property funds. The key terms of the Management Agreement between Augusta Industrial and the Manager are:

Manager	Augusta Funds Management Limited
Term	The term of the management agreement runs until Augusta Industrial is wound up in accordance with the Companies Act 1993 and the constitution, unless terminated earlier as set out below.
Termination	<p>The Management Agreement will be able to be terminated in the following situations:</p> <ul style="list-style-type: none"> • Augusta Industrial may terminate the agreement without cause or reason provided that 6 months' notice is given to the Manager and the termination is approved by a Special Resolution of shareholders (which the Manager and its related parties cannot vote on). • The Manager may terminate the agreement if it gives Augusta Industrial not less than 12 months' notice in writing that it wishes to terminate the agreement. • The Management Agreement will be automatically terminated on the occurrence of certain events, for example if the Manager was insolvent. • Augusta Industrial may terminate the agreement if the Manager is in material breach of the agreement and the Manager fails to cure that breach within 30 business days, provided that the termination is approved by a Special Resolution of shareholders. The Manager and its related parties cannot vote on this resolution. <p>If the Management Agreement is terminated without cause and by a Special Resolution of shareholders, Augusta Industrial must pay the Manager a sum equal to 30% of the aggregate of all fees paid to the Manager by Augusta Industrial in the preceding 5 years before termination. No termination fee is payable where the Management Agreement is terminated in any other scenario.</p>

Management Duties	<p>Investment Management Duties</p> <ul style="list-style-type: none"> • Maximising the value of Augusta Industrial's investment through the active management of the Industrial Portfolio • Prepare acquisition and divestment proposals for approval of the Board • Arrange funding facilities and present to the Board for approval • Manage financial affairs • Development Management <p>Property Management Duties</p> <ul style="list-style-type: none"> • Collection of rents and payment of outgoing • Negotiating rent reviews/assignment/sub-leases • Legal compliance include building and health & safety laws • Documentation of leases, renewals, variations, rent reviews etc. • Inspection of properties <p>Administrative Management</p> <ul style="list-style-type: none"> • Ensuring compliance with laws • Maintaining statutory records, including share register and Board minutes • Provision of company secretarial services, including keeping minutes of all proceedings • Maintaining accounting and tax records • Preparation of annual financial statements and liaising with external auditor • Preparation of the annual report to shareholders • Preparing and filing all tax returns (GST, PIE, Income tax) • Arrange annual valuations <p>Investor Relations</p> <ul style="list-style-type: none"> • Reporting quarterly to shareholders on Augusta Industrial's performance • Responding to all investor queries • Arranging annual shareholder meetings <p>Bayleys Property Services Limited will be appointed to provide day to day property and facilities management services.</p>
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Sub-contracting/ assignment	<ul style="list-style-type: none"> The Manager's obligations may be sub-contracted but the Manager remains liable for those obligations Assignment of the Manager's rights and obligations is permitted with consent of Augusta Industrial, which is not to be unreasonably withheld
Limitation of liability	<p>The Manager will not be liable for any reduction in:</p> <ul style="list-style-type: none"> the amount of the dividend paid by Augusta Industrial; or any loss in value of Augusta Industrial or a reduction in Augusta Industrial's share price, <p>as a result of matters outside the control of the Manager, unless such loss is a direct result of the Manager materially breaching its obligations under the Management Agreement.</p>
Related Party Transactions	<p>Augusta Industrial and the Manager will not enter into any transactions with related parties unless approved by an ordinary resolution of Shareholders, except for:</p> <ul style="list-style-type: none"> Any underwriting agreement entered into with Augusta Capital or any of its related parties provided the underwriting fee does not exceed 3% of the equity that is being underwritten by Augusta Capital or Augusta Industrial's related parties; or Any acquisition by Augusta Industrial of any property owned by Augusta Industrial's related parties provided the purchase price payable by Augusta Industrial does not exceed the amount determined by an independent valuer. <p>If Augusta Industrial becomes listed, any related party transactions and voting restrictions will be governed by the the NZX Listing Rules.</p>

Conflicts of Interest	<p>Augusta Funds Management has adopted a conflict of interest policy which sets out how Augusta will manage conflicts between its obligations to the various entities that it manages (amongst other things such as director or employee conflicts of interest). The policy provides that:</p> <ul style="list-style-type: none"> Each entity managed by Augusta Funds Management is to have a separate investment mandate; When an investment opportunity is identified by Augusta Funds Management, it must evaluate that opportunity against each entity's mandate; The opportunity must then be progressed for the relevant entity whose mandate it falls within; If that entity does not wish to acquire the opportunity, Augusta Funds Management may progress it for any other entity. Co-investment between different entities may also be considered.
Fees	<p>Augusta Funds Management is entitled to be paid the following fees under the Management Agreement:</p> <ul style="list-style-type: none"> An annual management fee; An annual property management fee; A performance fee; Certain transaction fees, as described in more detail below.
Management Fee	<ul style="list-style-type: none"> 0.50% of total average value of all tangible assets up to \$0.5 billion plus GST 0.40% of total average value of all tangible assets above \$0.5 billion plus GST
Property Management Fee	<p>A fee equal to 1.5% of the gross rental income from any properties owned by Augusta Industrial and its subsidiaries plus GST. However, in respect of 862-880 Great South Road, Brick Street and The Hub, the Manager has agreed that it will only charge a property management fee of \$50,000 per annum for the first three years, unless a greater amount is recoverable from the tenants under the terms of their leases.</p>

2. AUGUSTA INDUSTRIAL AND WHAT IT DOES (CONT.)

Performance fee	<ul style="list-style-type: none"> 10% of shareholder returns above 10% per annum but capped at 15% per annum. Where the returns are capped, the excess is carried forward to the next calculation of performance fees. While unlisted, the performance fee is calculated annually by reference to the shareholder returns over the 12 month period ending on 31 March in each calendar year including gross distributions paid during the financial year and change in net tangible assets per Share as calculated by reference to the audited financial statements for that financial year. Any performance fee is payable (in cash, or Shares if agreed by Augusta Industrial and the Manager) once Augusta Industrial is listed. If listed the performance fee will be calculated quarterly by reference to the change in Augusta Industrial's share price and distributions made in the quarter. Where the shareholder returns are less than 10% per annum, then the deficit is also carried forward and taken into account in the next calculation of performance fees. Any calculation of whether a performance fee is payable will be reviewed by Augusta Industrial's auditor. 	
Transaction fees	<i>Acquisition fees</i>	1% of acquisition price (this fee does not apply to the acquisition of 862-880 Great South Road, Brick Street, 20 Paisley Place or The Hub)
	<i>Sale fees</i>	1% of the gross sale price
	<i>Underwrite Fees</i>	3% of the equity being underwritten
	<i>Leasing fees</i>	One-off fee of between 5% and 15% of annual gross rental for each new lease arranged or right of renewal exercised depending on the term of the lease and whether a third party or real estate agent is involved in the negotiation.
	<i>Development/capital expenditure fees</i>	3.5% of the total costs of any development, project or other work of a capital nature where the cost of those works exceed \$50,000. All transaction fees (other than the underwriting fee) are exclusive of GST

You can find a copy of the Management Agreement on the Offer Register at <https://disclose.register.companiesoffice.govt.nz/disclose>.

Other arrangements and fees between Augusta Funds Management and Augusta Industrial include:

- Augusta Funds Management will receive an establishment fee of \$1,475,000 (plus GST) - further details are set out in section 2.10.
- Augusta Funds Management will receive an administration fee (payable at 2% of the transaction value (plus GST)) for secondary market transfers - further details are set out in section 6.1.

2.9 Substantial shareholdings and relevant interests held by directors and senior managers

The table below lists the Shareholders with a relevant interest in 5% or more of the Shares (which is the only class of shares on issue) as at the date of this PDS.

Name	Legal ownership or other nature of the relevant interest	Number of shares	Percentage of the total relevant securities of each class that the person has a relevant interest
Augusta Capital	Registered holder	1	100%

Expected substantial shareholdings upon completion of the Offer

The table below lists the persons who are likely to have a relevant interest in 5% or more of the Shares (which will be the only class of shares on issue) immediately after completion of the Offer.

Augusta Capital intends to retain a minimum of 10% of the Shares following completion of the Offer and will subscribe for Shares to ensure it holds at least this percentage. Augusta Capital may subscribe for more shares under its underwriting commitment and reserves the right to hold more or less Shares at its discretion.

Name	Legal ownership or other nature of the relevant interest	Number of shares	Percentage of the total relevant securities of each class that the person has a relevant interest
Augusta Capital	Registered holder	7,500,000	10%

2.10 Interests of Directors

No Director has received any remuneration or other benefits from Augusta Industrial prior to the date of this PDS.

Directors will receive the following directors' fees for FY18:

Director	Director Fee
Mark Petersen	\$40,000
Mark Francis	Nil
Guy French-Wright	\$25,000

The above fees reflect a policy of Augusta Funds Management that no employee receive fees for acting as a director of an entity managed by Augusta Funds Management while they are an employee.

Augusta Industrial has no employees as it will be fully managed by Augusta Funds Management.

The particulars of any direct or indirect material interests in Augusta Industrial, or in any agreement entered into on behalf of or in respect of Augusta Industrial, that any director, proposed director, senior manager of Augusta Industrial or proposed senior manager or any person associated with them has and that are material to either the person who has the interest and/or Augusta Industrial are as follows:

- **Management Agreement:** two out of three of the directors of Augusta Industrial are also directors of Augusta Funds Management who will manage Augusta Industrial under the Management Agreement described in section 2.8. Under the Management Agreement, Augusta Funds Management will receive various management, performance, leasing, sale, acquisition, underwriting and project management fees – further details are set out in section 2.8.
- **Establishment fee:** Augusta Industrial has agreed to pay Augusta Funds Management an establishment fee of \$1,475,000 (plus GST) in consideration of its services in establishing Augusta Industrial, negotiating all acquisitions for the Industrial Portfolio, completing due diligence, negotiating banking arrangements and arranging the Offer.
- **Underwriting agreement:** Augusta Industrial has also entered into an underwriting agreement with Augusta Capital Limited (the parent company of Augusta Funds Management). The key terms of the underwriting agreement are:
 - Augusta Capital will underwrite \$35 million of the \$75 million that is proposed to be raised.
 - This underwriting commitment ranks ahead of the commitment of all other underwriters. As a result, if the shortfall in the Shares subscribed for is less than 35 million shares, Augusta Capital will subscribe for the full amount of the shortfall. If the shortfall is greater than 35 million shares, Augusta Capital will subscribe for 35 million shares and the other underwriters will subscribe for any further shortfall on a proportionate basis relative to their underwriting commitment.
 - In consideration of agreeing to underwrite \$35 million of the equity raising, Augusta Capital will receive a fee of \$825,000 (calculated at 3% of \$27.5 million, being the \$35 million underwritten by Augusta Capital less the 10% stake of \$7.5 million of Shares Augusta Capital has committed to hold in Augusta Industrial).

3. PURPOSE OF THE OFFER

The purpose of this offer of Shares in Augusta Industrial is to provide Augusta Industrial with equity which, together with the proceeds of the Loan Facility, is sufficient to fund the company's strategy to acquire the Industrial Portfolio as the beginning of a larger diversified industrial property portfolio.

Intended use of funds

The money raised, together with the bank financing, will be allocated as follows:

Purchase price for Industrial Portfolio	111,694,000
Offer Costs	5,906,000
Total	117,600,000

Funded by:	
Loan Facility (debt)	42,600,000
Equity	75,000,000
Total	117,600,000

The minimum amount to be raised in order for the Offer to proceed is \$75,000,000.

This amount is fully underwritten.

Offer costs

The offer costs are:

Augusta Funds Management's establishment fee	1,475,000
Augusta Capital's underwrite fee	825,000
Other underwriter fees	840,000
Brokerage and marketing fees*	1,760,000
Legal fees	435,000
Investigating Accountant's fees	80,000
Valuation fees	35,000
Bank legal fees	40,000
Bank fees	200,000
Building due diligence report fees	185,000
Registry fees	25,000
PDS registration fee and FMA levy	6,000

The above fees are exclusive of GST and disbursements.

Where any of the above costs have previously been paid by Augusta Funds Management, it will be reimbursed for those costs by Augusta Industrial. Augusta Funds Management has paid part of the purchase price for the acquisition of 20 Paisley Place and 862-880 Great South Road and Augusta Funds Management will be reimbursed for these costs by Augusta Industrial.

The minimum amount of 75,000,000 has been fully underwritten by:

- Augusta Capital Limited: \$35 million;
- Penrith Holdings Limited: \$12 million, the company selling 862-880 Great South Road to the Industrial Fund;
- Tabrita Securities Limited: \$15.5 million;
- Madill & Smeed Limited: \$6 million, the company selling 20 Paisley Place to the Industrial Fund;
- Jonathan Edgar: \$1.5 million; and
- Bayley Corporation Limited: \$5 million.

All underwriters (other than Penrith Holdings Limited) receive an underwrite fee of 3% of the amount underwritten. Augusta Capital will receive a fee of \$825,000 (calculated at 3% of \$27.5 million, being the \$35 million underwritten by Augusta Capital less the 10% stake of \$7.5 million of Shares Augusta Capital has committed to hold in Augusta Industrial).

Augusta Capital's underwrite is for the first \$35 million of any shortfall in applications, with the other underwriters being liable, on a proportionate basis, for any further shortfall up to \$40 million.

In addition, regardless of the amount of subscriptions received, Augusta Capital will subscribe for and be allotted 7,500,000 Shares, and so will have at least a 10% shareholding in Augusta Industrial.



4. KEY DATES AND OFFER PROCESS

Offer opens	8 May 2018
Offer closes	11 June 2018
Subscription amounts are due from investors	11 June 2018
Shares are allotted	15 June 2018
Settlement of the property acquisitions	15 June 2018
Expected date for payment of first dividend	9 July 2018

The timetable is indicative only and the dates may change. In particular, Augusta Industrial reserves the right to close the offer at any time prior to that date or extend the offer by up to 25 working days without prior notice. Augusta Industrial also reserves the absolute right in its sole discretion to accept or reject any application in whole or in part without assigning any reason.

Investors' subscription monies will be held in a trust account established by Link Market Services ("LMS o/a Augusta Industrial Fund") and will accrue interest at bank call rates from subscription to the date on which Shares are issued, which will then be paid to Investors.



5. TERMS OF THE OFFER

What is the Offer?	<p>This is an offer of ordinary Shares in Augusta Industrial.</p> <p>The Shares will rank equally in all respects with any other Shares previously issued by Augusta Industrial. Each Share confers an equal right to share in dividends and other distributions authorised by the Board, and to cast a vote at meetings of Shareholders, in accordance with the Constitution.</p> <p>No person guarantees the Shares offered under this Offer, nor warrants or guarantees the future performance of Augusta Industrial, the Shares or any return on investment pursuant to this Offer.</p>
Key dates	See Section 4: “Key dates and offer process” for information about the key dates of the Offer.
Price	\$1 per share.
Minimum investment amount	\$10,000 and in multiples of \$1,000 thereafter.
Maximum investment amount	Other than arising under the underwrite, and in other circumstances only as allowed by Augusta Industrial if this would not impact Augusta Industrial’s PIE status, no investor may hold more than 20% of the Shares (being 14,992,500 Shares).
Minimum and maximum amount of equity to be raised	The minimum amount to be raised in order for the Offer to proceed is \$75,000,000. This is also the maximum amount as no over-subscriptions will be accepted.
Preference for Brick Street Investors	Investors in the existing Augusta managed syndicate that owns Brick Street have a right of first refusal to acquire 61,000 Shares in the Offer for every one unit that they currently hold in that syndicate. Those investors must exercise this right by providing a completed application form by 31 May 2018.
Underwrite	The Offer is fully underwritten.
Scaling	If Augusta Industrial receives valid applications for more than 75 million Shares then it may scale applications, which means that you may receive fewer shares than you subscribed for. If this happens, you will be refunded the difference within five Business Days of the Allotment Date.

How to apply	See Section 11: “How to apply” for more information on how to apply for Shares in Augusta Industrial.
Overseas investors	<p>The Offer is a regulated offer for the purposes of the Financial Markets Conduct Act 2013 and is only being made to potential investors in New Zealand and any institutions in Australia or other countries to which Augusta Industrial is able to offer without having to prepare a disclosure document.</p> <p>No person may offer, invite, sell or deliver any Shares or distribute any documents (including the PDS) to any person outside New Zealand unless such offer or invitation can be made without having to prepare a disclosure document. The PDS may not be sent into or distributed in the United States. Unless otherwise agreed with Augusta Industrial, any person applying for Shares under the Offer will be deemed to represent and warrant to Augusta Industrial that he, she or it is not in a jurisdiction that does not permit the making of the Offer or an invitation of the kind contained in the PDS and is not acting for the account or benefit of a person within such a jurisdiction. Neither Augusta Industrial, the Manager nor any of their directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.</p>

Augusta Industrial’s constitution sets out the terms of the Shares. You can find a copy of Augusta Industrial’s constitution on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/disclose>.



862 GREAT SOUTH ROAD, PENROSE



12 BRICK STREET, HENDERSON



20 PAISLEY PLACE, MT WELLINGTON, AUCKLAND



THE HUB, SEAVIEW, WELLINGTON



6. KEY FEATURES OF ORDINARY SHARES IN AUGUSTA INDUSTRIAL

6.1 Key features of the equity securities

Augusta Industrial is a limited liability company, incorporated in New Zealand under the Companies Act 1993 and subject to the laws of New Zealand.

Shareholders receive ordinary Shares in Augusta Industrial. The key features of Shares in Augusta Industrial do not differ from those that apply to ordinary shares in a company generally. Each share is entitled to one vote on any vote of the Shares in Augusta Industrial, a proportionate right to receive any dividends and distributions made by Augusta Industrial and a proportionate right to share in any surplus funds on a liquidation of Augusta Industrial, each relative to the total number of Shares in Augusta Industrial at the relevant time.

Shareholders do not have pre-emptive rights on any new shares to be issued by Augusta Industrial. The Board of Augusta Industrial has the right to issue further shares, on such terms and conditions as it considers are fair and reasonable to Augusta Industrial and its shareholders.

Any sale of Shares must occur in accordance with Augusta Industrial's constitution. Augusta Industrial's Board may refuse to register or delay registration of any transfer of Shares in any of the following circumstances:

- If required to do so by law or where Augusta Industrial or Augusta Funds Management is unable to conduct satisfactory due diligence on the proposed transferee in order to comply with its obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009;
- The proposed transfer is less than the minimum transfer size set by the Board from time to time (currently 10,000 shares);
- The proposed transfer would result in a shareholder holding less than the minimum shareholding set by the Board from time to time (currently 10,000 Shares); and
- The proposed transfer would occur part-way through a quarter of the financial year, unless otherwise approved by the Board.

The appointment of directors must occur in accordance with Augusta Industrial's constitution, as follows:

- each Share gives the holder the right to vote by ordinary resolution to appoint or remove directors;
- one third of the directors (or the number nearest to one third) are required to retire by rotation and may offer themselves for re-election by shareholders each year; and
- the holder of each Share may by ordinary resolution vote to appoint directors to fill the office vacated by retiring directors each year.

In addition to the above, Augusta Industrial cannot be listed on the NZX without the prior approval of the Shareholders.

The rights of Shareholders are set out in Augusta Industrial's constitution, a copy of which is available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/disclose>, and the Companies Act 1993.

As part of this Offer, Augusta Industrial does not intend to quote the Shares on a licenced market in New Zealand and there is no other established market for trading them. This means that you may not be able to sell your Shares.

The Manager will, on behalf of Augusta Industrial, operate a secondary market facility where buyers and sellers of shares will be matched. There are no rules or agreement that govern the operation of the secondary market. The Manager will facilitate secondary transfers but does not act as a broker nor does it provide financial advice to any party. The Manager has no obligation to provide liquidity for Shareholders. If Shareholders utilise the secondary market facility offered by the Manager on behalf of Augusta Industrial, then an administration fee will be payable at a fee of 2% of the transaction value (plus GST).

Augusta Capital is entitled, and may, trade its shares in Augusta Industrial.

6.2 Augusta Industrial's dividend policy

Augusta Industrial has forecast that dividend payments will be made at a rate of 6.5 cents per share (before tax and depreciation) for FY19 and FY20. This is consistent with Augusta Industrial's dividend policy to pay out 95-100% of adjusted funds from operations (**AFFO**).

AFFO is a non-GAAP financial measure adopted to assist Augusta Industrial in assessing the adjusted operating profit available for distribution. AFFO represents net profit before tax, excluding revaluations, mark to market of interest rate swaps and one off, non-cash or non-recurring transactions.

It is intended that Shareholders in Augusta Industrial will receive monthly distributions funded from operating cash flows.

Any dividend or distribution is at the discretion of the Board and is subject to meeting the solvency test requirements of the Companies Act and the Board determining that it is in the best interests of Augusta Industrial that a dividend be paid. The payment of any dividend is therefore not guaranteed. Augusta Industrial's dividend policy may change from time to time. As a result of the above, the actual gross dividend yield for a period may vary from the prospective information set out in section 7.

7. AUGUSTA INDUSTRIAL'S FINANCIAL INFORMATION

These tables provide key financial information about Augusta Industrial Fund Limited and its subsidiaries Augusta Industrial Fund No. 1 Limited and Augusta Industrial Fund No. 2 Limited. Full prospective financial statements are available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/disclose>. If you do not understand this financial information, you can seek advice from a financial adviser or an accountant.

The prospective financial statements have been subject to a limited assurance engagement by Ernst & Young Transaction Advisory Services Limited, a copy of which is also included in the Offer Register.

The prospective financial information included in the tables below has been prepared in accordance with Financial Reporting Standard 42: Prospective Financial Information (FRS 42).

No historical financial information is included for Augusta Industrial as it was incorporated on 16 April 2018 and is yet to complete an accounting period.

No historical financial information is included for The Hub, 862-880 Great South Road, 20 Paisley Place and Brick Street as they are considered to be asset acquisitions, rather than business acquisitions.

Selected Financial Information

The summary information presented in the table below is extracted from the more detailed information in the prospective financial information (PFI), a copy of which is on the Offer Register.

Selected Financial Information

	Forecast	Forecast
	11 Months & 15 days ending 31 March 2019 (\$'000)	12 Months ending 31 March 2020 (\$'000)
Gross Rental Income	6,375	16,889
Net Operating Costs	(250)	(322)
Net Revenue	6,125	16,567
Administration Costs	(586)	(1,458)
EBITDA⁶	8,874	14,837
Net profit before tax	7,353	10,490
Net profit after tax	7,353	10,490
Adjusted Funds From Operations (AFFO)⁷	3,894	10,724
Dividends on all equity securities of the issuer	(3,859)	(10,725)
Net cash flows from operating activities	4,409	11,334

	As at 31 March 2019	As at 31 March 2020
Total assets	115,916	253,055
Cash and cash equivalents	956	2,052
Total liabilities	42,415	96,121
Total debt	41,748	94,481
Net Tangible Assets⁸	73,501	156,934
Gearing ratio	36%	37%
Interest Cover	3.87	3.66

⁶ EBITDA represents net profit after tax plus interest, tax, depreciation and amortisation.

⁷ AFFO represents net profit before tax, excluding revaluations, mark to market of interest rate swaps and one off, non-cash or non-recurring transactions.

⁸ Net Tangible Assets represents the total assets of Augusta Industrial excluding intangible assets less total liabilities.

7. AUGUSTA INDUSTRIAL'S FINANCIAL INFORMATION

Gross revenue represents rental income derived from all lease agreements and operating costs recoverable under each respective lease.

Net revenue represents gross revenue less operating costs.

Augusta Industrial is an unlisted PIE and tax is withheld from shareholder distributions and not payable directly by the Company.

AFFO is a non-GAAP financial measure adopted to assist Augusta Industrial in assessing the adjusted operating profit available for distribution. AFFO represents net profit before tax, excluding revaluations, mark to market of interest rate swaps and one off, non-cash or non-recurring transactions.

A reconciliation of Non-GAAP including a reconciliation of the AFFO is included in the PFI, a copy of which is available on the Offer Register.

Net Tangible Assets represents the total assets of the Company excluding intangible assets (for which the Company is assumed to not carry any) less total liabilities.

The gearing ratio and interest cover ratios are also Non-GAAP information. The "Gearing ratio" tells you how much Augusta Industrial owes (debt) as a portion of what it owns (total assets). The "Interest Cover Ratio" tells you how much Augusta Industrial's net income exceeds interest on its loans (as a multiple).

The gearing ratio and interest cover ratios are included above as debt is an integral and material component in respect to the acquisition of the Industrial Portfolio and capital structure of Augusta Industrial.

The Board considers that the PFI presented in the table above is likely to be useful to prospective investors in assessing the merits of the Offer.

Principal Assumptions

The PFI presented in the selected financial table has been based on the assumptions described below. These assumptions are described in more detail in the prospective financial information and further information on these assumptions may be found at <https://disclose-register.companiesoffice.govt.nz/disclose> by searching "Augusta Industrial Fund Limited" under "search offers".

The key assumptions on which the prospective financial information has been based are set out below.

Augusta Industrial is to be established and domiciled in New Zealand.

Augusta Industrial will be a commercial property investor that owns the Property. The registered office of Augusta Industrial is situated at Level 2, 30 Gaunt Street, Auckland.

Settlement

Pursuant to the sale and purchase agreements for the four Properties to be acquired, settlement is to occur on 15 June 2018. For the purposes of the financial statements, rental income has been recognised from 16 June 2018.

It is assumed that \$75 million of equity is raised in the offer and \$42.6 million of debt drawn to facilitate settlement and pay the establishment costs.

A second equity raise of \$90 million of equity has been assumed on 1 April 2019 along with \$52.425 million of debt drawn to facilitate the purchase of \$135 million of additional property and associated costs.

	11 Months and 15 days ending 31 March 2019 \$'000	12 Months ending 31 March 2020 \$'000
Investment, establishment and acquisition costs:*		
Investment Property	111,694	135,000
Capitalised establishment costs	569	-
Capitalised acquisition costs	-	735
Costs of raising equity	4,992	6,333
Financing costs	345	357
Total investment, establishment and acquisition costs	117,600	142,425
Funded by:	As at 15 June 2018	As at 1 April 2019
Debt	42,600	52,425
Equity	75,000	90,000
Total	117,600	142,425

* Costs are assumed to be incurred on settlement dates, initial settlement of properties will be on 15 June 2018, further properties will be added with an assumed settlement date of 1 April 2019.

Establishment Costs

Total establishment costs are assumed to be no more than \$5.906 million. This includes offeror, underwriting, brokerage, due diligence, legal and valuation fees as well as financing and marketing costs. The bulk of these costs are deemed to be issue costs, with the exception of \$344,500 financing costs and \$569,000 associated with the acquisition of the property.

The establishment costs have been based on quotes received and/or estimates made by the Manager.

Return on Investment

A gross return of 6.5% (before depreciation and taxation) is assumed to be paid to Shareholders. The 6.5% gross distribution is supported by the forecast operating earnings and represents a pay-out ratio of between 95% and 100%. The 6.5% is represented as a return on the original equity raised.

Investment Property

On settlement date, 15 June 2018, the value of the portfolio is assumed to equal the cost, plus any directly related acquisition costs.

The assumption is that on 1 October 2018 the Company sells 4,000m² of land at 862 Great South Road, for \$4,000,000. The net sale proceeds are \$3.860 million with a gain on sale of \$1,227,392. 5,000m² of land is assumed to be held by Augusta Industrial and no further re-development works have been assumed in the prospective period aside from the capital expenditure assumed.

On 31 March 2019 the investment properties are revalued. The revaluation adjustment reflects the most recent valuations which were instructed for due diligence purposes. Thereafter it is assumed there are no future revaluations aside from adjusting for the value of the fixed rental accrual.

On 1 April 2019 it is assumed that \$135 million of further investment property will be acquired by Augusta Industrial. The carrying value of the investment property is assumed to be the cost plus directly related acquisition costs of \$0.735m.

	11 months and 15 days ending 31 March 2019 \$'000	12 months ending 31 March 2020 \$'000
Balance at beginning of financial year	-	114,746
Contracted purchase price	111,694	135,000
Transaction costs to purchase property	569	735
Capital expenditure	3,008	308
Disposals	(2,633)	-
Revaluation adjustment	2,108	(272)
Balance at end of financial year	114,746	250,517

Capital expenditure is detailed in the table below.

	11 months and 15 days ending \$'000	12 months ending \$'000
Development capital expenditure at Great South Road	2,381	-
Subdivision capital expenditure at Great South Road (bare land)	357	-
General capital expenditure at Great South Road	212	-
General capital expenditure across all remaining properties	58	308
Total capital expenditure	3,008	308

Rental Income

Rental income is assumed to commence on 16 June 2018 in respect of all existing leases and the PFI reflects all fixed and CPI rent reviews within the periods ending 31 March 2019 and 2020.

For the forecast periods it is assumed that there is no vacancy and no tenant default. It is also assumed there are no delays in receipt of debtors.

7. AUGUSTA INDUSTRIAL'S FINANCIAL INFORMATION (CONT.)

The Tenants are responsible for most operating costs including rates, insurance premiums, utilities and certain maintenance obligations when in occupation and in respect to net leases. There is an element of unrecovered operating costs identified in due diligence. It is assumed that all operating cost payments will be made on time and that there are no creditors associated with these operating costs.

Management Fees

The annual fund management fees have been agreed at 0.50% of the total average asset value of Augusta Industrial's tangible assets up to \$0.5 billion and 0.40% thereafter. Aside from establishment fees paid to the Manager a further \$0.21 million of fees are charged which includes property management fees, sale fees in respect to the assumed land transaction and capital expenditure.

Future acquisition fees at 1% of the relevant purchase price have been assumed.

Administration Costs

Compliance costs are based on quotes received and Director fees are based on proposed future fee levels.

Audit fees and valuation fees are based on quotes received.

Borrowings

The Company intends to enter into a facility agreement with ASB Bank based on a credit approved offer from ASB. The financing has been obtained to facilitate settlement and pay the establishment costs alongside the equity raise. The loan agreement is an extendable agreement and will be interest only. It will have an initial loan term of 3 years from date of drawdown. The loan facility is subject to annual review and extension of 1 year at the agreement of both parties.

Interest Expense

The interest expense is assumed to be 4.27% p.a. for the period ending 31 March 2019 and 4.44% p.a. for the year ending 31 March 2020. Three interest rate swap contracts have been entered into on 9 February 2018 and 6 April 2018 to hedge \$32 million of debt. No OCR uplift has been assumed in the period ending 31 March 2019. A 50 basis point uplift has been assumed in the year ending 31 March 2020.

The PFI does not assume any future fair value adjustments in respect to any interest rate swap arrangements entered into.

Taxation

Augusta Industrial intends to register as a PIE from 15 June 2018. From that date, Augusta Industrial will attribute income, losses and tax credits to its shareholders based on their shareholding and pay tax based on their prescribed investor rates (PIRs).

Actual Results

Actual results may differ from the prospective financial statements. The resulting variance may be material. The prospective financial statements also do not include the potential impact of an independent property revaluation aside from the period ending 31 March 2019. The revaluations amount has the potential to be material, but is a non-cash item. They also do not include potential exposure to interest rate changes, in respect to the floating portion of the debt amount, between the time that this information is prepared and execution of the loan agreement due to changes in the base rate which is a cash item.

Augusta Industrial and the Manager give no guarantee or assurance that the prospective financial information presented will be achieved.



8. RISKS TO AUGUSTA INDUSTRIAL'S BUSINESS AND PLANS

This section sets out a description of the circumstances that Augusta Industrial is aware of that exist or are likely to arise that significantly increase the risk to Augusta Industrial's financial position, financial performance and plans. The table below sets out particulars of why each circumstance is of particular significance and an assessment of the likelihood of any impact arising, the nature of that impact, and the potential magnitude of that impact along with strategies to mitigate the impact.

The circumstances have been identified by Augusta Industrial on the basis of information known to it as at the date of this PDS and on an assessment of the probability of a circumstance occurring and the anticipated impact of that circumstance if it did occur. These circumstances may not encompass all of the circumstances that may present a risk to returns of investors now or in the future, and there is no guarantee that the importance of each circumstance will not change.

These circumstances, were they to occur and if they were not appropriately managed by Augusta Industrial, could have a material adverse effect on Augusta Industrial's financial position or future financial performance through a decrease in revenue or an increase in costs. Augusta Industrial has taken, and will, in the future, take, steps to mitigate the effects of these circumstances. However, some circumstances may not be fully capable of mitigation.

Potential investors should carefully consider these risks (together with other information in this PDS) before deciding whether to invest in Augusta Industrial.

The description of the circumstances in this section does not take into account the personal circumstances, financial position or investment requirements of any person. It is therefore important that, before deciding to invest in Augusta Industrial, you consider the suitability of an investment in Augusta Industrial in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues).

Interest Rate changes	<p><i>Nature:</i> If interest rates were to increase, it may affect Augusta Industrial's ability to maintain the distribution levels.</p> <p><i>Magnitude:</i> The magnitude of the impact of interest rate changes cannot be accurately predicated (as the rates themselves cannot be accurately predicted). Augusta Industrial considers that the magnitude of the impact of any change in interest rates can be adequately minimised through its interest rate strategy.</p>	<p>Augusta Capital has entered into three interest rate swap agreements under which 75% of Augusta Industrial's debt will be hedged on establishment. Augusta Capital will transfer these agreements to Augusta Industrial. This will reduce the exposure to floating interest rates.</p> <p>The margin component of the interest rate is fixed until 29 May 2021.</p> <p>Part of the Manager's role will be to manage the floating component of the interest rate throughout the life of Augusta Industrial with a combination of short-term and long-term interest rate swap agreements and/or floating rates (with all swap agreements approved by the Board). The Manager will also actively monitor the margins available in the market and report to the Board on whether more competitive financing is available. The Manager may recommend that Augusta Industrial enter into forward start swap agreements.</p> <p>The Manager has an active interest rate management strategy which it will continue to employ throughout the life of Augusta Industrial.</p> <p>A number of the leases have contracted fixed annual increases which also provide some hedging against rising interest rates.</p>
Augusta Industrial's assessment of likelihood of circumstance arising	Unable to be accurately predicted. However, there is a reasonable prospect of a degree of adverse movement given the current interest rate environment.	
Augusta Industrial's assessment of the impact, were the circumstance to arise	Potentially significant depending on the amount of the change. For example, if the interest rate increased by 1% and all other factors remained the same, the return would decrease by 0.12 cents per share in the first financial period.	

Description of Risk	Augusta Industrial's assessment of nature and magnitude	Mitigating factors
<p>Termination of the new lease of the property at 862-880 Great South Road</p>	<p><i>Nature:</i> The new building and canopy to be constructed on the property at 862-880 Great South Road are required to be completed by the due date for practical completion, which is 31 December 2018.</p> <p>The intention is that the vendor will complete the demolition and re-roofing works prior to settlement. Augusta Industrial intends to enter into the main construction contract with Ebert Construction Limited and commence construction of the new building and canopy prior to settlement. The vendor has agreed to allow the Manager to commence these works prior to settlement.</p> <p>If practical completion has not occurred on or before the date 3 months after the due date for practical completion (being 31 March 2019), the tenant may cancel the agreement to lease. The existing lease of the property is due to expire on 31 March 2019, so the existing leasing arrangement may also come to an end if the works are not completed by 31 March 2019.</p>	<p>Augusta Industrial has completed due diligence on the construction programme for the new building and canopy and believes that programme allows sufficient time to enable the Construction Contractor to complete construction by 31 December 2018. As the tenant is not entitled to cancel the agreement to lease until 31 March 2019, Augusta Industrial has a time buffer of approximately 12 weeks in the event of any delay in the construction programme.</p>
<p><i>Augusta Industrial's assessment of likelihood of circumstance arising</i></p>	<p>Low, based on the due diligence completed on the construction programme.</p>	
<p><i>Augusta Industrial's assessment of the impact, were the circumstance to arise</i></p>	<p>Significant if a new lease had to be negotiated in a short timeframe or, if the tenant decided not to lease the property.</p>	
<p>Whether the financial position of the vendor and the tenant at 20 Paisley Place is sufficient to insulate Augusta Industrial from costs arising out of significant building issues with the property</p>	<p>Augusta Industrial is dependent on the covenant of Madill & Smeed Limited (in respect of the 18 month period during which Americold is the tenant) and the covenant of Halls Group Limited as guarantor (during the 12 year lease term) to insulate it from issues with the building.</p> <p>Augusta Industrial's initial investigations of the likely cost of these works indicate they could be approximately \$2.2 million.</p>	<p>Augusta Industrial has reviewed the financial details for Halls Group Limited and considered it currently has a sufficient financial position with respect to its obligations under the lease of Paisley Place. However, no information was available on the financial position of Madill & Smeed Limited, other than that it owns four separate properties (each mortgaged by ANZ). Halls Group Ltd is owned by interests associated with Madill & Smeed Limited.</p>
<p><i>Augusta Industrial's assessment of likelihood of circumstance arising</i></p>	<p>Based on Augusta Industrial's review of the financial details for Halls Group Limited, it considers it is currently unlikely that it would not be able to perform its obligations.</p>	
<p><i>Augusta Industrial's assessment of the impact, were the circumstance to arise</i></p>	<p>If Halls Group or Madill & Smeed Limited does not perform their obligations, the likely cost could be \$2.2million.</p>	

9. TAX

Tax can have significant consequences for investments and can affect your returns from this investment. If you have any queries relating to tax consequences of the investment you should seek independent tax advice from a professional advisor.

Augusta Industrial intends to register to become a multi-rate Portfolio Investment Entity (PIE). As a PIE, Augusta Industrial will pay tax based on your prescribed investor rate (PIR). To determine your PIR, go to www.ird.govt.nz/toii/pir/workout/ or follow the flow chart in the application form. If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department (IRD). It is your responsibility to notify Augusta Industrial of your PIR when you invest and provide your IRD number. If you do not provide your IRD number with your application, your application will not be able to be accepted. If you do not tell Augusta Industrial your PIR, a default rate may be applied. If the advised PIR is lower than the correct PIR, you will need to complete a personal tax return and pay any tax shortfall, interest, and penalties. If the default rate or the advised PIR is higher than the correct PIR, you will not get a refund of any overpaid tax.

Prescribed Investor Rate (PIR)

Your PIR is the tax rate that Augusta Industrial will use to calculate the tax payable on the income Augusta Industrial allocates to you. For natural persons, your PIR is based on your taxable income. If you are investing jointly with another investor, the highest PIR of the joint shareholders will be used to calculate the tax liability that arises in respect of income allocated to you.

There are four PIRs available to New Zealand resident investors, being 28%, 17.5%, 10.5% or 0%. By way of brief summary, the following PIRs are available for different entities:

- Companies – 0%;
- Trusts and individuals - 28%, 17.5%, 10.5% or 0%;
- Charities and PIEs – 0%;
- Non-New Zealand residents – 28% (subject to certain exceptions); and
- If you do not provide your PIR, the default rate is 28%.

Distributions

As Augusta Industrial intends to register to become a PIE, distributions from Augusta Industrial (including share repurchases) should not be subject to tax. Further there should be no withholding tax on distributions to non-resident investors.

If Augusta Industrial ceases to be a PIE then any distribution will be a dividend and subject to New Zealand tax on that basis. For New Zealand residents, any imputation credits attached to a dividend can be used to reduce or offset the Shareholder's tax liability. For non-residents, distributions should be subject to the non-resident withholding tax regime, foreign investor tax credit regime and any applicable Double Tax Agreement.

Deduction of Tax / Equalisation Payment

Due to the different PIRs, tax paid to the IRD on behalf of shareholders can create an inequality between shareholders. This issue can be remedied by making a disproportionate distribution to the shareholders not on a 28% PIR pursuant to the table below, by way of example:

Shareholder	PIR	Taxable Income of Augusta Industrial attributed to Shareholder	Paid to IRD	Paid to Shareholder	Retained in Augusta Industrial
1.	28%	\$1,000	\$280	Nil	\$720
2.	17.5%	\$1,000	\$175	\$105	\$720
3.	10.5%	\$1,000	\$105	\$175	\$720
4.	0%	\$1,000	Nil	\$280	\$720

In this example, the balance \$720 for each Shareholder will stay in Augusta Industrial as retained earnings until distributed to Shareholders at the discretion of the Board, in accordance with the Board's distribution policy.

The PIE tax payment and equalisation payment (if any) is made for each tax payment required of Augusta Industrial throughout the financial year and is classified as income to the Shareholder for the purposes of calculating the annual returns to Shareholders.

Augusta Industrial will elect to be a quarterly PIE where it will calculate and pay tax to the IRD every quarter based on the Shareholders' PIR. Secondary market share sales will be restricted to the end of each quarter to enable tax to be calculated on a shareholder's holding for the entire quarter.

A letter advising Shareholders of the allocation of taxable income and tax paid on their behalf will be sent to Shareholders each year by Augusta Industrial.

Maintaining PIE Status

To ensure that Augusta Industrial maintains its PIE status, Augusta Industrial must at all time, among other things;

- have a minimum of 20 Shareholders (this minimum requirement may be less if a Shareholder is a PIE or is a certain other investor type);
- ensure that no Shareholder owns over 20% of Augusta Industrial (unless a Shareholder is a PIE or is a certain other investor type);
- not hold voting interests in a company of more than 20% (unless that company is a PIE or land investment company and subject to certain exceptions);
- ensure that 90% of the income is derived from a lease of land, interest, dividends and / or the proceeds from the disposal of property; and
- ensure that 90% of the asset's value is held in either land, financial arrangement or a right or option to acquire property.

It is anticipated that PIE status can be achieved on establishment. However, there is a risk that as a result of the offer being underwritten, one party may hold more than 20% of the Shares. If this is not remedied within the prescribed timeframes, Augusta Industrial may lose PIE status with retrospective consequences depending on timing of the breach. For completeness, we note certain breaches of the PIE eligibility criteria are considered temporary breaches (such as the 20% shareholding limit) and have a time frame to be remedied before PIE status is lost.

The tax status may change for Augusta Industrial if it is listed in the future including the treatment of distributions to shareholders.

10. WHERE YOU CAN FIND MORE INFORMATION

10.1 Offer Register

The following further information relating to Augusta Industrial and the Shares is available on the Offer Register:

- the Constitution;
- the Management Agreement;
- Full Prospective Financial Statements;
- Independent Valuation Reports for the properties in the Industrial Portfolio;
- Sale and Purchase Agreements and Deeds of Variation (where applicable) for the properties in the Industrial Portfolio; and
- the D&H Steel Construction Limited lease for Brick Street, the Graphic Packaging lease for 862-880 Great South Road and the Americold lease for 20 Paisley Place.

The Offer Register can be accessed at <https://disclose-register.companiesoffice.govt.nz/disclose> and this Offer can be found by clicking on “Search Offers” and searching “Augusta Industrial Fund Limited”.

A copy of the information on the Offer Register is available on request to the Registrar of Financial Service Providers (email registrar@fspr.govt.nz).

The above information is also available on request free of charge from the Manager (at the address and business telephone number set out in the Directory).

10.2 Companies Office

Further information relating to Augusta Industrial is also available on the public register at the Companies Office. This can be accessed on the Companies Office website at <https://companies-register.companiesoffice.govt.nz/>

10.3 Reporting to Shareholders

Shareholders will receive a quarterly update at the end of the March, June, September and December quarters. This will provide an update on the Industrial Portfolio, and will provide details of Augusta Industrial’s distributions for that quarter.

Investors in Augusta Industrial will also receive an annual report following the end of each financial year. The annual report will include annual financial statements which will be audited.

Augusta Industrial will also have an Annual Shareholders Meeting (**ASM**). The ASM will be open to all Shareholders and will provide a formal forum for investors to hear presentations from the Manager and the Board, to raise questions and vote on any necessary resolutions.

AUGUSTA INDUSTRIAL FUND LIMITED

A B&C

20 PAISLEY PLACE,
MT WELLINGTON, AUCKLAND



12 BRICK STREET,
HENDERSON, AUCKLAND



862 GREAT SOUTH ROAD,
PENROSE, AUCKLAND

D



THE HUB, SEAVIEW, WELLINGTON

17-23 Toop Street, 25 Toop Street, 109-
117 Port Road and 1010-103 Port Road,
Seaview, Wellington.

11. HOW TO APPLY

How To Apply

In order to apply, prospective Shareholders must provide the following:

- A completed and signed Application Form;
- Completed Nature and Purpose statement (contained within the Application Form);
- Bank encoded deposit slip, bank statement or confirmation from your bank verifying your bank account name and number;
- For new investors with the Manager, the identification and other anti-money laundering due diligence information referred to on the form headed “Identity Verification” in this section;
- Payment of the total application amount. See “Payment” below, for further details.

Completed and signed application forms, along with the above accompanying documents and subscriptions amounts, should be couriered to the Manager in the pre-paid courier bag included with the hard copy of the Product Disclosure Statement. Should you wish to deliver or arrange your own courier please send to the Manager, **Augusta Funds Management Limited**, Level 2, 30 Gaunt Street, Auckland (**Attention: Industrial Fund Offer**). We do not recommend posting due to the longer delivery timing. The Offer closes 11 June 2018.

IMPORTANT –for existing Augusta Funds Management investors, identification documents may have been provided previously as part of Augusta’s AML (Anti-Money Laundering) requirements. If, at the time of submitting your application, Augusta does not have the correct identification documents on file up to the standard required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 additional documents may have to be re-submitted before your application can be accepted.

Payment

Payment must be made in New Zealand dollars for immediate value.

Shareholders must make the relevant election in section 2 of the application form to indicate their method of payment. Payment may be made by:

- Electronic transfer; or
- Cheque. Cheques must be made out in favour of LMS o/a Augusta Industrial Fund and crossed “Non-Transferable”.

Investors’ subscription monies will be held in a trust account established by Link Market Services (“LMS o/a Augusta Industrial Fund”) and will accrue interest from subscription to the date on which Shares are issued which will then be paid to investors.

12. CONTACT INFORMATION

Registered Office of Augusta Industrial

Augusta Industrial Fund Limited (Company number: 6806353)

Level 2, 30 Gaunt Street
Auckland
PO Box 37953, Parnell
Auckland 1151
Attention: Mark Francis
Phone: (09) 300 6161
Facsimile: (09) 300 6162

Directors of Augusta Industrial

Mark Petersen
Mark Francis
Guy French-Wright

Registered Office of the Manager

Augusta Funds Management Limited (Company number: 3760278)

Level 2, 30 Gaunt Street
Auckland
PO Box 37953, Parnell
Auckland 1151
Attention: Mark Francis
Phone: (09) 300 6161
Facsimile: (09) 300 6162

Directors of the Manager

Bryce Barnett
Paul Duffy
Mark Francis
Martin Goldfinch
John Loughlin
Kevin Murphy
Mark Petersen

Solicitors

Chapman Tripp

Level 35, ANZ Centre
23 Albert Street
Auckland 1010
P O Box 2206
Auckland 1140
Telephone: (09) 357 9000
Facsimile: (09) 357 9099

Investigating Accountant

Ernst & Young Transaction Advisory Services Limited

2 Takutai Square, Britomart
Auckland 1010
PO Box 2146
Auckland 1140
Telephone: +64 9 377 4790
Facsimile +64 9 309 8137

Share Registrar

Link Market Services Limited

Level 11
Deloitte Centre
80 Queen Street
Auckland
P O Box 91976
Auckland 1142
Telephone: +64 9 375 5998
Facsimile +64 9 375 5990

GLOSSARY

Term	Definition
20 Paisley	The property at 20 Paisley Place, Mt Wellington, Auckland.
862-880 Great South Road	The property at 862-880 Great South Road, Penrose, Auckland.
880 Great South Road	The property at 880 Great South Road, Penrose, Auckland (which is part of 862-880 Great South Road).
\$	New Zealand dollars.
AFFO	Adjusted Funds from Operations is a non-GAAP financial measure adopted to assess the adjusted operating profit available for distribution. AFFO represents net profit before tax, excluding revaluations, mark to market of interest rate swaps and one off, non-cash or non-recurring transactions.
Americold	Americold NZ Limited.
Augusta Capital	Augusta Capital Limited (Company number: 1873288).
Augusta Industrial	Augusta Industrial Fund Limited (Company number: 6806353).
Brick Street	The property at 12 Brick Street, Henderson, Auckland.
Board	The board of directors of Augusta Industrial.
FY	Financial year ended or ending on 31 March.
GAAP	Generally Accepted Accounting Practice.
Graphic Packaging	Graphic Packaging International New Zealand Limited (Company number: 3233571).
Industrial Portfolio	Each of the properties acquired by Augusta Industrial, being initially The Hub, 862-880 Great South Road, 20 Paisley Place and 12 Brick Street.
Loan Facility	The loan facility from ASB as described in section 2.6 of this PDS.
LVR	Loan to Value Ratio.
Manager or Augusta Funds Management	Augusta Funds Management Limited (Company number: 3760278).
Management Agreement	The agreement between Augusta Industrial and Augusta Funds Management under which Augusta Funds Management is exclusively appointed to manage Augusta Industrial.

Term	Definition
NBS	New Building Standards.
NZX	NZX Limited .
NZX Listing Rule	The listing rules of the NZX Main Board (or any rules replacing those rules).
NZX Main Board	The main board equity security market operated by NZX.
Offer	The offer of Shares under this PDS.
Offer Register	The offer register for Augusta Industrial, that forms part of the Disclose Register that is available at https://disclose-register.companiesoffice.govt.nz/ by searching “Augusta Industrial Fund Limited” under “search offers”.
PDS	This product disclosure statement detailing the offer of Shares in Augusta Industrial, prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and lodged with the New Zealand Registrar of Financial Service Providers.
PFI	Prospective financial information.
Shares	Ordinary shares in Augusta Industrial.
Shareholder	A holder of shares in Augusta Industrial.
Special Resolution	A shareholder resolution where a resolution will be passed if greater than 75% of the votes that are cast by Shareholders entitled to vote and voting on the resolution, vote in favour of the resolution.
The Hub	The properties at 17-23 Toop Street, 25 Toop Street, 109-117 Port Road and 101-103 Port Road in Seaview, Wellington which together comprise the industrial property known as The Hub.
WALT	The weighted average lease term which measures the average lease term across each of the leases in the Industrial Portfolio weighted by the relative income of each lease.

APPLICATION FORM

CLOSING DATE: 11 JUNE 2018

Before completing this Application Form, applicants should read and consider the Product Disclosure Statement dated 30 April 2018 to which this application relates. If you have any questions or if there is anything you do not understand, please contact the Augusta Team on (09) 300 6161.

Augusta Funds Management and Augusta Industrial do not provide any financial, tax or other professional advice. Before making any financial or investment decisions, we recommend that you seek professional financial advice from an Authorised Financial Adviser which takes into account your personal investment objectives, financial situation and individual needs.

PLEASE READ ALL INSTRUCTIONS BELOW TO ENSURE PROMPT PROCESSING OF APPLICATIONS. PLEASE COURIER COMPLETED APPLICATIONS AND DOCUMENTS TO AUGUSTA INDUSTRIAL FUND OFFER, LEVEL 2, 30 GAUNT STREET, AUCKLAND.

This Application Form is issued with the Product Disclosure Statement dated 30 April 2018, issued by Augusta Industrial Fund Limited.

INSTRUCTIONS ON HOW TO COMPLETE

- Please write in block letters
- Insert your full name(s), address(es), date of birth, place of birth, telephone number(s) and email address(es).
- Applications must be in the name(s) of natural persons, companies or other legal entities.
- Please review the Customer Due Diligence Checklists that must be completed with your application form.

- If you are applying as a Trust, all trustee names are required including the name of the Corporate/Professional Trustee Company.

- Where applying in the name of a company, the names of directors and shareholders of the company do not need to be included.
- Please insert the Bank Account Holder's name and Bank Account Number into which distribution payments are to be made and include proof of the account holders name and account number.

1. NAME OF INVESTOR AND APPLICANT DETAILS

- Please enter all name(s) in full.
- If you are applying as a Trust, all trustee names are required including the Corporate or Professional Trustee Company name. Where applying in the name of a company, the names of directors and shareholders of the company do not need to be included.

INSERT TRUST, COMPANY, CHARITY OR PARTNERSHIP NAME:

If applying as Joint Individuals, Partnership or Trust please include the names of ALL applicants (including trustees) below

Legal First Name(s)	Legal Family Name	Date of birth	Place of birth (city/town and country)	Occupation

NAME OF CORPORATE OR PROFESSIONAL TRUSTEE COMPANY (IF APPLICABLE):

2. PRIMARY APPLICANT CONTACT DETAILS

Residential Address or Address for Service:	Ph - Home: ()
Postcode:	Mobile: ()
Postal Address (if different from address given above):	Email:
Postcode:	

3. BANK ACCOUNTS DETAILS FOR DISTRIBUTION PAYMENT

Please insert the Bank Account holder's name and Bank Account Number into which distribution payments are to be made. Distributions must be paid into the Bank Account of the investor/investment entity (Augusta does not pay distributions to third parties on an investor's behalf).

ACCOUNT HOLDERS NAME

ACCOUNT NUMBER

NOTE: YOU MUST ENCLOSE A BANK ENCODED DEPOSIT SLIP, BANK STATEMENT OR CONFIRMATION FROM YOUR BANK VERIFYING BANK ACCOUNT NAME AND NUMBER.

4. IRD NUMBER

IRD Number. (For a joint application where both investors are individuals provide only the IRD number of the applicant who has the highest PIR (see section 6 below). For other joint applications please contact us. For a company, trust, partnership or other entity, please provide the entity IRD number.)

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IF YOUR IRD NUMBER IS NOT PROVIDED YOUR APPLICATION IS UNABLE TO BE ACCEPTED

Country of residence for taxation purposes:

I am a New Zealand tax resident

No I am tax resident of _____ (Country). Foreign tax number in overseas country _____
 (If yes, we will contact you with further information) Yes No

5. RESIDENT WITHHOLDING TAX (RWT) RATE

Your Resident Withholding Tax (RWT) rate is based on your taxable income, and there are different rates for individuals, trusts, companies and partnerships. You can find the current RWT rates on the Inland Revenue (IRD) website. RWT is deducted from the interest earned on your subscription amount while held in the Link Market Services trust account.

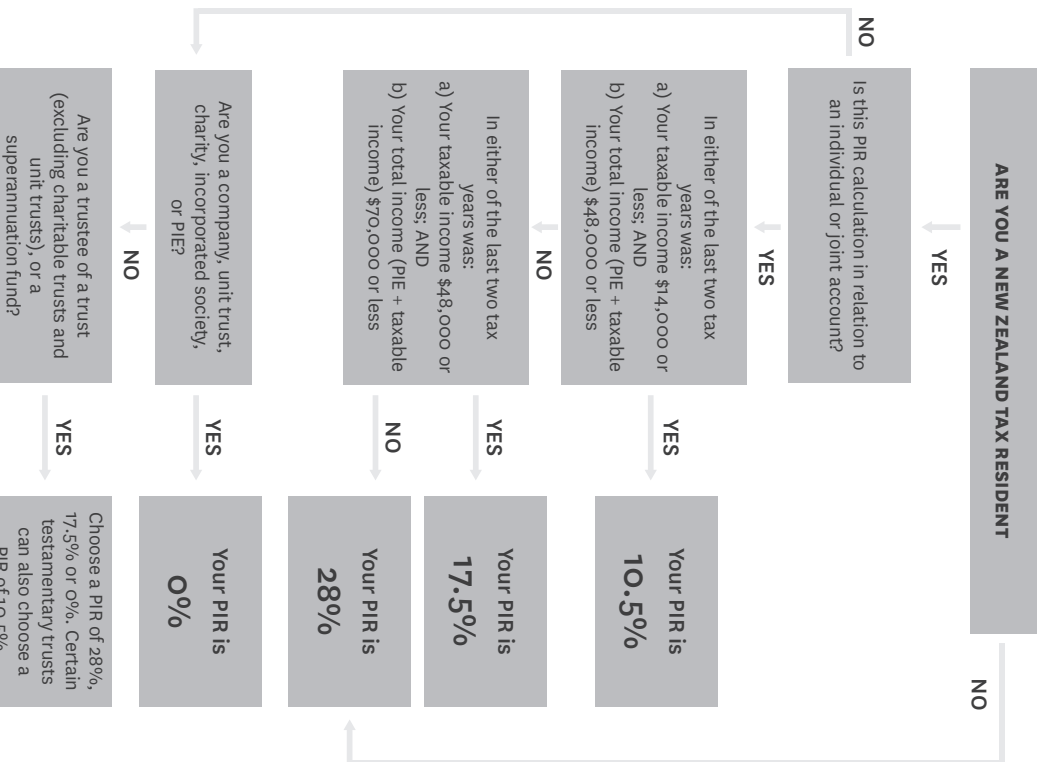
0% 10.5% 17.5% 28% 30% 33%

6. PRESCRIBED INVESTOR RATE (PIR)

Your Prescribed Investor Rate (PIR) is the rate at which your PIE tax is calculated on the PIE taxable income or loss from your investment. We need your PIR so that we can pay the correct amount of tax on your investments to IRD.

0% 10.5% 17.5% 28%

- If a PIR is not selected, 28% will be applied.
 - Companies, incorporated societies, charitable trusts, and certain others must select a PIR rate of 0%. Depending on your tax status, you may need to include the PIE taxable income or loss, in your tax return.
 - Trusts may select a PIR of 28%, 17.5%, or 0% to best suit the beneficiaries. If the trust is a testamentary trust it may select 10.5%.
- If the rate you tell us is higher than your correct PIR this will mean you pay too much tax, and the current tax rules do not allow IRD to refund the excess tax to you. If the rate you tell us is lower than your correct rate you will not have paid enough tax, and the current tax rules require you to include your share of the fund's taxable income or loss in a tax return and pay any top-up tax at your marginal tax rate - which may be as high as at 33%.



7. NATURE AND PURPOSE OF YOUR INVESTMENT

This information is being requested solely for the purpose of Augusta's regulatory compliance obligations (pursuant to section 17 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009) and not for the purpose of allowing Augusta Funds Management to assess the suitability of this investment for your personal financial circumstances, financial needs or goals.

The **NATURE** of the investment should explain how much you plan to invest with Augusta, how regularly you expect to invest and for how long you intend to hold this investment.

The **PURPOSE** of the investment explains your investment objectives and intentions, and what you are trying to achieve by investing with Augusta.

THE NATURE OF MY INVESTMENT IS: You should explain how much you plan to invest with Augusta, how regularly you expect to invest and for how long you intend to hold this investment.

THE PURPOSE OF MY INVESTMENT IS: Please explain your investment objectives and intentions, and what you are trying to achieve by investing with Augusta.

NOTE: YOU MUST COMPLETE SECTION 7 ABOVE

8. APPLICANT(S) CUSTOMER DUE DILIGENCE (CDD) REQUIREMENTS (PLEASE COMPLETE ONLY ONE OPTION)

As part of our obligations under the Anti Money Laundering and Countering Financing of Terrorism Act 2009, Augusta must undertake due diligence on (a) a customer (b) any beneficial owner of a customer (c) any person acting on behalf of a customer.

OPTION 1: EXISTING INVESTOR –

I am an existing Augusta investor and I have previously provided complete CDD documentation, the details of which are still correct.

Please refer to the Entity Customer Due Diligence Checklists below to ensure all complete information has been supplied. You must complete a customer Due Diligence Checklist as part of your application. Please note: Augusta will review the documents it holds on file and may request further information. If you are unsure if you have provided all of the necessary documentation please phone a member of the Augusta compliance team on 09 300 6161.

OPTION 2: NEW INVESTOR –

I am a new investor with Augusta and will meet my Customer Due Diligence (CDD) requirements. In addition to the details provided above I have also completed one of the Customer Due Diligence Checklists as part of your application.

Individual/Joint Individual Checklist (Page 63)

Partnership Checklist (Pages 64)

Company Checklist (Page 65)

Trust Checklist (Page 66)

Estate Checklist (Page 67)

NEW INVESTORS MUST PROVIDE THE APPROVED CUSTOMER DUE DILIGENCE INFORMATION WITH THIS APPLICATION FORM – SEE THE CUSTOMER DUE DILIGENCE CHECKLISTS AND PROOF OF IDENTITY AND ADDRESS INFORMATION ON THE FOLLOWING PAGES.

9. APPLICATION AMOUNT AND PAYMENT

Number of Shares (\$1 per Share with a minimum investment of \$10,000 then in \$1000 increments thereafter)	Amount in NZD
Shares	\$

PLEASE NOTE: If you invest as a trust, a company with Nominee Shareholders or you are making an investment of \$500,000 or more, Augusta will require information relating to the source of the funds or wealth for this investment.

Please choose ONE of the PAYMENT options below. Please tick the box next to your selected option:

OPTION 1: ELECTRONIC TRANSFER

Please provide me with account details to make an electronic transfer. Note: Bank details for payment will be emailed, posted or faxed to you once the application is complete and all customer due diligence documentation has been provided.

OPTION 2: CHEQUE

Please find attached made out in favour of “LMS o/a Augusta Industrial Fund” and crossed “Non-Transferable” for the amount noted above. Note: Cheques will not be banked until the application is complete and all customer due diligence documentation has been provided.

OPTION 3: EXISTING BRICK STREET (PREVIOUS SCHEME) INVESTOR

Please tick this box if you are already an investor in Brick Street Nominees and wish for up to \$61,000 per unit you hold in the scheme (which would otherwise be due to you on the wind-up of the previous scheme) applied to your application for Shares under this application form. The remaining amounts owing to you will be distributed to you as part of the previous scheme's wind-up.

If your investment in Augusta Industrial is greater than your Brick Street Nominees holding please advise your payment option for the difference in investment amount.

ELECTRONIC TRANSFER (see notes above)

CHEQUE (see notes above)

10. INVESTOR ACKNOWLEDGEMENT / DECLARATION

I/We hereby apply for the Shares as set out above subject to the terms and conditions of the Product Disclosure Statement dated 30 April 2018. I/We have read and understood the Product Disclosure Statement. I/We acknowledge that the offer of Shares in the Product Disclosure Statement was made to me/us in New Zealand, or the Product Disclosure Statement. I/We acknowledge that the offer of Shares in the Product Disclosure Statement was made to me/us in New Zealand, or Australia or any other country in which Augusta Industrial is able to offer to institutions without having to prepare a disclosure document. I/We agree to accept the Shares as applied for or any lesser number that may be issued to me/us. I/We hereby consent to the Manager disclosing such information as it holds in respect of me/us to regulatory authorities. The information I/We have provided in this Application Form and the accompanying Customer Due Diligence Checklist/s is true and correct to the best of my/our knowledge. I/We understand that Augusta Funds Management have not assessed the suitability of this investment for my/our personal financial circumstances, financial needs or goals nor provided any personalized financial advice.

Privacy Act 1993

You have a right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected. You acknowledge that you are authorised to provide this personal information. The personal information you have supplied may be used by us (and other related entities) for the purposes of enabling us to arrange and manage your investment, to contact you in relation to your investment, and to market other products and services to you. You authorise us to disclose your personal information to any third parties as needed to perform services on your behalf; to regulatory bodies or law enforcement agencies as required by law, and to meet our legal or regulatory obligations. We will provide you (on request) with the name and address of any entity to which information has been disclosed.

SIGNATURES

Please identify the agent, advisor or Institution who introduced you to the fund:

DATED: / / 2018

Applicant Signature: **Applicant Signature:**

Applicant Name: **Applicant Name:**

Applicant Signature: **Applicant Signature:**

Applicant Name: **Applicant Name:**

Please note, all individual and joint applicants must each sign. If applying as trust, all trustees must sign. If the investor is a company or corporate trustee company of a trust, two directors of the company (or one director if there is only one director) must sign.

If the application form is signed by an Attorney (or an agent), an original or certified copy of the relevant Power of Attorney must be lodged with the application form. The Attorney must complete the certificate of non-revocation on this page

CERTIFICATE OF NON REVOCATION OF POWER OF ATTORNEY

Complete this section if you are acting on behalf of someone for whom you hold Power of Attorney.

I, (Name of Attorney)
of (Address and Occupation of Attorney)

HEREBY CERTIFY

1. That as Attorney of under a deed dated
Given to me by him/her/the Company DAY MONTH YEAR

2. That I have executed the application for Units on the face hereof as Attorney under the said Power of Attorney and pursuant to the powers hereby conferred on me.

3. That at the date hereof I have not received any notice of information of the revocation of the said Power of Attorney by death or otherwise.

Signed at PLACE this DAY MONTH 2018

Signature

CUSTOMER DUE DILIGENCE INFORMATION (ANTI MONEY LAUNDERING AND COUNTERING FINANCING OF TERRORISM ACT 2009)

As part of our obligations under the Anti Money Laundering and Countering Financing of Terrorism Act 2009 Augusta must undertake due diligence on (a) a customer (b) any beneficial owner of a customer (c) any person acting on behalf of a customer.

PLEASE NOTE, AUGUSTA CAN ONLY ACCEPT APPLICATIONS WHERE COMPLETE CUSTOMER DUE DILIGENCE INFORMATION IS PROVIDED.

If you are an EXISTING Augusta investor and are unsure if further documentation is required or if you are a NEW investor and would like to discuss the Customer Due Diligence requirements - please phone a member of our compliance team to discuss on 09 300 6161.

New investors MUST provide the approved customer due diligence information with this application form – see the checklists and proof of identity and address information on the following pages.

NOTE:

- All documents provided must be originals or the original certified photocopies of documents.
- Certification of documents must have been carried out in the last three months. Original certifications of photocopied documents must be provided – scans or photocopies of certifications will not be accepted.
- Any identity and documents which are certified must be current, dated and signed by an independent trusted referee within the last three months (e.g. the Trustees of a trust should not certify documents for other trustees).
- Alternatively, an Augusta Staff Member may certify copies of documents at your request.

IDENTITY VERIFICATION REQUIRED FOR EVERY APPLICANT INCLUDING ALL TRUSTEES, BENEFICIAL OWNERS AND ANY PERSON ACTING ON BEHALF OF THE INVESTOR

There are two different options you can use as identification. The simplest option is to pick ONE form of ID from Option 1 below. Option 2 requires at least two forms.

Each copied form of identification must be certified by an independent NZ based trusted referee. A trusted referee must be over the age of 16, must not be your spouse or partner, related to you, someone who lives at the same address as you or someone with an interest or ownership in your investment. A trusted referee must be any one of the following:

- | | |
|--|--|
| <input type="checkbox"/> Lawyer (as defined in the Lawyers and Conveyancers Act 2006) | <input type="checkbox"/> NZ Chartered Accountant |
| <input type="checkbox"/> Justice of the Peace | <input type="checkbox"/> Registered Teacher |
| <input type="checkbox"/> Registered Medical Doctor | <input type="checkbox"/> Notary Public |
| <input type="checkbox"/> Member of the Police | <input type="checkbox"/> NZ Honorary Consul |
| <input type="checkbox"/> Member of Parliament | <input type="checkbox"/> Commonwealth Representative |
| <input type="checkbox"/> Minister of Religion | <input type="checkbox"/> Kaumatua (as verified through a reputable source) |
| <input type="checkbox"/> A person who has the legal authority to take statutory declarations or the equivalent in NZ | |

If you are certifying documents overseas, then the documents must be certified by a person who has the legal authority to take statutory declarations or the equivalent in that country.

Certification must have been carried out in the last three months. The trusted referee must sight the original document and make the following statement on the copy:

- “This document is a true copy and represents the identity of the named individual”;
- Trusted referee’s name, occupation and registration number (or equivalent); and
- Trusted referee’s signature and date.

Original certifications of photocopied documents must be provided – scans or photocopies of certifications will not be accepted.

OPTION 1

Choose ONE certified photocopy of the following as personal identification (document must be current/unexpired):

- New Zealand or overseas passport (containing your name, date of birth, photograph and signature)
- New Zealand certificate of identity
- New Zealand firearms licence
- Overseas government issued national identity card, containing your name, date of birth, photograph and signature

OR: OPTION 2

Provide a certified photocopy of the following (document must be current/unexpired):

- New Zealand driver licence
- AND** Non-photo identification. Choose ONE certified photocopy of the following (document must be current/unexpired):
 - New Zealand or overseas full birth certificate
 - Embossed credit card, debit card or an EFTPOS card, with your name and signature, issued by a registered NZ bank
 - Bank account statement issued by a NZ registered bank within 12 months of your application
 - Statement issued by a NZ Government agency within 12 months of your application (like an IRD statement)
 - A document issued by a NZ Government agency with your name and signature (i.e. Super Gold Card)
- NZ or Overseas Citizenship Certificate

ADDRESS VERIFICATION REQUIRED FOR EVERY APPLICANT INCLUDING ALL TRUSTEES, BENEFICIAL OWNERS AND ANY PERSON ACTING ON BEHALF OF THE INVESTOR

Please provide an original OR certified photocopy of one of the following:

- Utility or rates bill
- Telephone bill
- Bank account statement (as delivered by mail, not via internet banking)
- IRD tax notice or statement
- Insurance policy document
- A document issued by a NZ Government agency

Each form needs to be dated in the last 12 months and addressed to you at your residential address.

SECTION 1: INDIVIDUALS/JOINT INDIVIDUALS – Which documents are required?

Investor(s) Name(s): _____

IDENTITY/ADDRESS VERIFICATION	AND	AUTHORISED PERSON(S) (OPTIONAL)
<p><u>All</u> investors MUST provide identity/address verification.</p> <p>You must also provide verification for every beneficial owner*/effective controller or authorised person</p> <p>*Who is a beneficial owner/effective controller? An individual (other than those named above) who has effective control over the investment, or on whose behalf a transaction is conducted.</p>	AND	<p>Please list any authorised person(s) that may act on your behalf and their relationship to you:</p> <p>Name:</p> <p>Address:</p> <p>Date of Birth:</p> <p>Place of Birth:</p> <p>Relationship:</p> <p>*Authorised person(s)** include beneficial owners and persons acting on behalf i.e. Power of Attorney. These people MUST provide certified ID, residential address verification and POA document or other proof of authority (if applicable).</p>
SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS		
<p>Please write details of the origin of your wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, employment details, property address etc.</p> <p>.....</p> <p>.....</p> <p>Also provide details of the source of income you are receiving e.g. wages/salary, investment income or any other income.</p> <p>.....</p> <p>.....</p> <p>Signature of Investor:</p>		
		<p>Documents Provided</p> <div style="border: 1px solid black; width: 40px; height: 20px; margin-left: 20px;"></div>
<p>You MUST provide documentation to support the information provided in the source of funds and/or wealth statement above <u>if your</u> investment is \$500,000 or more. This may include original or certified photocopies of; bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant)</p>		

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a ‘Prominent Public Function’ e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child’s spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a ‘prominent public function’ in any country (other than New Zealand)?*

YES / NO (Please Circle)

if you have marked ‘YES’ to any of the options above please provide details of the public function held, and the country:

.....

SECTION 2: PARTNERSHIPS – Which documents are required?

Partnership Full Legal Name: _____
 (Or Trading name if different)

IDENTITY/ADDRESS VERIFICATION	AND	PARTNERSHIP DEED/AGREEMENT
All investors MUST provide identity/address verification. You must also provide verification for every beneficial owner*/effective controller or authorised person. *Who is a beneficial owner/effective controller? An individual (other than those named above) who has effective control over the partnership or on whose behalf the transaction is conducted.		If you are a Partnership we need to see a certified copy* of the Partnership Deed/Agreement and any resolutions, evidencing any amendments which must confirm the Partnership name, and Partners/Officers names and other persons authorised to act on behalf of the Partnership. *The copy must be certified by an independent trusted referee. We cannot accept scans or photocopies of certified documents.
SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS		
Please write details of the origin of your wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, employment details, property address etc. Also provide details of the source of income you are receiving e.g. wages/salary, investment income or any other income. Signature of Investor:		
You MUST provide documentation to support the information provided in the source of funds and/or wealth statement above if your investment is \$500,000 or more. This may include original or certified photocopies of: bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant)		Documents Provided <input type="checkbox"/>

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country (other than New Zealand)?*

YES / NO (Please Circle)

If you have marked 'YES' to any of the options above please provide details of the public function held, and the country:

.....

SECTION 3: COMPANY/INCORPORATED SOCIETY – Which documents are required?

Company/Incorporated Society Name: _____
 (Or Trading name if different)

<p style="text-align: center;">INDENTY/ADDRESS VERIFICATION</p> <p>All directors, officers and every shareholder who holds over 25% ownership of the company MUST provide identity/address verification. You must also provide verification for every beneficial owner / effective controller or authorised person of the company if different from above.</p> <p>*Who is a beneficial owner?</p> <ul style="list-style-type: none"> • A person who owns more than 25% of the company • A person (other than the directors/shareholders) who has effective control over the company • A person on whose behalf a transaction is conducted. 	<p style="font-size: 2em; font-weight: bold;">AND</p>	<p style="text-align: center;">COMPANY INFORMATION/IDENTITY</p> <p>Company registration number:</p> <p>Please provide a Certificate of Incorporation and the Company Extract e.g. obtained from the New Zealand Companies Office</p> <p>Principle business address or registered office address:</p> <p>.....</p> <p>.....</p>
<p>SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS</p>		
<p>Please write details of the origin of your wealth e.g. inheritance; earnings; savings; loan; gift; sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc.</p> <p>.....</p> <p>.....</p> <p>Also provide details of the source of income the company is receiving e.g. monthly deposit from a bank account; income from an underlying company.</p> <p>.....</p> <p>.....</p> <p>Signature of at least one director:</p>		
<p>You MUST provide documentation to support the information provided in the source of funds and/or wealth statement above if your investment is \$500,000 or more. This may include original or certified photocopies of; bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant)</p>		<p style="text-align: center;">Documents Provided</p> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div>

Does any entity such as a Family Trust have any ownership of the company? **YES / NO (Please Circle)**

if 'YES' please refer to **SECTION 4: TRUSTS** on which documents need to be provided.

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country (other than New Zealand)?

YES / NO (Please Circle)

if you have marked 'YES' to any of the options above please provide details of the public function held, and the country:

.....

SECTION 4: TRUSTS – Which documents are required?

Trust Name: _____

IDENTITY/ADDRESS VERIFICATION	AND		TRUST DEED
<p>All <u>trustees</u> and every beneficial owner*/effective controller or authorised person MUST provide Identity/address verification.</p> <p>If a trustee is a corporate trustee company then please provide information for <u>all</u> directors and every shareholder who holds over 25% ownership.</p> <p>Please also provide address verification for the trust.</p> <p>*Who is a beneficial owner/effective controller?</p> <ul style="list-style-type: none"> Any person (other than the Trustees) who has effective control over the Trust, specific Trust property, or with power to amend the Trust deeds, or remove or appoint trustees (e.g. protector) A person on whose behalf a transaction is conducted Any beneficiary or person that has a vested interest of more than 25% in the Trust property All directors of a Trustee Company Any person who owns more than 25% of a Trustee Company. 	<p>You MUST provide a certified copy* of the Trust Deed and any subsequent deed or retirement/appointment or any amendments which must confirm:</p> <ul style="list-style-type: none"> The name of the trust The names of the current trustees The names of the beneficiaries or class/type of beneficiaries The name of the Settlor The signature of all Trustees <p>*The copy must be certified by an independent trusted referee, this person cannot be a trustee. We cannot accept scans or photocopies of certified documents.</p>		<p>SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS</p> <p>Please write details of the origin of the settlor's/grantor's wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc.</p> <p>.....</p> <p>Also provide details of the source of income the Trust is receiving e.g. investment earnings, business/rental income or earnings from an underlying company.</p> <p>.....</p> <p>Signature of Settlor or at least one Trustee:</p> <p>You MUST provide documentation to support the information provided in the source of funds and/or wealth statement above. This may include original or certified photocopies of; bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/ or financial statements (as prepared by a Chartered Accountant)</p>

Documents Provided

WHO ARE THE BENEFICIARIES OF THE TRUST?

Is this a discretionary trust or are there 10 or more beneficiaries? **YES / NO (Please Circle)**

If **'YES'** please provide a description of each class or type of beneficiary (or list relevant section in Trust Deed)

.....

If **'NO'** please list names and date of birth of the named beneficiaries:

.....

Is this a Charitable Trust? **YES / NO (Please Circle)**. If **'YES'** please state the objects of the trust:

.....

POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country (other than New Zealand)?*

YES / NO (Please Circle)

If you have marked **'YES'** to any of the options above please provide details of the public function held, and the country:

.....

SECTION 5: ESTATES – Which documents are required?

Name of Estate: _____

IDENTITY/ADDRESS VERIFICATION	AND	ESTATE INFORMATION
<p>Trustees, Executors and every beneficial owner*/effective controller or authorised person MUST provide identity/address verification.</p> <p>*Who is a beneficial owner/effective controller? An individual who has effective control over the Estate or on whose behalf a transaction is conducted.</p>		<p>You will need to provide a certified copy* of the Probate** for the Estate.</p> <p>*The copy must be certified by an independent trusted referee. We cannot accept scans or photocopies of certified documents</p> <p>**Where Probate is not required to be obtained, other documentation that establishes the legal standing of the Estate and confirming the trustees/the Executor(s) instructing Augusta on behalf of the Estate. This must include an original certified copy of the Death Certificate of the deceased.</p>
SOURCE OF FUNDS/WEALTH STATEMENT AND SUPPORTING DOCUMENTS		
<p>Please write details of the origin of the Estates wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc.</p> <p>.....</p> <p>Also provide details of the source of income the Estate is receiving e.g. investment earnings, business/rental income or earnings from an underlying company.</p> <p>.....</p> <p>Signature of Executor/Person acting on behalf of the Estate:</p>		

<p>You MUST provide documentation to support the information provided in the source of funds and/or wealth statement above. This may include original or certified photocopies of; bank account statements confirming income i.e. business, personal and/or rental income; property settlement statement; details of investment income; inheritance i.e. letter from executor of estate; loan statement; gifting letter and/or financial statements (as prepared by a Chartered Accountant)</p>	<p>Documents Provided</p> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div>
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POLITICALLY EXPOSED PERSON (PEP)

A PEP is an individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or an immediate family member including spouse, partner, child, child's spouse/partner or parent) or any Authorised Person(s) listed above *An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country (other than New Zealand)?*

YES / NO (Please Circle)

if you have marked 'YES' to any of the options above please provide details of the public function held, and the country:

.....



AUGUSTA
INDUSTRIAL