

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 have been used throughout this Circular including this front cover.

If you are in any doubt as to what action you should take, please consult your broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

ACTION REQUIRED

If you have disposed of all your Units, then this Circular should be handed to the purchaser of such Units or to the broker, CSDP, banker or other agent through whom the disposal was effected.

Unitholders are referred to the section entitled "Action required by Unitholders" on page 3, which sets out the detailed action required of them in respect of this Circular.

IAPF does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a Dematerialised Unitholder to notify such Unitholder of the details of this Circular.

This Circular is issued in compliance with the Listings Requirements for the purposes of providing information with regard to IAPF and the Rights Offer.

The rights that are represented by the Form of Instruction are valuable and may be sold on the JSE. Letters of Allocation can, however, only be traded in Dematerialised form and accordingly, all Letters of Allocation have been issued in dematerialised form.

Unitholders will have the right to apply for any excess Rights Offer Units not taken up by other Unitholders subject to such rights being transferable upon renunciation of the Letters of Allocation, and any such excess Rights Offer Units will be allocated equitably.

The Rights Offer Units, upon their issue, will rank *pari passu* with all other Units of the same class in terms of both voting rights and distributions. There are no convertibility or redemption provisions relating to the Rights Offer Units.

The allocation of Rights Offer Units will be such that only whole numbers of Rights Offer Units will be issued and Unitholders will be entitled to rounded numbers of Rights Offer Units based on the conventional rounding principle.

The Rights Offer is subject to any applicable laws and regulations, including the laws of South Africa, the Exchange Control Regulations and the laws of the relevant jurisdictions of foreign Unitholders. Such foreign Unitholders should inform themselves about and observe any applicable legal requirements of such jurisdictions in relation to all aspects of this Circular that may affect them, including the Rights Offer. It is the responsibility of any foreign Unitholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Rights Offer, including the obtaining of any governmental, exchange control or other consent or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes for other requisite payments due in such jurisdiction. Any foreign Unitholder who is in doubt as to his position, including without limitation, his tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

This Circular is not a product disclosure statement lodged or required to be lodged with ASIC and is intended for use in Australia only by "wholesale clients" as defined in the Corporations Act. It contains general information only and does not contain any personal advice or take into account any Unitholder's objectives, financial situation or needs.

Out of the Ordinary®



Australia Property Fund

INVESTEC AUSTRALIA PROPERTY FUND

Registered in terms of the CIS Act

Registered in terms of ASIC (ARSN 162 067 736)

("IAPF" or "the Fund")

Share code: IAP ISIN: AU60INL00018

Letters of Allocation share code: IAPN ISIN: ZAE000212908

Responsible Entity and Issuer: Investec Property Limited (ACN 071 514 246 AFSL 290 909)

CIRCULAR TO UNITHOLDERS

relating to:

- a partially underwritten renounceable Rights Offer to raise approximately ZAR 690 000 000 through the issue of 59 566 747 Rights Offer Units at a Rights Offer Price of R11.58 per Rights Offer Unit in the ratio of 23.54653 Rights Offer Units for every 100 Units held at the close of business on Friday, 5 February 2016;

and incorporating:

- a Form of Instruction (for use by Certificated Unitholders only).

Rights Offer opens at 09:00 on Monday, 8 February 2016

Rights Offer closes at 12:00 on Friday, 19 February 2016

Corporate Advisor and Sponsor



Bank Limited

Investec Bank Limited
(Registration number 1969/004763/06)

Legal Advisor (Australia)



HERBERT
SMITH
FREEHILLS

Legal Advisor (South Africa)

fluxmans

ATTORNEYS

Date of issue: 1 February 2016

This Circular is available in English only. Copies may be obtained from the local representative office of the Fund and those of the Corporate Advisor and Sponsor at the addresses set out in the "Corporate Information" page of this Circular between Monday, 1 February 2016 and Friday, 19 February 2016, and is also available on the Fund's website: www.investecaustraliapropertyfund.co.za from Monday, 1 February 2016.

CORPORATE INFORMATION

Directors of the Responsible Entity

Richard Longes[#] (*Non-executive chairman*)
Stephen Koseff^Δ
Graeme Katz (*Chief executive officer*)
Samuel Leon^Δ
Sally Herman[#]
Hugh Martin[#]

^Δ Non-executive

[#] Independent non-executive

Company secretary of the Responsible Entity

Paul Lam-Po-Tang (BCom, LLB)
Level 23, Chifley Tower
2 Chifley Square
Sydney
New South Wales
2000
Australia

Responsible Entity

Investec Property Limited
(ACN 071 514 246 AFSL 290 909)
Level 23, Chifley Tower
2 Chifley Square
Sydney
New South Wales
2000
Australia

Corporate Advisor and Sponsor

Investec Corporate Finance
(a division of Investec Bank Limited)
(Registration number 1969/004763/06)
100 Grayston Drive
Sandown
Sandton
2196
(PO Box 785700, Sandton, 2146)

Legal Advisors (Australia)

Herbert Smith Freehills
Level 27, ANZ Tower
161 Castlereagh Street
Sydney
New South Wales
2000
Australia

Underwriter

Investec Property Fund Limited
(Registration number 2008/011366/06)
100 Grayston Drive
Sandown
Sandton
2196
(PO Box 785700, Sandton, 2146)

Directors of the Manager

Graeme Katz (*Executive director*)
Zach McHerron (*Executive director*)
Kristie Lenton (*Executive director*)
Samuel Leon (*Non-executive director*)

Registered office, postal address of the Responsible Entity and date of establishment of the Fund

Australia:
Level 23, Chifley Tower
2 Chifley Square
Sydney
New South Wales
2000
Australia

Local representative office:

Investec Bank Limited
100 Grayston Drive
Sandown
Sandton
2196

Fund established on 12 December 2012 in Sydney, Australia. Registered as a Managed Investment Scheme with ASIC under the Corporations Act on 6 February 2013.

On 23 August 2013 the Registrar of Collective Investment Schemes authorised the Fund to solicit investments in the Fund from members of the public in South Africa in terms of Section 65 of the CIS Act.

Manager

Investec Property Management Pty Limited
(ACN 161 587 391)
Level 23, Chifley Tower
2 Chifley Square
Sydney
New South Wales
2000
Australia

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg
2001
(PO Box 61051, Marshalltown, 2107)

Legal Advisors (South Africa)

Fluxmans Inc.
(Registration number 2000/024775/21)
30 Jellicoe Ave
Rosebank
Johannesburg
2196
(Private Bag X41, Saxonwold, 2132)

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IMPORTANT DATES AND TIMES

2016

Declaration date announcement in respect of the Rights Offer released on SENS	Friday, 22 January
Finalisation date announcement in respect of the Rights Offer released on SENS	Tuesday, 26 January
Last date to trade in Units for settlement by the Initial Record Date and in order to participate in the Rights Offer	Friday, 29 January
Listing and trading of Letters of Allocation on the JSE under JSE code: IAPN and ISIN: ZAE000212908	Monday, 1 February
Units commence trading on the JSE ex-Rights Offer entitlement	Monday, 1 February
Rights Offer Circular including a Form of Instruction distributed to Certificated Unitholders	Tuesday, 2 February
Record Date for determination of Unitholders entitled to participate in the Rights Offer (Initial Record Date)	Friday, 5 February
Dematerialised Unitholders will have their accounts at their CSDP or broker automatically credited with their entitlement	Monday, 8 February
Certificated Unitholders on the Register will have their entitlement credited to their accounts held with the Transfer Secretaries	Monday, 8 February
Rights Offer opens at 09:00	Monday, 8 February
Rights Offer Circular distributed to those Dematerialised Unitholders who have elected to receive documents in hard copy	Tuesday, 9 February
Last day to trade in the Letters of Allocation on the JSE in order to settle by close of the Rights Offer	Friday, 12 February
Rights Offer Units listed and trading therein commences at 09:00 on the JSE	Monday, 15 February
Payment to be made and Form of Instruction to be lodged with the Transfer Secretaries by Certificated Unitholders by 12:00	Friday, 19 February
Rights Offer closes at 12:00	Friday, 19 February
Record date for Letters of Allocation (Final Record Date)	Friday, 19 February
Rights Offer Units issued on	Monday, 22 February
Dematerialised Unitholders' accounts updated and debited by CSDP or broker (in respect of payment for Rights Offer Units)	Monday, 22 February
Certificates distributed to Certificated Unitholders (in respect of the Rights Offer Units)	Monday, 22 February
Results of Rights Offer announced on SENS	Monday, 22 February
Refunds (if any) to Certificated Unitholders in respect of unsuccessful excess applications made	Wednesday, 24 February
Dematerialised Unitholders accounts updated and debited by their CSDP or broker (in respect of successful excess applications)	Wednesday, 24 February
Certificates distributed to Certificated Unitholders (in respect of successful excess applications)	Wednesday, 24 February

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- All references to dates and times indicated in this Circular are to local dates and times in South Africa.
 - Dematerialised Unitholders are required to inform their CSDP or broker of their instructions in terms of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between the Unitholder and their CSDP or broker.
 - Unit certificates may not be Dematerialised or rematerialised between Monday, 1 February 2016 and Friday, 5 February 2016, both days inclusive.
 - Dematerialised Unitholders will have their accounts at their CSDP or broker automatically credited with their rights and Certificated Unitholders will have their rights credited to a nominee account with the Transfer Secretaries.
 - CSDPs effect payment in respect of Dematerialised Unitholders on a delivery-versus-payment method.

ACTION REQUIRED BY UNITHOLDERS

The definitions commencing on page 4 of this Circular apply to this section.

1. DEMATERIALIZED UNITHOLDERS

If you hold Units in dematerialised form (including where you have elected own-name registration), you will not receive a printed Form of Instruction.

Your CSDP or broker will contact you to ascertain:

- whether you wish to follow all or some of your rights in terms of the Rights Offer and in respect of how many Rights Offer Units;
- whether you wish to apply for excess Rights Offer Units;
- whether you wish your CSDP or broker to endeavour to procure the sale of your rights on the JSE on your behalf and if so, in respect of how many rights;
- whether you wish to renounce your rights and if so, how many rights you wish to renounce and the details of the renouncee; or
- whether you wish for your rights to lapse.

Your CSDP or broker will credit your account with the number of rights to which you are entitled and you should receive notification from them in this regard.

If you are not contacted by your CSDP or broker, you should contact your CSDP or broker and provide them with your instructions. If your CSDP or broker does not obtain instructions from you, they are obliged to act in terms of the custody agreement entered into between you and them.

Instructions to your CSDP or broker must be provided in the manner and time stipulated in the custody agreement governing the relationship between you and your CSDP or broker. If your CSDP or broker does not obtain instructions from you, they are obliged to act in terms of the mandate granted to them by you, or if the mandate is silent in this regard, not to subscribe for Rights Offer Units in terms of the Rights Offer.

Neither IAPF nor the Responsible Entity take responsibility, and will not be held liable, for any failure on the part of any CSDP or broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Units and/or to sell the rights allocated to you.

2. CERTIFICATED UNITHOLDERS

A Form of Instruction is enclosed with this Circular for use by Certificated Unitholders only. The rights in respect of such forms are negotiable and can be sold on the JSE.

If you hold your Units in certificated form and you wish to subscribe for some or all of the Rights Offer Units allocated to you, you must complete the Form of Instruction enclosed herewith in accordance with the instructions contained therein and lodge it, together with payment for the amount due in respect thereof, with the Transfer Secretaries, whose details are set out on the inside front cover of this Circular, by no later than Friday, 19 February 2016.

If you do not wish to subscribe for all of the Rights Offer Units allocated to you, you may sell or renounce all or part of your rights or allow them to lapse. In such event, you must complete the relevant section of the Form of Instruction and return it to the Transfer Secretaries to be received by no later than 12:00 on Friday, 12 February 2016 if you wish to sell, and by no later than 12:00 on Friday, 19 February 2016, if you renounce your rights.

If you intend to allow your rights to lapse, you need not take any action.

3. IF YOU HAVE DISPOSED OF YOUR UNITS

If you have disposed of your Units, please forward this Circular to the purchaser of such Units or to the broker or agent through whom the disposal was effected.

Note:

If you are in any doubt as to the action you should take, please consult your CSDP, broker, banker, legal advisor, accountant or other professional advisor immediately.

Neither IAPF nor the Responsible Entity accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a Dematerialised Unitholder to notify such Unitholder of the Rights Offer.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or the context so requires, the words in the first column have the meanings stated opposite them in the second column, words in the singular shall include the plural and *vice versa*, words denoting one gender include the other and expressions denoting natural persons include juristic persons and associations of persons

"AFSL"	Australian financial services licence;
"ASIC"	the Australian Securities and Investments Commission;
"AUD"	Australian dollar(s);
"Board"	the board of directors of the Responsible Entity;
"Business Day"	any day other than a Saturday, Sunday or official public holiday in South Africa (or Australia as the case may be) and in the event that a day referred to in terms of this Circular should fall on a day which is not a Business Day, the relevant date will be extended to the succeeding Business Day;
"Certificated Units"	Units which have not yet been Dematerialised, title to which is represented by a Unit certificate or other document of title acceptable to the Board;
"Certificated Unitholders"	Unitholders who have not Dematerialised their Unit certificates in the Fund in terms of Strate and hold Certificated Units;
"Circular"	this bound circular, dated 1 February 2016, including all annexures and attachments hereto;
"CIS Act"	the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002) of South Africa as amended from time to time;
"Collective Investment Scheme"	means a collective investment scheme as defined in Section 1 of the CIS Act;
"Committed Unitholders"	means those Unitholders who have irrevocably committed to follow their rights in terms of the Rights Offer;
"Commitment Fee"	means the amount payable by the Fund to the Committed Unitholders for providing the commitment to follow their rights, being 0.5% of the amount committed to take up;
"Common Monetary Area"	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
"Constitution"	the constitution (otherwise known as the trust deed) of IAPF as amended from time to time;
"Corporate Advisor"	the Corporate Finance division of Investec Bank Limited;
"Corporations Act"	the Corporations Act 2001 (Cth) of Australia as amended from time to time;
"CSDP"	Central Securities Depository Participant;
"Dematerialise" or "Dematerialisation"	the process whereby Certificated Units are replaced by electronic records of ownership under Strate and recorded in the sub-register of Unitholders maintained by a CSDP or broker;
"Dematerialised Units"	Units which have been incorporated into the Strate system and which are no longer evidenced by Unit certificates, certified transfer deeds, balance receipts or any other physical documents of title;
"Dematerialised Unitholders"	Unitholders who hold Dematerialised Units;
"Directors"	refers to a director(s) of the Responsible Entity;
"EFT"	electronic funds transfer;
"Exchange Control Regulations"	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act, 1933 (Act 9 of 1933) as amended from time to time;
"Exchange Rate"	AUD to ZAR exchange rate of AUD 1.00 = R11.5000 as at the Last Practicable Date;
"Financial Year"	the financial year of the Fund and for the time being ending 31 March;
"Final Record Date"	the record date for determining the persons to whom the Rights Offer Units will be issued, being Friday, 19 February 2016;

“Form of Instruction”	the form of instruction in respect of the Letters of Allocation reflecting the entitlement of Certificated Unitholders to subscribe for Rights Offer Units and on which Certificated Unitholders should indicate whether they wish to take up, sell or renounce all or some of their rights, or apply for additional Rights Offer Units, which forms are enclosed in this Circular;
“Group”	in relation to a company (wherever incorporated), that company, any company of which it is a subsidiary (being its holding company) and any other subsidiaries of any such holding company and each company in a Group is a member of the Group. Unless the context otherwise requires, the application of the definition of Group to any company at any time will apply to the company as it is at that time;
“Hold Trust”	Investec Australia Hold Trust No. 1, an intermediary holding trust that is a wholly-owned subsidiary of IAPF and is the holding trust of the various Sub Trusts that own or are intended to own the Fund’s property portfolio;
“Initial Record Date”	the record date for determination of Unitholders entitled to participate in the Rights Offer, being Friday, 5 February 2016;
“Investec Australia Limited”	Investec Australia Limited (ACN 140 381 184);
“Investec Australia Property Fund”, “IAPF” or “the Fund”	Investec Australia Property Fund (ARSN 162 067 736), duly registered as a Managed Investment Scheme under the Corporations Act; also recognised as a foreign Collective Investment Scheme and authorised to solicit investments in the Fund from members of the public in the Republic of South Africa in terms of Section 65 of the CIS Act;
“Investec Bank Limited”	Investec Bank Limited (Registration number 1969/004763/06), a company incorporated in South Africa and a wholly-owned subsidiary of Investec Limited;
“Investec Limited”	Investec Limited (Registration number 1925/002833/06), a public company incorporated in South Africa and listed on the JSE, with secondary listings on the Botswana Stock Exchange and the Namibian Stock Exchange;
“Investec Property Fund”	Investec Property Fund Limited (Registration number 2008/011366/06), a public company duly registered and incorporated with limited liability according to the company laws of South Africa, which is listed on the JSE;
“Irrevocable Commitments”	the irrevocable undertakings provided by the Unitholders listed in paragraph 2.8 of this Circular, in terms of which they undertake to follow their rights under the Rights Offer;
“JSE”	the exchange operated by JSE Limited (Registration number 2005/022939/06), a company duly incorporated in accordance with the laws of South Africa and having its registered address at 1 Exchange Square, 2 Gwen Lane, Sandown, and licensed as an exchange in accordance with the Financial Markets Act;
“Last Practicable Date”	Thursday, 14 January 2016, being the last practicable date prior to the finalisation of this Circular;
“Legal Advisors”	Herbert Smith Freehills (ABN 98 773 882 646) and Fluxmans Inc. (Registration number 2000/024775/21);
“Letters of Allocation”	renounceable (nil paid) letters of allocation to be issued to Unitholders, in electronic form, conferring the right to subscribe and pay for a <i>pro rata</i> portion of the allotment of Rights Offer Units in terms of the Rights Offer and which are also referred to in this Circular, in respect of holders of Certificated Units, as the Form of Instruction;
“Listings Requirements”	the Listings Requirements of the JSE;
“Managed Investment Scheme”	a managed investment scheme that has been registered by ASIC as a managed investment scheme under chapter 5C of the Corporations Act;
“Management Agreement”	the management agreement between the Responsible Entity and the Manager dated 1 August 2013 pursuant to which the Manager will provide certain asset management and property management services to the Fund, the Hold Trust and each Sub Trust;
“Manager”	Investec Property Management Pty Limited (ACN 161 587 391) which has been contracted to perform certain asset management and property management functions to the Fund, the Hold Trust and each Sub Trust;
“Rand” or “R” or “ZAR”	the currency of South Africa, being South African Rand;

“Renouncee”	a person in whose favour a Unitholder has renounced all or a portion of their rights;
“Responsible Entity” or “Investec Property Limited”	Investec Property Limited (ACN 071 514 246; AFSL 290 909) the responsible entity of the Fund;
“Rights Offer”	the renounceable rights offer by IAPF to raise approximately ZAR 690 000 000 which equates to AUD 60 000 000 when converted at the Exchange Rate, through the issue of 59 566 747 Rights Offer Units at a Rights Offer Price of R11.58 per Rights Offer Unit, in the ratio of 23.54653 Rights Offer Units for every 100 Units held on the Initial Record Date;
“Rights Offer Price”	the cum distribution price at which the Rights Offer Units will be offered to Unitholders in terms of the Rights Offer, being R11.58 per Rights Offer Unit;
“Rights Offer Units”	59 566 747 new Units, which are to be offered to Unitholders pursuant to the Rights Offer;
“Securities Transfer Tax”	Securities Transfer Tax in terms of the Securities Transfer Tax Act, 2007 (Act No. 25 of 2007);
“SENS”	Stock Exchange News Service;
“South Africa”	the Republic of South Africa;
“Sponsor”	Investec Corporate Finance, a division of Investec Bank Limited;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in accordance with the laws of South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system on the JSE;
“Sub Trust”	Investec Australia Sub Trust No. 1, Investec Australia Sub Trust No. 2, Investec Australia Sub Trust No. 3, Investec Australia Sub Trust No. 4, Investec Australia Sub Trust No. 5, Investec Australia Sub Trust No. 6, Investec Australia Sub Trust No. 7, Investec Australia Sub Trust No. 8, Investec Australia Sub Trust No. 9, Investec Australia Sub Trust No. 10, Investec Australia Sub Trust No. 11, Investec Australia Sub Trust No. 12, Investec Australia Sub Trust No. 13, Investec Australia Sub Trust No. 14 and any other subsidiary trust of Hold Trust established to hold assets of the Fund;
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07) with its address at Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107);
“Underwriter”	Investec Property Fund;
“Underwriting Agreement”	<p>the Commitment and Underwriting Agreement entered into between the Responsible Entity and the:</p> <ul style="list-style-type: none"> • Committed Unitholders, in terms of which the Committed Unitholders have irrevocably committed to take up their <i>pro rata</i> entitlement in terms of the Rights Offer such that their aggregate commitments do not exceed ZAR 196 546 426 (see paragraph 2.8); and • Underwriter, in terms of which the Underwriter has agreed to underwrite a portion of the Rights Offer up to a maximum value of ZAR 232 504 529. <p>The aggregate maximum commitments received under the above arrangements shall not exceed ZAR 429 050 955;</p>
“Underwriting Fee”	the amount payable by the Fund to the Underwriter for providing the underwriting commitment, being 1.0% of the amount underwritten by the Underwriter (excluding the take up of their <i>pro rata</i> entitlement);
“Unit(s)”	participatory interests in Investec Australia Property Fund;
“United States Persons”	has the meaning given in Rule 902 of Regulation S under the United States Securities Act of 1933, as amended; and
“Unitholder(s)”	the holder(s) of Units.

Out of the Ordinary®



Australia Property Fund

INVESTEC AUSTRALIA PROPERTY FUND

Registered in terms of the CIS Act

Registered in terms of ASIC (ARSN 162 067 736)

("IAPF" or "the Fund")

Share code: IAP ISIN: AU60INL00018

Letters of Allocation share code: IAPN ISIN: ZAE000212908

Responsible Entity and Issuer: Investec Property Limited (ACN 071 514 246 AFSL 290 909)

Directors of the Responsible Entity

Richard Longes[#] (*Non-executive chairman*)

Stephen Koseff^Δ

Graeme Katz (*Chief executive officer*)

Samuel Leon^Δ

Sally Herman[#]

Hugh Martin[#]

^Δ *Non-executive*

[#] *Independent non-executive*

CIRCULAR TO UNITHOLDERS

1. INTRODUCTION

It was announced on SENS on 23 December 2015 that the Fund intends to raise approximately ZAR 690 000 000, which equates to AUD 60 000 000 when converted at the Exchange Rate, in order to reduce gearing by way of a partially underwritten renounceable Rights Offer.

In terms of the Rights Offer, new Units will be offered for subscription to Unitholders recorded in the register on the Initial Record Date, on the basis of 23.54653 new Units for every 100 Units held by such Unitholder, at the Rights Offer Price.

Unitholders are invited to apply for excess applications and should these be available, they will be allocated in the first instance to the Underwriter, subject to its maximum commitment as set out in paragraph 3 of this Circular, and thereafter to applicants in an equitable manner by the Directors in accordance with the provisions of paragraph 5.33 of the Listings Requirements.

Unitholders holding directly and indirectly 72 059 783 Units, comprising approximately 28.5% of the Units in issue have provided irrevocable commitments to take up their rights.

In addition to the irrevocable commitments referred to above, the Rights Offer is also partially underwritten by Investec Property Fund up to a value of ZAR 232 504 529. The aggregate of the irrevocable commitments to take up rights and the underwritten portion of the Rights Offer is ZAR 429 050 955 which equates to approximately 62.2% of the Rights Offer Units.

The purpose of this Circular is to advise Unitholders of the terms and conditions of the Rights Offer and provide Unitholders with instructions on participating in the Rights Offer.

2. PARTICULARS OF THE RIGHTS OFFER

2.1 Rationale for the Rights Offer

As advised in the SENS announcement released on 23 December 2015, the Fund indicated that it would be seeking to reduce gearing by way of a renounceable Rights Offer to existing Unitholders. Assuming the Rights Offer is fully subscribed, the Fund will be geared to 31% post the Rights Offer. This will also provide the Fund with some capacity to acquire additional properties to achieve the Fund's target gearing level of between 35% and 40%. This will allow the Fund to further lock in the current favourable yield spread of approximately 400 basis points due to the favourable Australian interest rate environment.

2.2 Terms of the Rights Offer

The Fund is seeking to raise approximately ZAR 690 000 000, which equates to AUD 60 000 000 when converted at the Exchange Rate, through an offer of 59 566 747 Rights Offer Units for subscription, upon the terms and conditions set out in this Circular, and insofar as Certificated Unitholders are concerned, also set out in the Form of Instruction.

In terms of the Rights Offer:

- Unitholders will be offered 23.54653 Rights Offer Units for every 100 Units held by them on the Initial Record Date; and
- the Rights Offer Price will be R11.58 per Rights Offer Unit.

2.3 Rights Offer Price

The Rights Offer Price of R11.58 per Rights Offer Unit includes the accrued distribution for the period from 1 October 2015 to 21 February 2016, being the date prior to which the new Rights Offer Units will be issued. This accrued distribution will be distributed to Unitholders when the Fund makes its final distribution during June 2016. This is to ensure that the Rights Offer does not dilute the Fund's distribution to existing Unitholders for the period in question.

The Rights Offer Price of R11.58 per Rights Offer Unit represents a:

- 7.4% discount to the 30-day volume-weighted average price of Units listed on the JSE as at the close of business on Thursday, 14 January 2016, being the Last Practicable Date prior to finalisation of this Circular; and
- 12.6% discount to the closing price of Units on the JSE on Thursday, 14 January 2016.

2.4 Entitlement

Unitholders will receive the right to subscribe for 23.54653 Rights Offer Units for every 100 Units held on the Initial Record Date (being Friday, 5 February 2016).

Unitholders who hold less than 100 Units or who do not hold a multiple of 100 Units, will be entitled, in respect of such holdings, to participate in the Rights Offer in accordance with Annexure 2.

The allocation of Rights Offer Units will be such that Unitholders will not be allocated a fraction of a Rights Offer Unit and as such any entitlement to receive a fraction of a Rights Offer Unit which:

- is less than one-half of a Rights Offer Unit, will be rounded down to the nearest whole number; and
- is equal to or greater than one-half of a Rights Offer Unit but less than a whole Rights Offer Unit, will be rounded up to the nearest whole number.

Certificated Unitholders will have their rights credited to their accounts held with the Transfer Secretaries on their behalf. The enclosed Form of Instruction reflects the number of Rights Offer Units for which the Certificated Unitholder is entitled to subscribe. The procedure to be followed by Certificated Unitholders for the acceptance, sale or renunciation of their rights is reflected on the Form of Instruction.

Dematerialised Unitholders will have their rights to subscribe for Rights Offer Units credited in electronic form to their account held by their appointed CSDP or broker. The CSDP or broker will advise Dematerialised Unitholders of the procedure to be followed and the timing for the acceptance, sale, renunciation or lapsing of such rights.

The Letters of Allocation to which the Form of Instruction relates are negotiable and can be traded on the JSE.

2.5 Opening and closing dates of the Rights Offer

The Rights Offer will open at 09:00 on Monday, 8 February 2016 and will close at 12:00 on Friday, 19 February 2016.

2.6 Excess applications

Unitholders will have the right to apply for excess Rights Offer Units not taken up by other Unitholders in terms of their entitlements under the Rights Offer. Excess Rights Offer Units available for allocation will, in the first instance, be allocated to the Underwriter, subject to its maximum commitment as set out in paragraph 3 of this Circular and thereafter to those Unitholders who have applied for excess Rights Offer Units in an equitable manner as determined by the Responsible Entity in accordance with the provision of paragraph 5.33 of the Listings Requirements.

Certificated Unitholders who wish to apply for Rights Offer Units in addition to those allocated to them in terms of the Rights Offer, may do so by indicating the number of additional Rights Offer Units that they wish to subscribe for in Blocks (7) and (8) on the Form of Instruction and by enclosing payment, in accordance with paragraph 4.1.3 of this Circular, for such additional Rights Offer Units with their subscription.

Dematerialised Unitholders who wish to apply for Rights Offer Units in addition to those allocated to them in terms of the Rights Offer, should advise their CSDP or broker in terms of the agreement entered into between them and their CSDP or broker, as to the number of additional Rights Offer Units for which they wish to apply and ensure that they have sufficient funds in their account. Payment will be on a delivery-versus-payment basis.

The right to apply for additional Rights Offer Units is automatically transferred by, and to the extent of, any renunciation.

Non-equitable allocations of excess applications will only be allowed in instances where they are used to round holdings up to the nearest multiple of 100 Units.

An announcement will be published on SENS on Monday, 22 February 2016 stating the results of the Rights Offer and the allocation of any excess applications.

Cheques refunding monies in respect of unsuccessful applications for additional Rights Offer Units by Certificated Unitholders will be posted to the relevant applicants, at their risk, on or about Wednesday, 24 February 2016. No interest will be paid on monies received in respect of unsuccessful applications.

2.7 Minimum subscription

The Rights Offer is partially underwritten up to a value of ZAR 232 504 529 and is not conditional on a minimum subscription.

2.8 Irrevocable Commitments to follow rights

Unitholders holding directly and indirectly 72 059 783 Units, comprising approximately 28.5% of the Units in issue at the Last Practicable Date, have provided Irrevocable Commitments to take up their rights in respect of the Rights Offer.

A summary of the Irrevocable Commitments provided by the Committed Unitholders is provided in the table below:

Unitholder	Current unitholding		Commitment
	Existing Units held	Interest	
Investec Property Fund	30 245 300	12.0%	82 495 471
Investec Bank Limited	41 814 483	16.5%	114 050 955
Total commitments received	72 059 783	28.5%	196 546 426

In terms of the Irrevocable Commitments, the Committed Unitholders are entitled to the Commitment Fee equal to 0.5% of the subscription amount payable in order to take up their *pro rata* entitlement in terms of the Rights Offer. Such Commitment Fee is, in the opinion of the Board, a competitive market rate and is only payable upon compliance by the Committed Unitholders with their obligations in terms of the Irrevocable Commitments.

3. UNDERWRITING

In terms of the Underwriting Agreement, the Underwriter has agreed to underwrite a portion of the Rights Offer up to a value of ZAR 232 504 529.

Excess Rights Offer Units available for allocation will, in the first instance, be allocated to the Underwriter and thereafter to those Unitholders who have made application for excess Rights Offer Units.

The terms of the Underwriting Agreement were agreed in early December 2015 during a period of significant volatility in South African markets. This enabled the Responsible Entity to maintain its yield enhancing acquisitive strategy with the comfort that the Rights Offer would be partially underwritten and the Fund's gearing will return to the target range post the Rights Offer.

In terms of the Underwriting Agreement, the Underwriting Fee equal to 1% of the amount underwritten by the Underwriter (excluding the take up of its *pro rata* entitlement), is payable by the Fund to the Underwriter, which Underwriting Fee is, in the opinion of the Board, a competitive market rate. In terms of the Underwriting Agreement, such Underwriting Fee is only payable upon compliance by the Underwriter with its obligations in terms of the Underwriting Agreement.

Other than the underwriting and commitment fees outlined above, no other commissions or fees were paid within the past three years in respect of underwriting.

The Underwriter has satisfied the Board that it is able to fulfil its commitments in terms of the Underwriting Agreement.

The cumulative effect of the above contractual arrangements i.e. both the Irrevocable Commitments in paragraph 2.8 and the Underwriting commitment is that 62.2% of the Rights Offer will be taken up.

Further particulars of the Underwriter is set out in Annexure 3 to this Circular.

4. **PROCEDURES FOR ACCEPTANCE, PAYMENT, RENUNCIATION AND SALE OF RIGHTS**

4.1 **Certificated Unitholders**

4.1.1 **Acceptance**

If you are a Certificated Unitholder and/or have had rights renounced in your favour, and wish to subscribe for all or part of your Rights Offer entitlement in terms of the enclosed Form of Instruction, you are requested to complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it, together with payment of the aggregate subscription price, with the Transfer Secretaries, so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 19 February 2016.

Once received by the Transfer Secretaries, the acceptance is irrevocable and may not be withdrawn. If payment is not received on or before 12:00 on Friday, 19 February 2016, the Unitholder or Renouncee concerned will be deemed to have declined the offer to acquire Rights Offer Units pursuant to the Rights Offer.

The Form of Instruction to take up the rights in question will be regarded as complete only when proof of EFT payment or banker's draft (in the case of foreign Unitholders) has been cleared for payment. Such payment will constitute an irrevocable acceptance of the Rights Offer upon the terms and conditions set out in this Circular and in the Form of Instruction once the cheque or banker's draft has been cleared. The Transfer Secretaries should be contacted on +27 11 370 5000 during business hours from 08:00 to 16:30 in order to obtain the necessary banking details.

If any Form of Instruction is not received as set out above, the Rights Offer will be deemed to have been declined and the right to subscribe for the Rights Offer Units in terms of the Form of Instruction will lapse regardless of who holds it.

4.1.2 **Renunciation or sale of rights**

IAPF has issued all Letters of Allocation in dematerialised form and the electronic record for Certificated Units is being maintained by the Transfer Secretaries. This has made it possible for Certificated Unitholders to enjoy the same rights and opportunities as Dematerialised Unitholders.

Certificated Unitholders not wishing to subscribe for all or some of the Rights Offer Units allocated to them as reflected in the Form of Instruction, may sell or renounce all or some of their rights or allow them to lapse.

Certificated Unitholders who wish to sell all or some of the Rights Offer Units allocated to them as reflected in the Form of Instruction, must complete the relevant section of the Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein, to be received by no later than 12:00 on Friday, 12 February 2016.

The Transfer Secretaries will endeavour to procure the sale of the rights on the JSE on behalf of such Certificated Unitholders and will remit the proceeds in accordance with the payment instructions reflected in the Form of Instruction, net of brokerage charges and associated expenses. Neither the Transfer Secretaries nor the Fund nor any broker appointed by it will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such

sales, the price obtained or any failure to sell such rights. References in this paragraph to Certificated Unitholders include references to the person or persons executing the Form of Instruction and any person or persons on whose behalf such person or persons executing the Form of Instruction is/are acting. In the event of more than one person executing the Form of Instruction, the provisions of this paragraph shall apply to them, jointly and severally.

Certificated Unitholders who do not wish to sell all or some of the rights to the Rights Offer Units allocated to them as reflected in the Form of Instruction, and who do not wish to subscribe for Rights Offer Units offered in terms of the Form of Instruction, but who wish to renounce their rights, must complete the relevant section of the Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein to be received by no later than 12:00 on Friday, 19 February 2016.

Certificated Unitholders who wish to subscribe for only a portion of the Rights Offer Units allocated to them must indicate the number of Rights Offer Units for which they wish to subscribe on the Form of Instruction.

If by 12:00 on Friday, 19 February 2016, Certificated Unitholders do nothing in response to this Rights Offer, their rights will lapse.

4.1.3 **Payment terms**

A duly completed Form of Instruction, together with proof of EFT payment, must be lodged by Certificated Unitholders and/or their renounees by no later than 12:00 on Friday, 19 February 2016 in accordance with the instructions contained in the Form of Instruction and clearly marked "**IAPF Rights Offer**":

by hand to:

Computershare Investor Services Proprietary Limited
Ground Floor
70 Marshall Street
Johannesburg
2001

or sent by post, at the risk of the Unitholder concerned to:

Computershare Investor Services Proprietary Limited
PO Box 61763
Marshalltown
2107

Forms of Instruction which are not posted must be faxed to +27 11 688 5210 or emailed to corporate.events@computershare.co.za. The Transfer Secretaries will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of faxed or emailed election forms or owing to Forms of Instruction being forwarded to any other facsimile or email address other than those provided above. Forms of Instruction shall be deemed to be received on the date reflected in the Transfer Secretaries' electronic or facsimile systems. Notwithstanding anything to the contrary, it is the Unitholder's responsibility to ensure that their Form of Instruction is received by the Transfer Secretaries.

The Transfer Secretaries should be contacted on +27 11 370 5000 during business hours from 08:00 to 16:30 in order to obtain the necessary banking details for the purposes of making EFT payments.

The above is in respect of the subscription for Rights Offer Units only.

All bankers' drafts received (in the case of foreign Unitholders) by the Transfer Secretaries will be deposited immediately for payment. In the event that any banker's draft (in the case of foreign Unitholders) is dishonoured, IAPF, in its sole discretion, may treat the relevant acceptance as void or may tender delivery of the relevant Rights Offer Units to which it relates against payment in cash of the aggregate subscription price for such Rights Offer Units. Money received in respect of an application which is rejected or otherwise treated as void by IAPF, or which is otherwise not validly received in accordance with the terms stipulated in this paragraph, will be refunded (without interest) by way of an EFT in Rand to the applicant concerned on or about Wednesday, 24 February 2016. If IAPF is not able to effect the refund by EFT for any reason whatsoever, then the relevant refund will be held by IAPF until collected by the applicant. No interest in respect of such refund will be paid by IAPF.

4.1.4 **Unit certificates**

Certificates in respect of Rights Offer Units will be distributed by registered post by the Transfer Secretaries, at the risk of the Certificated Unitholders concerned, on or about Monday, 22 February 2016. As IAPF uses the certified transfer deeds and other temporary Documents of Title procedure approved by the JSE, only "block" certificates will be issued in respect of Rights Offer Units.

4.1.5 **Transaction costs**

Certificated Unitholders and own name unitholders wishing to sell all or some of their rights will be liable to pay a cost of R154.48 (all inclusive of VAT) for trades of less than or equal to R40 000 and R154.48 (all inclusive of VAT) plus 0.35% of the value of trades for amounts equal to or greater than R40 000.

4.2 **Dematerialised Unitholders**

4.2.1 **Acceptance, renunciation or sale of rights**

The CSDP or broker appointed by Dematerialised Unitholders is obliged to contact such Unitholders to ascertain:

- whether such Dematerialised Unitholders wish to follow their rights in terms of the Rights Offer or renounce their rights and in respect of how many Rights Offer Units; or
- whether such Dematerialised Unitholders wish to apply for excess Rights Offer Units and if so, how many excess Rights Offer Units they wish to apply for;
- if such Dematerialised Unitholders do not wish to follow all or any of their rights, whether they wish to sell their rights and how many of their rights they wish to sell.

If you are not contacted by your CSDP or broker, you should contact your CSDP or broker and furnish them with your instruction. Should a CSDP or broker not obtain instructions from a Dematerialised Unitholder, they are obliged to act in terms of the mandate granted to them by such Dematerialised Unitholder, or if the mandate is silent in this regard, they are obliged not to accept the rights on behalf of such Unitholder.

4.2.2 **Payment**

Your CSDP or broker will effect payment directly on your behalf, in Rand, on Monday, 22 February 2016 on a delivery-versus-payment basis.

4.2.3 **Rights Offer Units**

Dematerialised Unitholders will have their accounts credited with the Rights Offer Units subscribed for in terms of the Rights Offer, on Monday, 22 February 2016.

5. **STATEMENT AS TO LISTING ON STOCK EXCHANGE**

5.1 **JSE**

The JSE has granted separate listings for:

- the Letters of Allocation in respect of the Rights Offer Units from the commencement of trading on the JSE on Monday, 1 February 2016 to Friday, 12 February 2016 (both days inclusive); and
- the Rights Offer Units, being the maximum number of new Units that may be issued pursuant to the Rights Offer, from the commencement of trading on the JSE on Monday, 15 February 2016.

5.2 **Other Listings**

The Fund has a secondary listing on the Bermuda Stock Exchange under the Chapter 6 Section IV, Collective Investment Vehicles, Unit Trust sector of the Listing Regulations of the exchange with ISIN AU60INL00018. No Units are currently listed on the Bermuda Stock Exchange.

6. **EXCHANGE CONTROL REGULATIONS**

The following summary is intended only as a guide and is therefore not a comprehensive statement of the Exchange Control Regulations. If Unitholders are in any doubt as to the appropriate course of action to take, they are advised to consult their professional advisors.

The Rights Offer Units will not be freely transferable from South Africa and will have to be dealt with in terms of the Exchange Control Regulations.

6.1 **Non-residents outside the Common Monetary Area**

It is the responsibility of any person outside the Common Monetary Area (including, without limitation, nominees, agents and trustees for such persons) receiving this Circular and wishing to take up Rights Offer Units under the Rights Offer, to satisfy themselves as to full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

Unitholders holding Units on behalf of persons who are resident outside the Common Monetary Area are responsible for ensuring that taking up the Rights Offer, or trading in their entitlements under that offer, do not breach regulations in the relevant overseas jurisdictions.

6.2 **Non-residents of the Common Monetary Area**

Pursuant to the Exchange Control Regulations and upon specific approval of the South African Reserve Bank, non-residents, excluding former residents of the Common Monetary Area, will be allowed to:

- take up rights allocated to them in terms of the Rights Offer;
- purchase rights on the JSE;
- subscribe for Rights Offer Units in terms of the Rights Offer; and
- apply for excess applications,

provided payment is received in foreign currency through normal banking channels or in Rand from a non-resident account.

In respect of Unitholders taking up their rights in terms of the Rights Offer:

- a “non-resident” endorsement will be applied to Forms of Instruction issued to non-resident Certificated Unitholders; or
- a “non-resident” annotation will appear in the CSDP or broker’s register for non-resident Dematerialised Unitholders.

All applications by non-residents for the above purposes must be made through an authorised dealer in foreign exchange. Electronic statements issued in terms of Strate, and any Unit certificates issued pursuant to such applications, will be endorsed “non-resident”.

Where rights are sold on the JSE on behalf of non-residents, the proceeds of such sale are freely remittable through a South African authorised dealer in foreign exchange.

6.3 **Former residents of the Common Monetary Area (“emigrants”)**

Where rights in terms of the Rights Offer become due to an emigrant, which rights are based on Units blocked in terms of the Exchange Control Regulations, then only blocked funds may be used to:

- take up the rights allocated to them in terms of the Rights Offer;
- purchase rights on the JSE;
- subscribe for the Rights Offer Units in terms of the Rights Offer; and
- apply for excess applications.

All applications by emigrants using blocked Rand for the above purposes must be made through the authorised dealer in South Africa controlling their blocked assets. Unit certificates issued to such emigrants will be endorsed “non-resident” and placed under the control of the authorised dealer in foreign exchange through whom the payment was made.

In respect of Unitholders taking up their rights in terms of the Rights Offer:

- a “non-resident” endorsement will be applied to Forms of Instruction issued to non-resident Certificated Unitholders; or
- a “non-resident” annotation will appear in the CSDP or broker’s register for non-resident Dematerialised Unitholders.

Where rights are sold on the JSE on behalf of emigrants, which rights are based on an investment which is blocked in terms of the Exchange Control Regulations, the proceeds of such sales will be returned to the authorised dealer in foreign exchange for credit to the blocked Rand accounts of the Unitholders concerned.

Electronic statements issued in terms of Strate and any Rights Offer Unit certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the authorised dealer through whom the payment was made.

Non-resident and emigrant Dematerialised Unitholders will have all aspects relating to Exchange Control managed by their CSDP or broker.

7. **JURISDICTION**

The distribution of this Circular and/or accompanying documents and/or the transfer of the Rights Offer Units and/or the rights to subscribe for Rights Offer Units in jurisdictions other than South Africa may be restricted by law and failure to comply with any of those restrictions may constitute a violation of the laws of any such jurisdiction in which it is illegal to make such a Rights Offer. In such circumstances, this Circular and the Form of Instruction are sent for information purposes only.

8. **FOREIGN UNITHOLDERS**

8.1 **Introduction**

Foreign Unitholders may be affected by the Rights Offer, having regard to prevailing laws in their relevant jurisdictions. Such foreign Unitholders should inform themselves about and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this Circular that may affect them, including the Rights Offer. It is the responsibility of each foreign Unitholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant foreign jurisdiction in connection with the Rights Offer, including the obtaining of any governmental, exchange or other consents or the making of any filing which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction.

The Rights Offer is governed by the laws of South Africa and is subject to applicable laws and regulations, including the Exchange Control Regulations.

8.2 **Affected foreign Unitholders**

Any Unitholder who is in doubt as to his position with respect to the Rights Offer in any jurisdiction, including, without limitation, his tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay. Foreign Unitholders are reminded that they may dispose of their Units on or prior to the last day to trade, in which case they will not participate in the Rights Offer.

Foreign Unitholders accordingly must take their own advice on whether they are entitled, after the Rights Offer, to continue to beneficially hold any Units distributed to them and take the appropriate action in accordance with that advice.

8.3 **Note to U.S. Unitholders**

The Rights Offer Units will not be registered with the U.S. Securities and Exchange Commission ("**SEC**") under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Neither the SEC nor any U.S. federal or state securities commission has registered, approved or disapproved the Rights Offer Units or passed comment or opinion upon the accuracy or adequacy of this Circular. Any representation to the contrary is a criminal offence in the U.S.

Accordingly, the Rights Offer Units may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, United States Persons, except pursuant to exemptions from the Securities Act. This Circular and the accompanying documents are not being, and must not be, mailed or otherwise distributed or sent in, into or from the United States. This Circular does not constitute an offer of any securities for sale in the United States or to United States Persons.

Unitholders who are citizens or residents of the U.S. are advised that the Rights Offer Units have not been and will not be registered under the U.S. Securities Exchange Act of 1934, as amended.

8.4 **Sale of rights**

If a premium can be obtained over the expenses of the sale, the rights of Unitholders in the jurisdictions in which it is illegal to make an offer will be sold by the Transfer Secretaries on the JSE for the benefit of such Unitholders, in accordance with this section. Any premium over the expenses of the sale of the rights of Unitholders in these jurisdictions (including applicable taxes, brokerage fees and commissions) shall be remitted to such Unitholders.

None of IAPF, the Responsible Entity, the Transfer Secretaries or any broker appointed by them will have any obligation or be responsible for any loss or damage whatsoever in relation to, or arising out of, the timing of such sales or the remittance of the net proceeds of such sales.

9. **TAX CONSEQUENCES OF THE RIGHTS OFFER**

Securities Transfer Tax will not be levied on the Rights Offer Units issued in terms of the Rights Offer.

Unitholders are advised to consult their professional advisors regarding the tax consequences of the Rights Offer.

10. **INFORMATION RELATING TO THE FUND**

10.1 **Nature of business**

IAPF was established as an Australian-domiciled real estate investment trust on 12 December 2012 and registered as a Managed Investment Scheme in Australia on 6 February 2013. On 23 August 2013 the Registrar of Collective Investment Schemes authorised the Fund to solicit Investments in the Fund from members of the public in South Africa in terms of Section 65 of the CIS Act. IAPF listed on the JSE on 23 October 2013 under the "Real Estate Holdings and Development" sector of the JSE under share code "IAP" and ISIN AU60INL00018.

The Fund is regulated by ASIC in Australia whose role includes ensuring that all Managed Investment Schemes comply with the Corporations Act and the Corporations Regulations 2001 (Cth) of Australia so that investors have access to the benefits, rights and protections afforded by the Corporations Act.

The Responsible Entity of the Fund is Investec Property Limited. The Responsible Entity has the primary responsibility for the governance and operation of the Fund. Certain asset and property management functions have been outsourced to the Manager pursuant to the Management Agreement.

10.2 **Prospects**

The objective of the Fund is to grow its asset base by investing in well-priced income-producing properties in the office, industrial and retail sectors to optimise capital and income returns over time for Unitholders.

The Fund has executed its investment strategy with this objective in mind, which has proved successful to date. The Responsible Entity has and will continue to focus on the Fund's core philosophy of hands-on active management of physical property, in conjunction with efficient management of its balance sheet to enhance Unitholder value, yield and the quality of the portfolio. The Fund's portfolio has grown by 254% since listing and 156% since the rights offer in October 2014.

The Fund's property portfolio consists of well-located properties with low vacancies and income underpinned by strong tenant covenants, a weighted average lease expiry of 6.2 years and embedded contractual escalations of 3.1% on average.

The strength of the portfolio and the current low interest rate environment mean that the Responsible Entity remains confident that properties can continue to be acquired at attractive yields to build strength and security through diversification of the portfolio.

11. INFORMATION ON UNIT CAPITAL

Provided below is the information relating to the issued Unit capital of the Fund.

The issued Unit capital of the Fund before and after the Rights Offer is set out below:

	Fund capital AUD'000
Before the Rights Offer	
Issued Unit capital of IAPF 252 974 629 Units of no par value	253 652
After the Rights Offer	
Issued Unit capital of IAPF 312 541 376 Units of no par value	310 832

Notes:

- Assumes that all of the Rights Offer Units will be subscribed for i.e. a further 59 566 747 Units will be issued at a Rights Offer Price of R11.58 per Rights Offer Unit in terms of the Rights Offer, resulting in an aggregate 312 541 376 Units in issue.
- As at the Last Practicable Date, the Fund does not have any treasury Units in issue.

12. TRADING HISTORY

The price and volume history of Units:

- for each month over the 12 months prior to the date of this Circular; and
- for each day over the 30 days preceding the Last Practical Date;

are set out in Annexure 1 to this Circular.

13. INFORMATION RELATING TO DIRECTORS

13.1 Details of Directors

There will be no variation in the Directors' details (i.e. business address and function) as a consequence of the Rights Offer.

Details of the Directors' names, business addresses and functions are detailed in the IAPF annual report for the year ended 31 March 2015.

Details of the Manager and directors thereof are also included in the IAPF annual report for the year ended 31 March 2015.

13.2 Directors' interests

A statement showing the direct and indirect beneficial interests of the Directors (and their associates), including a Director who has ceased to hold office during the last 18 months, in the Unit capital of the Fund is set out below:

Directors of the Responsible Entity	Number of Units held as at the Last Practicable Date¹	%
Executive directors		
Graeme Katz	201 628	0.1%
Non-executive directors		
Sam Leon	2 913 244	1.2%
Total	3 107 461	1.3%

¹All interests are directly held

There are no associates of Directors with a direct or indirect beneficial interest in the Unit capital of the Fund.

Subsequent to 31 March 2015, Graeme Katz elected to reinvest the interim cash distribution for the six months ended 30 September 2015 in respect of all his unitholding, in return for units. Save for this, there has been no change in the Directors' interests disclosed above between the end of the preceding Financial Year and the date of this Circular.

Other than the interests of Directors or officers of the Manager disclosed in this Circular through their unitholding in the Fund, or employment or directorships within the Investec Group, no Director or officer of the Manager, including any Director who has resigned during the last 18 months, currently has or has had any material beneficial interest, whether direct or indirect, in any transaction that was affected by the Fund during the current or immediately preceding Financial Year, or during an earlier Financial Year which remains in any respect outstanding or unperformed.

Graeme Katz, Zach McHerron and Kristie Lenton are employees of Investec Australia Limited. Save for their employment in this capacity, and unless disclosed elsewhere in this Circular, no officer of the Manager currently has or has had any material beneficial interest, either direct or indirect, in the promotion of the Fund and in any property acquired or proposed to be acquired by the Fund, including but not limited to, where any of those persons is, or has contracted to become a tenant of any part of that property.

13.3 Remuneration of Directors

There will be no variation in the remuneration payable to Directors as a consequence of the Rights Offer.

14. CATEGORY 2 TRANSACTIONS

Category 2 announcements not previously notified to Unitholders by way of a circular are listed in Annexure 4 to the Circular. Unitholders are referred to the SENS announcements released on the dates indicated for further details on these acquisitions.

15. CONFLICTS OF INTEREST

In terms of Section IV of the Appendix to Schedule 16 of the Listings Requirements relating to conflicts of interest, the Sponsor is required to make full disclosure of all matters that might reasonably be expected to impair their independence and objectivity in their professional dealings with the Fund, the Responsible Entity and in relation to the corporate action.

The corporate finance division of Investec Bank Limited, as Sponsor to the Fund, have confirmed to the Fund, the Responsible Entity and to the JSE that there are no conflicts of interest that might impair their independence in relation to the Rights Offer. The following policies and procedures are in place to ensure conflicts of interest do not arise between IAPF and the Sponsor:

- IAPF is managed by its responsible entity, Investec Property Limited, located in Australia and is therefore physically separated from the operations of Investec Bank Limited in South Africa;
- any agreements or proposals entered into in respect of IAPF are approved by their independent, non-executive and non-associated Directors. All other Directors (i.e. those that may be employees of Investec Bank Limited) declare an interest in these arrangements and abstained from voting on them, thus are not influenced by Investec Bank Limited or the Sponsor;
- the Responsible Entity, in accordance with the Corporations Act, must manage conflicts of interest and is subject to restrictions in respect of related party transactions. The Responsible Entity has related party protocols to assist its adherence with the law. The related party arrangements and any conflicts of interest that may arise in the future have been and will be managed appropriately in accordance with the Responsible Entity's related party protocol and in compliance with the Corporations Act and Listings Requirements; and
- all investment decisions made by entities and divisions within Investec Bank Limited in respect of the Rights Offer are made independently and within the Investec Group compliance policy. Decisions in terms of corporate actions in relation to the IAPF units held by Investec Bank Limited are made by the Group's Investment Committee, the members of which are differentiated from the members of the Sponsor team.

16. LITIGATION STATEMENT

The Fund is not involved in any material legal or arbitration proceedings or legal actions, nor are the Directors aware of any proceedings that are pending or threatened, that may have, or have had in the twelve-month period preceding the Last Practicable Date, a material effect on the Fund's financial position.

17. EXPENSES

The expenses relating to the Rights Offer are estimated at approximately ZAR 9.6 million and will be paid from the proceeds of the Rights Offer. A summary of the expenses are detailed below.

Details	Payable to	ZAR ('000)
Commitment fee	Investec Bank Limited	570.3
Underwriting and commitment fees	Investec Property Fund	2 737.5
Capital raising fee ¹	Investec Bank Limited	4 934.5
Corporate advisory and documentation fee	Investec Bank Limited	750.0
Legal fees (Australia)	Herbert Smith Freehills	172.5
Legal fees (South Africa)	Fluxmans Inc.	90.0
JSE documentation fees	JSE	24.3
JSE listing fees	JSE	171.3
Transfer secretaries	Computershare	79.4
Printing and publication expenses	Ince	50.0
TOTAL		9 579.8

¹Equates to 1% of capital raised, excluding capital raised from Investec Bank Limited and Investec Property Fund. The Corporate Advisor is entitled to a reduced fee of 0.65% of any capital raised from Investec Property Fund in excess of their *pro rata* entitlement (i.e. under their underwriting commitment), however the table above assumes the Rights Offer is fully subscribed and no Units are acquired under an underwriting arrangement

The Fund has not incurred any other expenses in respect of the Rights Offer in the three-year period preceding the date of this Circular.

18. EXPERTS' CONSENTS

The Corporate Advisor and Sponsor, Legal Advisors and Transfer Secretaries have provided their written consents to act in the capacity stated and to their names being used in this Circular and none of them have withdrawn their consents prior to the posting of this Circular.

19. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given in the Corporate Information on the inside front cover, collectively and individually, accept full responsibility for the accuracy of the information given and certify, to the best of their knowledge and belief that there are no facts that have been omitted that would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

20. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the local representative office of the Fund during normal business hours from Monday, 1 February 2016, up to and including Friday, 19 February 2016:

- 20.1 the Constitution;
- 20.2 the Underwriting Agreement;
- 20.3 letters of appointment of Directors;
- 20.4 the audited annual financial statements of the Fund for the periods ended 31 March 2014 and 31 March 2015;
- 20.5 the SENS announcements listed in Annexure 4, which have been incorporated into this Circular by reference;
- 20.6 the written consents of the Corporate Advisor and Sponsor, Legal Advisors and Transfer Secretaries to the inclusion of their names in this Circular in the context and form in which they appear; and
- 20.7 a copy of this Circular, signed by or on behalf of the Directors and the Form of Instruction.

21. **DISCLAIMER**

Herbert Smith Freehills and Fluxmans Inc. have not made any statement in this Circular and expressly disclaim and take no responsibility for any statements in or omissions from this Circular, to the maximum extent permitted by law.

SIGNED BY AND ON BEHALF OF THE DIRECTORS OF INVESTEC PROPERTY LIMITED AS THE RESPONSIBLE ENTITY OF INVESTEC AUSTRALIA PROPERTY FUND

GRAEME KATZ

Duly authorised
Sydney

1 February 2016

TRADING HISTORY ON THE JSE

Period	High	Low	Close	Volume	Value
Monthly	(cents)	(cents)	(cents)		(R)
2015					
January	1 229	1 140	1 175	4 305 783	50 724 044
February	1 175	1 085	1 110	3 260 497	36 739 232
March	1 129	1 076	1 099	5 236 415	57 426 424
April	1 180	1 096	1 173	3 779 144	42 873 365
May	1 289	1 150	1 241	3 875 621	46 159 451
June	1 275	1 115	1 156	3 225 420	37 939 267
July	1 220	1 150	1 166	2 689 754	31 443 902
August	1 200	1 135	1 168	1 910 068	22 225 902
September	1 225	1 140	1 159	2 036 414	23 565 241
October	1 200	1 150	1 175	1 914 698	22 420 759
November	1 250	1 150	1 200	4 788 771	56 350 352
December	1 329	1 126	1 325	2 067 185	25 057 790
Daily					
2015					
01 December	1 253	1 191	1 220	97 119	1 201 680
02 December	1 205	1 200	1 205	44 393	533 936
03 December	1 205	1 170	1 200	25 310	297 279
04 December	1 200	1 190	1 190	88 212	1 054 014
07 December	1 174	1 160	1 160	51 367	597 769
08 December	1 155	1 126	1 140	239 286	2 740 341
09 December	1 144	1 140	1 144	252 056	2 873 984
10 December	1 200	1 150	1 200	367 949	4 305 994
11 December	1 220	1 200	1 220	138 271	1 668 283
14 December	1 215	1 170	1 200	78 582	931 121
15 December	1 297	1 200	1 206	20 032	240 585
17 December	1 225	1 225	1 225	7 876	96 481
18 December	1 315	1 250	1 281	45 806	591 520
21 December	1 315	1 281	1 310	391 816	5 073 074
22 December	1 329	1 260	1 329	27 020	355 137
23 December	1 305	1 275	1 300	93 832	1 217 062
24 December	1 300	1 299	1 300	13 787	179 212
28 December	1 300	1 299	1 300	55 958	727 249
29 December	1 260	1 260	1 260	1	13
30 December	1 300	1 300	1 300	3 512	45 656
31 December	1 325	1 300	1 325	25 000	327 400
04 January	1 300	1 259	1 290	1 515 215	19 571 920
05 January	1 329	1 299	1 300	15 063	195 835
06 January	1 300	1 272	1 299	10 198	132 517
07 January	1 290	1 255	1 270	21 379	270 359
08 January	1 270	1 260	1 265	80 895	1 026 784
11 January	1 300	1 236	1 300	126 575	1 641 214
12 January	1 300	1 270	1 300	83 449	1 084 577
13 January	1 311	1 300	1 308	41 291	537 572
14 January	1 325	1 325	1 325	9 000	119 250

TABLE OF ENTITLEMENT

No fractions of Rights Offer Units will be issued to Unitholders and the Rights Offer Units will be issued based on the rounding principle (up or down, as the case may be). The table of entitlement of Unitholders to receive Rights Offer Units is set out below.

Number of existing Units	Number of Rights Offer Units to which a Unitholder is entitled	Rounded number of Rights Offer Units to which a Unitholder is entitled	Number of existing Units	Number of Rights Offer Units to which a Unitholder is entitled	Rounded number of Rights Offer Units to which a Unitholder is entitled
1	0.235	–	53	12.480	12
2	0.471	–	54	12.715	13
3	0.706	1	55	12.951	13
4	0.942	1	56	13.186	13
5	1.177	1	57	13.422	13
6	1.413	1	58	13.657	14
7	1.648	2	59	13.892	14
8	1.884	2	60	14.128	14
9	2.119	2	61	14.363	14
10	2.355	2	62	14.599	15
11	2.590	3	63	14.834	15
12	2.826	3	64	15.070	15
13	3.061	3	65	15.305	15
14	3.297	3	66	15.541	16
15	3.532	4	67	15.776	16
16	3.767	4	68	16.012	16
17	4.003	4	69	16.247	16
18	4.238	4	70	16.483	16
19	4.474	4	71	16.718	17
20	4.709	5	72	16.954	17
21	4.945	5	73	17.189	17
22	5.180	5	74	17.424	17
23	5.416	5	75	17.660	18
24	5.651	6	76	17.895	18
25	5.887	6	77	18.131	18
26	6.122	6	78	18.366	18
27	6.358	6	79	18.602	19
28	6.593	7	80	18.837	19
29	6.828	7	81	19.073	19
30	7.064	7	82	19.308	19
31	7.299	7	83	19.544	20
32	7.535	8	84	19.779	20
33	7.770	8	85	20.015	20
34	8.006	8	86	20.250	20
35	8.241	8	87	20.485	20
36	8.477	8	88	20.721	21
37	8.712	9	89	20.956	21
38	8.948	9	90	21.192	21
39	9.183	9	91	21.427	21
40	9.419	9	92	21.663	22
41	9.654	10	93	21.898	22
42	9.890	10	94	22.134	22

Number of existing Units	Number of Rights Offer Units to which a Unitholder is entitled	Rounded number of Rights Offer Units to which a Unitholder is entitled	Number of existing Units	Number of Rights Offer Units to which a Unitholder is entitled	Rounded number of Rights Offer Units to which a Unitholder is entitled
43	10.125	10	95	22.369	22
44	10.360	10	96	22.605	23
45	10.596	11	97	22.840	23
46	10.831	11	98	23.076	23
47	11.067	11	99	23.311	23
48	11.302	11	100	23.547	24
49	11.538	12	1 000	235.465	235
50	11.773	12	10 000	2 354.653	2 355
51	12.009	12	100 000	23 546.530	23 547
52	12.244	12			

INFORMATION ON THE UNDERWRITER

The Rights Offer is partially underwritten by Investec Property Fund up to a value of ZAR 232 504 529. Details pertaining to the Underwriter as required by the Listings Requirements are set out below.

Full legal and entity name:	Investec Property Fund Limited
Directors:	Sam Hackner (Chairman) Sam R Leon (Deputy Chairman) Nick Riley (Chief Executive Officer) Andrew Wooler (Financial Director) Luigi LM Giuricich Suliman Mahomed Constance M Mashaba Moses M Ngoasheng Graham R Rosenthal Khumo L Shuenyane
Company secretary:	Investec Bank Limited – Niki van Wyk
Date and place of incorporation:	Incorporated on 7 May 2008 in the Republic of South Africa
Registration number:	2008/011366/06
Registered office:	100 Grayston Drive Sandown Sandton 2196
Auditors:	Ernst & Young Inc.
Bankers:	Investec Bank Limited
Authorised share capital:	<ul style="list-style-type: none"> • 1 000 000 000 ordinary shares with no par value
Issued share capital:	<ul style="list-style-type: none"> • 698 471 375 ordinary shares with no par value

SENS ANNOUNCEMENTS

The Fund has released the following SENS announcements in respect of Category 2 acquisitions undertaken since the previous rights offer in October 2014.

Transaction	Announcement date
Acquisition of 30 – 48 Kellar Street, Berrinba QLD 4117	16 October 2014
Acquisition of 165 Newton Road, Wetherill Park NSW 2164	4 December 2014
Acquisition of 24 Spit Island Close, Newcastle NSW 2304	4 December 2014
Acquisition of 67 Calarco Drive, Derrimut VIC 3030	24 December 2014
Acquisition of 21 – 23 Solent Circuit, Baulkham Hills NSW 2153	25 March 2015
Acquisition of 66 Glendenning Road, Glendenning NSW 2761	23 April 2015
Acquisition of 85 Radius Drive, Larapinta QLD 4110	19 August 2015
Acquisition of 54 Miguel Road, Bibra Lake WA 6163	15 October 2015
Acquisition of 266 King Street, Newcastle NSW 2300	23 December 2015

The full announcements can be accessed on the Fund's website: www.investcaustraliapropertyfund.co.za and will be available for inspection by Unitholders and prospective investors at the registered office of the Fund, at no charge, during business hours from Monday, 1 February 2016 up to and including Friday, 19 February 2016.