

# Augusta Industrial Fund Limited

Other material information

30 April 2018

## 1 GENERAL

This Other Material Information Document (*Document*) has been prepared to meet the requirements of section 57(1)(b) of the Financial Markets Conduct Act 2013 (*FMCA*) and clause 58 of Schedule 3 to the Financial Markets Conduct Regulations 2014 (*FMCR*) in relation to an offer of ordinary shares in Augusta Industrial Fund Limited (the *Company*), as set out in a product disclosure statement (*PDS*) dated on or around the date of this document available on the Offer Register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) by searching "Industrial Fund" under "search offers".

Terms capitalised but otherwise undefined in this document have the meanings given to them in the PDS. This Document must be read alongside the PDS. Any application for admission by an Investor to acquire shares in the Company must be made on the application form (and be accompanied by the relevant identification documentation) contained in the PDS.

2 **TOTAL ESTIMATED COSTS OF OFFER AND ISSUE**

<b>Description of cost:</b>	<b>Amount paid, or agreed to be paid, by Augusta Industrial in connection with the offer and issue of the Shares (including all benefits):</b>	<b>Cost paid to:</b>	<b>Reason for cost and description of services:</b>
Establishment fee	\$1,475,000	Augusta Funds Management Limited ( <i>Manager</i> )	The establishment fee is payable to the Manager for establishing Augusta Industrial, negotiating all acquisitions for the Industrial Portfolio, completing due diligence, negotiating banking arrangements and arranging the Offer.
Augusta Capital Limited underwrite fee	\$825,000	Augusta Capital Limited	<p>The underwriting fees are payable to Augusta Capital Limited for underwriting \$35,000,000.</p> <p>This fee has been calculated at 3% of \$27,500,000 (being the \$35,000,000 underwritten by Augusta Capital Limited /ess than the 10% stake of \$7,500,000 of Shares Augusta Capital has committed to hold in Augusta Industrial).</p>
Other underwriter fee	\$840,000	Tabrita Securities Limited  Madill & Smeed Limited,  Jonathan Edgar  Bayleys Corporation Limited	<p>The underwriting fees are payable to the following underwriters for underwriting certain portions of the Offer as set out below:</p> <ul style="list-style-type: none"> <li>• Tabrita Securities Limited: \$15,500,000</li> <li>• Madill &amp; Smeed Limited: \$6,000,000;</li> </ul>

Description of cost:	Amount paid, or agreed to be paid, by Augusta Industrial in connection with the offer and issue of the Shares (including all benefits):	Cost paid to:	Reason for cost and description of services:
			<ul style="list-style-type: none"> <li>• Jonathan Edgar: \$1,500,000;</li> <li>• Bayley Corporation Limited: \$5,000,000.</li> </ul> <p>The underwriting fees are 3% of the amount underwritten.</p>
Brokerage and marketing fee*	\$1,760,000	Bayleys	<p>The brokerage fee is payable to Bayleys as the sole selling agent for the Offer.</p> <p>Marketing costs reflect the costs of both preparing and producing advertisements in relation to the Offer, organising and attending investor presentations throughout New Zealand and the costs for preparing and printing the PDS.</p>
Legal fees	\$435,000	Chapman Tripp	<p>Legal fees are payable to Augusta Industrial's Solicitors, Chapman Tripp, for the costs of legal due diligence on the properties within the Industrial Portfolio, negotiation of the sale and purchase of properties within the Industrial Portfolio, settlement of the purchases, the cost of advising on the PDS, the Management Agreement, and the Constitution, compliance with the Financial Markets Conduct Act, and in connection with Augusta Industrial's financing arrangements.</p>

<b>Description of cost:</b>	<b>Amount paid, or agreed to be paid, by Augusta Industrial in connection with the offer and issue of the Shares (including all benefits):</b>	<b>Cost paid to:</b>	<b>Reason for cost and description of services:</b>
Investigating Accountant's fees	\$80,000	Ernst & Young	Investigating accountant's fees represent Ernst & Young's fee for providing a limited assurance engagement on the prospective financial statements contained on the Offer Register.
Valuation fees	\$35,000	Colliers International New Zealand Limited  Jones Lang LaSalle	The valuation fees are payable to Jones Lang LaSalle and Colliers for preparing the valuation reports on: <ul style="list-style-type: none"> <li>• 20 Paisley Place;</li> <li>• The Hub;</li> <li>• Brick Street; and</li> <li>• 862-880 Great South Road.</li> </ul>
Bank legal costs	\$40,000	ASB Bank Limited's legal advisers	The bank fees are payable to ASB's legal advisers in connection with documenting and negotiating Augusta Industrial Fund Limited's loan facility
Bank fees	\$200,000	ASB Bank Limited	The bank fees are payable to ASB in connection with documenting and negotiating Augusta Industrial Fund Limited's loan facility
Building due diligence report fees	\$185,000	Hampton Jones Property Consultancy Limited, Stephen Mitchell Engineers Limited, CBRE Ltd, Spencer Holmes Ltd. and others	The due diligence reports fees relates to the due diligence reports the Manager commissioned on the properties within the Industrial Portfolio as part of the Manager's due diligence investigations of the Industrial Portfolio

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Registry fees	\$25,000	Link Market Services Limited	The registry fees are payable to Link Market Services Limited in connection with the provision of share registry services.
PDS registration fee and FMA levy	\$6,000	Financial Markets Authority	The PDS registration fee and FMA levy are payable in connection with the registration of the Offer on the Offer Register.
<b>Total</b>	<b>\$5,906,000</b>		

Note: The above fees are payable by Augusta Industrial Fund Limited - none are chargeable to Investors directly. In respect of part of the underwriting fees, legal fees, investigating accountant's fees, valuation fees and building due diligence report fees, the Manager has already met these costs on behalf of Augusta Industrial Fund Limited and, accordingly, is entitled to reimbursement.