

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 Unitholders' objectives, financial situation or needs.

Out of the Ordinary[®]



Investec

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: AU601NL00018

Letters of Allocation share code: IAPN ISIN: ZAE000239521

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 ZAR 1 530 000 000 through the issue of 113 333 342 Rights Offer Units at a Rights Offer Price of ZAR 13.50 per Rights Offer Unit in the ratio of 34.59683 Rights Offer Units for every 100 Units held at the close of business on Friday, 10 February 2017;

and incorporating:

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

Rights Offer opens at 09:00 on Monday, 13 February 2017

Rights Offer closes at 12:00 on Friday, 24 February 2017

Corporate Advisor and Sponsor



Investec

Bank Limited

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

Legal Advisor (Australia)

**KING & WOOD
MALLESONS**

Legal Advisor (South Africa)

fluxmans

ATTORNEYS

Date of issue: 7 February 2017

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 Tuesday, 7 February 2017 and Friday, 24 February 2017, and is also available on the Fund's website: www.investecaustraliapropertyfund.co.za from Tuesday, 7 February 2017.

CORPORATE INFORMATION

Directors of the Responsible Entity

Richard Longes[#] (*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)

King & Wood Mallesons
Level 61, Governor Phillip Tower
1 Farrer Place
Sydney
New South Wales
2000

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)
Rosebank Towers
15 Biermann Avenue
Rosebank
2196
(PO Box 61051, Marshalltown, 2107)

Legal Advisors (South Africa)

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

TABLE OF CONTENTS

Page

Corporate information	Inside front cover
Important dates and times	2
Action required by Unitholders	3
Definitions and interpretations	4
Circular to Unitholders	
1. Introduction	7
2. Particulars of the Rights Offer	8
3. Underwriting	10
4. Procedures for acceptance, payment, renunciation and sale of rights	10
5. Statement as to listing on stock exchange	12
6. Exchange control regulations	13
7. Jurisdiction	14
8. Foreign Unitholders	14
9. Tax consequences of the Rights Offer	15
10. Information relating to the Fund	15
11. Information on Unit capital	16
12. Trading history	16
13. Information relating to Directors	16
14. Category 2 transactions	17
15. Conflicts of interest	17
16. Litigation statement	18
17. Expenses	18
18. Experts' consents	18
19. Directors' responsibility statement	18
20. Documents available for inspection	18
21. Disclaimer	19
Annexure 1 Trading history on the JSE	20
Annexure 2 Table of entitlement	21
Annexure 3 Information on the Underwriter	23
Annexure 4 SENS announcements	24

IMPORTANT DATES AND TIMES

2017

Declaration date announcement in respect of the Rights Offer released on SENS	Tuesday, 31 January
Finalisation date announcement in respect of the Rights Offer released on SENS	Thursday, 2 February
Last date to trade in Units for settlement by the Initial Record Date and in order to participate in the Rights Offer	Tuesday, 7 February
Listing and trading of Letters of Allocation on the JSE under JSE code: IAPN and ISIN: ZAE000239521	Wednesday, 8 February
Units commence trading on the JSE ex-Rights Offer entitlement at 09:00 on	Wednesday, 8 February
Circular, including a Form of Instruction, distributed to Certificated Unitholders	Thursday, 9 February
Record date for determination of Unitholders entitled to participate in the Rights Offer ("Initial Record Date")	Friday, 10 February
Dematerialised Unitholders will have their accounts at their CSDP or broker automatically credited with their entitlement	Monday, 13 February
Certificated Unitholders will have their entitlement credited to their accounts held with the Transfer Secretaries	Monday, 13 February
Rights Offer opens at 09:00	Monday, 13 February
Circular distributed to those Dematerialised Unitholders who have elected to receive documents in hard copy	Tuesday, 14 February
Last day to trade in Letters of Allocation on the JSE in order to settle by close of the Rights Offer	Tuesday, 21 February
Rights Offer Units listed and trading therein commences at 09:00 on the JSE	Wednesday, 22 February
Payment to be made and Form of Instruction to be lodged with the Transfer Secretaries by Certificated Unitholders by 12:00	Friday, 24 February
Rights Offer closes at 12:00	Friday, 24 February
Record date for Letters of Allocation	Friday, 24 February
Rights Offer Units issued on	Monday, 27 February
Dematerialised Unitholders' accounts updated and debited by CSDP or broker (in respect of payment for Rights Offer Units)	Monday, 27 February
Certificates distributed to Certificated Unitholders (in respect of the Rights Offer Units)	Monday, 27 February
Results of Rights Offer announced on SENS	Monday, 27 February
Refunds (if any) to Certificated Unitholders in respect of unsuccessful excess applications made	Wednesday, 1 March
Dematerialised Unitholders accounts updated and debited by their CSDP or broker (in respect of payment for successful excess applications)	Wednesday, 1 March
Certificates distributed to Certificated Unitholders (in respect of successful excess applications)	Wednesday, 1 March

- 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 Wednesday, 8 February 2017 and Friday, 10 February 2017, 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 and interpretations commencing on page 4 of this Circular apply to this section.

1. DEMATERIALISED 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. 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, 24 February 2017.

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 Tuesday, 21 February 2017 if you wish to sell, and by no later than 12:00 on Friday, 24 February 2017, 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.

Notes:

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;
"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 Tuesday, 7 February 2017, including all annexures and attachments hereto;
"CIS Act"	the Collective Investment Schemes Control Act, 2002 (Act 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;
"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"	the assumed AUD to ZAR exchange rate of AUD 1.00 = ZAR 10.1239 as at the Last Practicable Date, used for purposes of calculations in this Circular;
"Financial Markets Act"	the Financial Markets Act, No. 19 of 2012, as amended, which has replaced the Securities Services Act, 2004 (Act 36 of 2004);
"Financial Year"	the financial year of the Fund and for the time being ending 31 March;

“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, 10 February 2017;
“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 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 plc”	Investec plc (Registration number 3633621), a company incorporated in England and Wales under the Companies Act 1985 and with a primary listing on the London Stock Exchange and a secondary listing on the JSE;
“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 Commitment(s)”	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”	Tuesday, 24 January 2017, being the last practicable date prior to the finalisation of this Circular;
“Legal Advisors”	King & Wood Mallesons as Australian legal advisors, and Fluxmans Inc. (Registration number 2000/024775/21) as South African legal advisors;
“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 "ZAR"	the currency of South Africa, being South African Rand;
"Renounee"	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 ZAR 1 530 000 000 which equates to approximately AUD 151 127 530 when converted at the Exchange Rate, through the issue of 113 333 342 Rights Offer Units at a Rights Offer Price of ZAR 13.50 per Rights Offer Unit, in the ratio of 34.59683 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 ZAR 13.50 per Rights Offer Unit;
"Rights Offer Units"	113 333 342 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"	the Corporate Finance 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, Investec Australia Sub Trust No.15, Investec Australia Sub Trust No.16, Investec Australia Sub Trust No.17 and any other subsidiary trust of Hold Trust that holds assets of the Fund;
"Transfer Secretaries"	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07) with its address at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107);
"Underwriter"	Investec Property Fund;
"Underwriting Agreement"	the agreement entered into between the Responsible Entity and the Underwriter in terms of which the Underwriter has agreed to underwrite a portion of the Rights Offer up to a maximum value of ZAR 576 300 000;
"Underwriting Fee"	the amount payable by the Fund to the Underwriter for providing the underwriting commitment, being 1.25% of the amount underwritten by the Underwriter (excluding the take up of its entitlement in respect of Rights Offer Units);
"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: ZAE000239521
Responsible Entity and Issuer: Investec Property Limited (ACN 071 514 246 AFSL 290 909)

Directors of the Responsible Entity

Richard Longes[#] (*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

I. INTRODUCTION

It was announced on SENS on 16 January 2017 that the Fund has entered into unit sale agreements to acquire:

- the Lot 19 Trust, which trust owns the land and office building located at 2 Richardson Place, North Ryde, New South Wales, for a purchase consideration (including transaction costs) of AUD 89 888 000; and
- the 20-24 Rodborough Road Trust, which trust owns the land and office buildings located at 20-24 Rodborough Road, Frenchs Forest, New South Wales, for a purchase consideration (including transaction costs) of AUD 79 313 000.

This equates to an aggregate purchase consideration of AUD 169 201 000 (including transaction costs). It was further noted in the same announcement, that IAPF intends to undertake a partially underwritten renounceable rights offer to raise ZAR 1 530 000 000, which equates to approximately AUD 151 127 530 when converted at the Exchange Rate, to partially settle the purchase consideration in respect of the above acquisitions. The balance of the purchase consideration will be funded out of existing debt facilities.

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 34.59683 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 96 780 064 Units, comprising approximately 29.5% of the Units in issue have provided irrevocable commitments to take up their rights.

In addition to the Irrevocable Commitments, the Rights Offer is also partially underwritten by Investec Property Fund up to a value of ZAR 576 300 000. The aggregate of the Irrevocable Commitments and the underwritten portion of the Rights Offer is ZAR 1 028 318 260 which equates to approximately 67.2% 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 16 January 2017, the Fund indicated that it would be undertaking the Rights Offer to fund recently announced acquisitions. The effect of the Rights Offer will also be to reduce the Fund's gearing. IAPF's gearing is currently 39% and the Fund has previously indicated that its target gearing range is between 35% and 40%. Assuming the Rights Offer is fully subscribed, the Fund will be geared to 33% post the Rights Offer. This will provide the Fund with added capacity to debt-fund pipeline acquisitions going forward and take advantage of the low interest rate environment in Australia.

2.2 Terms of the Rights Offer

The Fund is seeking to raise ZAR 1 530 000 000, which equates to approximately AUD 151 127 530 when converted at the Exchange Rate, through an offer of 113 333 342 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 34.59683 Rights Offer Units for every 100 Units held by them on the Initial Record Date; and
- the Rights Offer Price will be ZAR 13.50 per Rights Offer Unit.

2.3 Rights Offer Price

The Rights Offer Units will be issued cum the entitlement to the final distribution for the six months ending 31 March 2017. The Rights Offer issue price of ZAR 13.50 equates to a clean price of ZAR 13.12 per unit, which reflects the accrued distribution for the period from 1 October 2016 up to the date immediately prior to the date on which the Rights Offer Units are issued, being 26 February 2017. This accrued distribution will be distributed to Unitholders when the Fund makes its final distribution during June 2017. 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 equates to a forward yield of 7.6% pre-withholding tax on the theoretical ex-rights price and a discount of 3.4% to the relevant 30 day volume weighted average clean price of ZAR 13.58, as at 15 December 2016 being the date of approval of the acquisitions and the associated Rights Offer by the board of the Responsible Entity.

2.4 Entitlement

Unitholders will receive the right to subscribe for 34.59683 Rights Offer Units for every 100 Units held on the Initial Record Date.

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, 13 February 2017 and will close at 12:00 on Friday, 24 February 2017.

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, 27 February 2017 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, 1 March 2017. No interest will be paid on monies received in respect of unsuccessful applications.

2.7 Minimum subscription

The Rights Offer is covered up to a value of ZAR 1 028 318 260 (comprising the Irrevocable Commitments of ZAR 452 018 260 and the underwriting commitment of ZAR 576 300 000) and is not conditional on a minimum subscription.

2.8 Irrevocable Commitments

Unitholders holding directly and indirectly 96 780 064 Units, comprising approximately 29.5% of the Units in issue at the Last Practicable Date, have provided the Irrevocable Commitments to take up their rights in terms 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 ¹	Interest	Value of Irrevocable Commitments (ZAR)
Investec Bank Limited	55 449 452	16.9%	258 980 666
Investec Property Fund	41 330 612	12.6%	193 037 594
Total commitments received	96 780 064	29.5%	452 018 260

¹As at 30 September 2016

The Committed Unitholders will not be paid a commitment fee for their Irrevocable Commitments.

3. **UNDERWRITING**

In addition to the Irrevocable Commitment of ZAR 193 037 594 secured from the Underwriter, the Underwriter has agreed to underwrite a further ZAR 576 300 000 of the Rights Offer. Thus, the Underwriter's maximum commitment is ZAR 769 337 594.

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.

In terms of the Underwriting Agreement, an underwriting fee of 1.25% 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.

In respect of the ZAR 690 000 000 rights offer undertaken in February 2016, the Fund paid an underwriting fee of 1.0% to Investec Property Fund for underwriting an amount of ZAR 232 504 529. Commitment fees of 0.5% were also paid to Investec Property Fund and Investec Bank Limited in exchange for their commitments to take up their *pro rata* entitlement of ZAR 82 495 471 and ZAR 114 050 955 respectively. 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 fulfill 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 67.2% 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, 24 February 2017.

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, 24 February 2017, 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 EFT payment 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 Tuesday, 21 February 2017.

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 a Certificated Unitholder 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, 24 February 2017.

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, 24 February 2017, 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, 24 February 2017 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
Rosebank Towers
15 Biermann Avenue
Rosebank
2196

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

Computershare Investor Services Proprietary Limited
P O 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, 1 March 2017. 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, 27 February 2017. 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 ZAR 154.48 (all inclusive of VAT) for trades of less than or equal to ZAR 40 000 and ZAR 154.48 (all inclusive of VAT) plus 0.35% of the value of trades for amounts equal to or greater than ZAR 40 000.

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;
- 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; or
- 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, 27 February 2017 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, 27 February 2017.

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 Wednesday, 8 February 2017 to Tuesday, 21 February 2017 (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 Wednesday, 22 February 2017.

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 the 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, which is indirectly a wholly owned subsidiary of Investec plc. The Responsible Entity holds an Australian Financial Services Licence (AFSL 290 909) issued by ASIC which permits the Responsible Entity to operate Managed Investment Schemes investing in real estate. 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 362% since listing and is currently valued at AUD 601.2m.

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 5.2 years and embedded contractual escalations of 3.4% on average².

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.

² Weighted average lease expiry and contractual escalation data as at 31 December 2016

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	
327 583 023 Units of no par value	329 055
After the Rights Offer	
Issued Unit capital of IAPF	
440 916 365 Units of no par value	473 979

Notes:

- Assumes that all of the Rights Offer Units will be subscribed for i.e. a further 113 333 342 Units will be issued at a Rights Offer Price of ZAR 13.50 per Rights Offer Unit in terms of the Rights Offer, resulting in an aggregate 440 916 365 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 twelve 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 2016.

Details of the Manager and directors thereof are also included in the IAPF annual report for the year ended 31 March 2016.

13.2 Directors' interests

A statement showing the direct and indirect beneficial interests of the Directors' holdings (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 director		
Graeme Katz	229 296	0.1%
Non-executive directors		
Samuel Leon	3 599 212	1.1%
Total	3 828 508	1.2%

¹ All 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 2016, the following changes took place in respect of the Directors' holdings:

- Samuel Leon elected to reinvest the final cash distribution for the six months ended 31 March 2016 in respect of all of his unitholding, in return for Units.
- Graeme Katz elected to reinvest the final and interim cash distributions for the six months ended 31 March 2016 and 30 September 2016 respectively, in respect of all of his unitholding at the time, 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.

Graeme Katz, Zach McHerron and Kristie Lenton are employees of Investec Australia Limited and Samuel Leon is an employee of Investec Property Limited (a division of Investec Bank 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 this 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 the Responsible Entity located in Australia and is therefore physically separated from the operations of Investec Bank Limited in South Africa;
- any agreements or proposals entered into between IAPF and Investec Bank Limited are approved by the 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 a related party policy 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 policy and in compliance with the Corporations Act and the 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 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 14 271 883 and will be paid from the proceeds of the Rights Offer. A summary of the expenses are detailed below.

Details	Payable to	ZAR ('000)
Underwriting Fee	Investec Property Fund	7 203.8
Capital raising fee ¹	Investec Bank Limited	5 389.9
Corporate advisory and documentation fee	Investec Bank Limited	750.0
Legal fees (Australia)	King & Wood Mallesons	275.4
Legal fees (South Africa)	Fluxmans Inc.	90.0
JSE documentation fees	JSE	25.1
JSE listing fees	JSE	391.8
Transfer secretaries	Computershare	90.1
Printing and publication expenses	INCE	55.7
TOTAL		14 271.9

¹ Equates to 0.5% of capital raised, excluding capital raised from Investec Bank Limited and Investec Property Fund; 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 Tuesday, 7 February 2017, up to and including Friday, 24 February 2017:

- the Constitution;
- the Underwriting Agreement and Irrevocable Commitments;
- letters of appointment of Directors;
- the audited annual financial statements of the Fund for the periods ended 31 March 2014, 31 March 2015 and 31 March 2016;
- the SENS announcements listed in **Annexure 4**, which have been incorporated into this Circular by reference;
- 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
- a copy of this Circular, signed by or on behalf of the Directors and the Form of Instruction.

21. **DISCLAIMER**

King & Wood Mallesons 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

7 February 2017

TRADING HISTORY ON THE JSE

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value (R)
Monthly					
2016					
January	1 543	1 236	1 360	4 035 769	52 979 140
February	1 413	1 150	1 310	2 455 559	31 662 700
March	1 400	1 235	1 381	1 561 408	20 643 930
April	1 400	1 335	1 383	6 086 462	83 475 520
May	1 515	1 340	1 456	3 378 838	47 453 540
June	1 490	1 366	1 390	4 519 587	64 705 230
July	1 505	1 380	1 441	3 600 247	51 486 420
August	1 460	1 320	1 350	3 707 597	51 627 450
September	1 510	1 345	1 469	2 591 549	36 460 690
October	1 559	1 420	1 478	2 790 218	41 363 020
November	1 480	1 400	1 425	1 724 169	24 690 710
December	1 425	1 260	1 339	3 411 630	46 068 370
Daily					
2016					
08 December	1 370	1 300	1 339	156 854	2 064 749
09 December	1 349	1 325	1 325	232 868	3 107 700
12 December	1 325	1 300	1 315	46 887	617 065
13 December	1 315	1 260	1 286	160 525	2 087 585
14 December	1 304	1 285	1 300	42 287	550 400
15 December	1 305	1 285	1 303	106 317	1 375 311
19 December	1 304	1 285	1 287	189 739	2 452 833
20 December	1 304	1 290	1 304	330 891	4 298 239
21 December	1 304	1 300	1 304	54 927	716 241
22 December	1 349	1 304	1 349	49 971	655 167
23 December	1 336	1 315	1 330	18 446	245 654
28 December	1 350	1 310	1 350	375 061	4 988 783
29 December	1 360	1 315	1 321	87 309	1 167 455
30 December	1 339	1 339	1 339	1 100	14 729
2017					
03 January	1 400	1 320	1 391	40 184	534 151
04 January	1 386	1 322	1 335	19 306	257 464
05 January	1 348	1 338	1 338	233 393	3 137 085
06 January	1 340	1 330	1 333	28 397	379 634
09 January	1 388	1 333	1 348	408 306	5 504 648
10 January	1 350	1 335	1 335	45 158	604 655
11 January	1 350	1 335	1 335	125 851	1 684 533
12 January	1 350	1 345	1 350	221 667	2 992 276
13 January	1 375	1 335	1 336	55 462	753 789
16 January	1 360	1 344	1 360	145 641	1 969 172
17 January	1 372	1 350	1 359	52 064	705 115
18 January	1 360	1 345	1 360	31 117	421 394
19 January	1 360	1 337	1 337	54 423	735 362
20 January	1 350	1 337	1 340	73 023	985 228
23 January	1 360	1 344	1 360	122 115	1 659 716
24 January	1 390	1 346	1 360	101 909	1 390 166

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	0.34597	—	53	18.33632	18
2	0.69194	1	54	18.68229	19
3	1.03790	1	55	19.02826	19
4	1.38387	1	56	19.37422	19
5	1.72984	2	57	19.72019	20
6	2.07581	2	58	20.06616	20
7	2.42178	2	59	20.41213	20
8	2.76775	3	60	20.75810	21
9	3.11371	3	61	21.10407	21
10	3.45968	3	62	21.45003	21
11	3.80565	4	63	21.79600	22
12	4.15162	4	64	22.14197	22
13	4.49759	4	65	22.48794	22
14	4.84356	5	66	22.83391	23
15	5.18952	5	67	23.17988	23
16	5.53549	6	68	23.52584	24
17	5.88146	6	69	23.87181	24
18	6.22743	6	70	24.21778	24
19	6.57340	7	71	24.56375	25
20	6.91937	7	72	24.90972	25
21	7.26533	7	73	25.25569	25
22	7.61130	8	74	25.60165	26
23	7.95727	8	75	25.94762	26
24	8.30324	8	76	26.29359	26
25	8.64921	9	77	26.63956	27
26	8.99518	9	78	26.98553	27
27	9.34114	9	79	27.33150	27
28	9.68711	10	80	27.67746	28
29	10.03308	10	81	28.02343	28
30	10.37905	10	82	28.36940	28
31	10.72502	11	83	28.71537	29
32	11.07099	11	84	29.06134	29
33	11.41695	11	85	29.40731	29
34	11.76292	12	86	29.75327	30
35	12.10889	12	87	30.09924	30
36	12.45486	12	88	30.44521	30
37	12.80083	13	89	30.79118	31
38	13.14680	13	90	31.13715	31
39	13.49276	13	91	31.48312	31
40	13.83873	14	92	31.82908	32
41	14.18470	14	93	32.17505	32

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
42	14.53067	15	94	32.52102	33
43	14.87664	15	95	32.86699	33
44	15.22261	15	96	33.21296	33
45	15.56857	16	97	33.55893	34
46	15.91454	16	98	33.90489	34
47	16.26051	16	99	34.25086	34
48	16.60648	17	100	34.59683	35
49	16.95245	17	1,000	345.96830	346
50	17.29842	17	10,000	3 459.68300	3 460
51	17.64438	18	100,000	34 596.83000	34 597
52	17.99035	18			

INFORMATION ON THE UNDERWRITER

The Rights Offer is partially underwritten by Investec Property Fund up to a value of ZAR 576 300 000. 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 (<i>Chairman</i>) Samuel R Leon (<i>Deputy Chairman</i>) Nicholas P Riley (<i>Chief Executive Officer</i>) Andrew R Wooler (<i>Financial Director</i>) 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:	1 000 000 000 ordinary shares with no par value
Issued share capital:	702 150 167 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 February 2016.

Transaction	Announcement date
Acquisition of 113 Wicks Road, Macquarie Park NSW 2113	24 June 2016
Acquisition of 50% share in 324 Queen Street, Brisbane QLD 4000	10 October 2016
Acquisition of the Lot 19 Trust and the 20-24 Rodborough Road Trust	16 January 2017

The full announcements can be accessed on the Fund's website: www.investecaustraliapropertyfund.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 Tuesday, 7 February 2017 up to and including Friday, 24 February 2017.