

Irongate Group (JSE: IAP)

Comprising Irongate Property Fund I (IPF I, ARSN 162 067 736) and Irongate Property Fund II (IPF II, ARSN 644 081 309), established in Australia and registered with ASIC as managed investment schemes

Operated by Irongate Funds Management Limited (ACN 071 514 246; AFSL 290 909) (Responsible Entity)

IPF I is registered as a foreign collective investment scheme in terms of the Collective Investment Schemes Control Act No.45 of 2002

ISIN: AU0000046005

(IAP or the Fund)

SENS ANNOUNCEMENT

15 June 2021

Opening of a Fully Underwritten Accelerated Bookbuild Offering to Fund the Acquisition and JSE Trading Halt

Irongate Funds Management Limited as responsible entity of the Irongate Group¹ (IAP) hereby announces the launch of an accelerated bookbuild of approximately A\$50 million (approximately ZAR528 million²) (Placement) through the issue of 34,013,605 new fully paid ordinary stapled securities (New Securities) at an issue price of A\$1.47 per New Security (Issue Price). The Issue Price represents a:

- 3.9% discount to the last closing price of A\$1.53 on the ASX on Friday, 11 June 2021; and
- 6.2% FY22 distribution yield.³

The Placement will be completed by way of a vendor consideration placing in terms of section 5.62 of the JSE Listings Requirements and the Responsible Entity confirms that the Issue Price is within the parameters prescribed by section 5.62 of the JSE Listings Requirements.

The proceeds from the Placement will be utilised to part fund the acquisition of a 100% interest (Acquisition) in the property located at 38 Sydney Avenue, Canberra ACT⁴ (Property). Further details on the Acquisition and the Property are contained in the announcement lodged on SENS dated today's date, Tuesday, 15 June 2021.

The Placement will be offered to qualifying investors and will be implemented through a bookbuild process (Bookbuild) which opens with immediate effect and will close at 12:00pm (South African time). The Placement is not an offer to the public as contemplated under the South African Companies Act, No. 71 of 2008, as amended. The issue of the New Securities

¹ Comprising Irongate Property Fund I and Irongate Property Fund II.

² Based on an AUD/ZAR exchange rate of 1.0000/10.5663 as at 5.00pm New York close on Friday, 11 June 2021.

³ Based on midpoint of guidance of distribution growth range of 2% - 3%. The higher end of the range dependent on securing additional commitments and deployment for the TAP Fund. IAP's policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted renewals will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals.

⁴ The interest will be acquired by a wholly owned sub trust of IAP purchasing all of the units in a trust known as the 38 Sydney Ave Trust.

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under the Placement is subject to the Underwriting Agreement not being terminated in accordance with its terms.

The Placement is fully underwritten by Macquarie Capital (Australia) Limited and UBS AG, Australia Branch, pursuant to an underwriting agreement entered into with the Responsible Entity (**Underwriting Agreement**). The directors of the Responsible Entity have made due and careful enquiry to confirm that the aforementioned underwriters can meet their underwriting commitments in terms of the Underwriting Agreement.

The New Securities, when issued, will be credited as fully paid and will rank pari passu in all respects with existing stapled securities of IAP. New Securities issued under the Placement will be entitled to the distribution for the six months to 30 September 2021.

A copy of the ASX announcement and investor presentation in respect of the Placement and the Acquisition is available for inspection by investors using the following link:
<https://www.asx.com.au/asx/share-price-research/company/IAP>

As disclosed on the ASX, trading of IAP stapled securities on the ASX will be halted until the earlier of commencement of normal trading on Wednesday, 16 June 2021 (Sydney time) and IAP making an announcement to the market regarding the outcome of the Placement.

As approved by the JSE Limited, trading in IAP stapled securities on the JSE will be halted from 9:00am on Tuesday, 15 June 2021 (South African time) and normal trading will commence on the JSE from 9:00am on Thursday, 17 June 2021 (South African time).

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Investec Bank Limited

Important Information

This announcement is not for release to US wire services or distribution in the United States, any other jurisdiction in which such release or distribution would be unlawful. This announcement is for information purposes only and shall not constitute or form part of an offer or solicitation of an offer to purchase or subscribe for securities in any jurisdiction. The Placement is not to be regarded as an offer or invitation to any person in the European Union any jurisdiction to the extent that any applicable legal requirement in such jurisdiction has not been complied with or it is for any reason illegal or unlawful to make such an offer or invitation in such jurisdiction.

The securities offered in terms of the Placement have not been and will not be registered under the US Securities Act of 1933, and may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable US state securities laws.

Neither this announcement nor the Placement constitutes or is intended to constitute an offer to the public in South Africa in terms of the Companies Act, No. 71 of 2008 (as amended). In South Africa, the invitation to apply for IAP stapled securities in terms of the Placement is only open to (i) persons who are acting as principal and who apply for IAP stapled securities at a minimum acquisition cost of ZAR 1,000,000, as contemplated in section 96(1)(b) of the South African Companies Act 71 of 2008 (as amended), or (ii) persons who comply with the requirements set out in section 96(1)(a) of the South African Companies Act 71 of 2008 (as amended).

This announcement has been issued by and is the sole responsibility of the Responsible Entity. Investec Bank Limited and its affiliates are not responsible or liable for the accuracy or completeness of this announcement (or any other written or oral information made available to or publicly available to any interested party or its advisers) and make no representations or warranties regarding this announcement.

This announcement does not claim to identify or suggest the risks (direct or indirect) which may be associated with an investment in the stapled securities. Any investment decision to buy stapled securities in terms of the Placement must be made solely on the basis of publicly available information which has not been independently verified by Investec Bank Limited.

Offer Restrictions

This announcement does not constitute an offer of stapled securities in terms of the Placement in any jurisdiction in which it would be unlawful. In particular, this announcement may not be distributed to any person, and the stapled securities offered in terms of the Placement may not be offered or sold, in any country except to the extent permitted below.

Guernsey

This announcement may only be made available to, and the IAP stapled securities may only be offered or sold, in or from within the Bailiwick of Guernsey either (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "POI Law"); or (ii) to persons licensed under the POI Law, the Insurance Business (Bailiwick of Guernsey) Law,

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2002, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors (Bailiwick of Guernsey) Law, 2000.

Hong Kong

*WARNING: This announcement has not been, and will not be, authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise this announcement or to permit the distribution of this announcement or any documents issued in connection with the Placement. Accordingly, the IAP stapled securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).*

No advertisement, invitation or document relating to the IAP stapled securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the IAP stapled securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this announcement have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this announcement, you should obtain independent professional advice.

New Zealand

*This announcement has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (the **FMC Act**). The IAP stapled securities are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:*

- *is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;*
- *meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;*
- *is large within the meaning of clause 39 of Schedule 1 of the FMC Act;*
- *is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or*
- *is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.*

Singapore

*This announcement has not been registered as a prospectus with the Monetary Authority of Singapore (**MAS**) and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the **SFA**) in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. IAP is not a collective investment scheme authorised under Section 286 of the SFA or recognised by the MAS under Section 287 of the SFA and the IAP stapled securities are not allowed to be offered to the retail public.*

This announcement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the IAP stapled securities may not be circulated or

distributed, nor may the IAP stapled securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This announcement has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this announcement immediately. You may not forward or circulate this announcement to any other person in Singapore.

Any offer is not made to you with a view to the IAP stapled securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

South Africa

This announcement does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act 71 of 2008 (as amended) and may not be distributed to the public in South Africa.

An entity or institution resident in South Africa may not implement participation in the offer unless (i) permitted under the South African Exchange Control Regulations or (ii) a specific approval has been obtained from an authorised foreign exchange dealer in South Africa or the Financial Surveillance Department of the South African Reserve Bank.