

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**)

Update on non-binding indicative proposal to acquire Irongate Group and further cautionary announcement¹

Irongate Group (**IAP**) notes its announcement dated 31 January 2022 in relation to receipt of a non-binding indicative proposal (**Indicative Proposal**) from a Charter Hall (ASX: CHC) (**Charter Hall**) managed partnership comprised of Dutch pension fund PGGM (**PGGM**) and Charter Hall (together, the **Partnership**) to acquire all of the stapled securities in IAP for A\$1.90 cash per IAP stapled security². In addition under the Indicative Proposal, IAP securityholders will be entitled to retain the distribution for the period ending 31 March 2022 (up to 4.67 cents per IAP stapled security)³.

Following receipt of the Indicative Proposal, IAP, and its advisers, have had further discussions with Charter Hall on behalf of the Partnership.

IAP now announces that, following those discussions, it has entered into a non-disclosure agreement with the Partnership providing it with a period of exclusivity of approximately 6 weeks, during which time the Partnership will be provided access to undertake due diligence in relation to IAP in order to convert its Indicative Proposal to a binding proposal. An extract of the terms of the exclusivity arrangements is annexed to this announcement.

Subject to negotiating a scheme implementation agreement on terms acceptable to IAP, no superior proposal emerging and an independent expert concluding that the Indicative Proposal is fair and reasonable to, and therefore in the best interests of, securityholders, the IAP Board intends to unanimously recommend that securityholders vote in favour of the Indicative Proposal.

Further cautionary announcement

IAP securityholders do not need to take any action in relation to the Indicative Proposal and are advised to continue exercising caution when dealing in their IAP stapled securities until a further announcement is made.

IAP's advisers are Macquarie Capital (Australia) Limited and J.P. Morgan Securities Australia Limited as its financial advisers, King & Wood Mallesons as its Australian legal adviser and Cliffe Dekker Hofmeyr as its South African legal adviser.

14 February 2022
Johannesburg

Sponsor
Investec Bank Limited

¹ This announcement constitutes a cautionary announcement under paragraph 11.40 of the JSE Listings Requirements.

² A\$1.90 per IAP stapled security represents an implied price per IAP stapled security in South African Rand of R20.61, based on the South African Rand to Australian Dollar ratio of 0.092 as at 11 February 2022.

³ IAP securityholders will be able to retain a distribution for the period ending 31 March 2022 of up to 4.67 cents per IAP stapled security. The A\$1.90 cash per IAP stapled security will be reduced by any subsequent distribution announced or paid in respect of IAP, excluding the distribution for the period ending 31 March 2022 of up to 4.67 cents per IAP stapled security.

ENDS

Annexure – Non-disclosure agreement extract of exclusivity provisions

Exclusivity

NO EXISTING DISCUSSIONS

The Discloser represents and warrants that, other than the discussions with the Recipient, it is not currently in negotiations or discussions in respect of any Competing Transaction with any person.

NO-SHOP

During the Exclusivity Period, the Discloser must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, negotiations or discussions; or
 - (b) communicates any intention to do any of these things,
- with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Transaction.

NO-TALK

Subject to clause 1.5, during the Exclusivity Period, the Discloser must ensure that neither it nor any of its Representatives:

- (a) negotiates or enters into; or
- (b) participates in negotiations or discussions with any other person regarding, a Competing Transaction or any agreement, understanding or arrangement that may be reasonably expected to lead to a Competing Transaction, even if that person's Competing Transaction was not directly or indirectly solicited, invited, encouraged or initiated by the Discloser or any of its Representatives or the person has publicly announced the Competing Transaction.

DUE DILIGENCE INFORMATION

Subject to clauses 1.5 and 1.6, during the Exclusivity Period, the Discloser must ensure that neither it nor any of its Representatives in relation to a Competing Transaction:

- (a) enables any other person other than the Recipient or to undertake due diligence investigations on the Discloser, its Related Entities, or their businesses or operations; or
- (b) makes available to any other person, or permits any other person to receive, other than Recipient (in the course of due diligence investigations or otherwise) any non-public information relating to the Discloser, its Related Entities, or their businesses or operations.

EXCEPTIONS

Clauses 1.3, 1.4 and 1.7(c) do not apply to the extent that they restrict the Discloser or the Discloser Board from taking or refusing to take any action with respect to a genuine Competing Transaction (which was not solicited, invited, encouraged or initiated by the Discloser or its Representatives in contravention of clause 1.2) provided that the Discloser Board has determined, in good faith that after receiving written legal advice

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from its external legal advisers that failing to respond to such a genuine Competing Transaction (or in the case of clause 1.7(c), disclosing the identity of the party making the approach) would be reasonably likely to constitute a breach of the Discloser Board's fiduciary or statutory obligations.

FURTHER EXCEPTIONS

Nothing in this document prevents Discloser from:

- (a) continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to the Transaction or its business generally; or
- (b) fulfilling its continuous disclosure requirements.

NOTICE OF UNSOLICITED APPROACH

The Discloser must promptly inform the Recipient if it, or any of its Related Entities or Representatives, receives any unsolicited approach with respect to any Competing Transaction and must disclose to the Recipient:

- (a) the fact that such an approach has been made;
- (b) the general nature of the approach; and
- (c) subject to clause 1.5, the identity of the party making the approach.

DEFINITIONS

360 Capital means 360 Capital Group and 360 Capital REIT.

360 Capital Group means the stapled entity comprising 360 Capital Group Limited (ABN 18 113 569 136) and 360 Capital Investment Trust (ARSN 104 552 598).

360 Capital REIT means the stapled fund comprised of the 360 Capital Passive REIT (ARSN 602 304 432) and 360 Capital Active REIT (ARSN 602 303 613).

360 Capital Representative means:

- (a) 360 Capital and its Related Entities;
- (b) an employee, agent, officer, director or adviser of 360 Capital or its Related Entities; and
- (c) a financier of 360 Capital and its Related Entities in relation to the Transaction.

Associate has the meaning set out in section 12 of the Corporations Act, as if section 12(1) of the Corporations Act included a reference to this document.

Competing Transaction means a proposal, transaction or arrangement (whether by way of takeover bid, trust scheme, capital reduction, sale of assets, sale or issue of securities, joint venture or otherwise) which, if completed, would mean a person (other than Recipient or its Related Entities) whether alone or together with its Associates would:

- (d) directly or indirectly, acquire an interest or Relevant Interest in or become the holder 20% or more of the IAP Stapled Securities (other than as custodian, nominee or bare trustee);
- (e) acquire control of the Irongate Group, within the meaning of section 50AA of the Corporations Act;

- (f) directly or indirectly acquire, obtain a right to acquire, or otherwise obtain an economic interest in all or a substantial part or a material part of the assets of or business conducted by the Irongate Group;
- (g) otherwise acquire or merge (including by a reverse takeover bid or dual listed company structure) with the Irongate Group.

Control with respect to any person (other than an individual) means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise, and includes the following:

- (a) direct or indirect ownership of more than 50% of the voting rights of such person; or
- (b) the right to appoint the majority of the members of the board of directors of such person (or similar governing body) or to manage on a discretionary basis the assets of such person,

and **Controlled** has a corresponding meaning and, for the avoidance of doubt:

- (c) a general partner is deemed to Control a limited partnership of which it is the general partner; and
- (d) any trust, managed investment scheme, limited liability company or body corporate or other fund or entity (**Fund Vehicle**) in respect of which a person or a Related Entity of such person is a manager, trustee, responsible entity, general partner or investment advisor (**Manager**) will also be deemed to be Controlled by such person and to be a Related Entity of any other Fund Vehicle in respect of which such person is a Manager.

Corporations Act means the Corporations Act 2001 (Cwlth).

Discloser means Irongate Funds Management Limited (ACN 071 514 246) ("IFML") as the responsible entity of each of Irongate Property Fund I (ARSN 162 067 736) and Irongate Property Fund II (ARSN 644 081 309)

Discloser Board means the board of directors of the Discloser.

Exclusivity Period means the period from and including the date of this document to the date which is six weeks from the date of this document

IAP Stapled Securities means stapled securities in the Irongate Group, each comprising one fully unit in Irongate Property Fund I and one unit in Irongate Property Fund II.

Irongate Group means the stapled entity comprised of Irongate Property Fund I (ARSN 162 067 736) and Irongate Property Fund II (ARSN 644 081 309).

MoU means the memorandum of understanding dated 28 January 2022 between the Recipient and 360 Capital, a copy of which was provided to the Discloser on 28 January 2022.

PGGM means PGM Nominees Pty Ltd as trustee of the PGGM Private Real Estate Trust.

PGGM Representative means:

- (a) PGGM and its Related Entities; and
- (b) an employee, agent, officer, director or adviser of PGGM or its Related Entities,

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but does not include any financier of PGGM or its Related Entities.

Recipient means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

Related Entity means in respect of a person (**Primary Person**), means a person:

- (c) Controlled directly or indirectly by the Primary Person;
- (d) Controlling directly or indirectly the Primary Person;
- (e) directly or indirectly Controlled by a person who Controls the Primary Person (whether alone or with another person or persons); or
- (f) directly or indirectly under the common Control of the Primary Person and another person or persons,

and in respect of the Recipient includes Charter Hall Limited (ACN 113 531 150), Charter Hall Funds Management Limited (ACN 082 991 786), Charter Hall Property Trust ARSN 113 339 137, and each of their respective Related Entities.

Relevant Interest has the meaning it has in sections 608 and 609 of the Corporations Act.

Representative means, in relation to a party:

- (a) a Related Entity of the party;
- (b) an employee, agent, officer, director, auditor, adviser of the party or of a Related Entity of that party; and
- (c) a financier of the party in relation to the Transaction,

and in respect of the Recipient, includes a 360 Capital Representative and a PGGM Representative.

Transaction means the potential acquisition by the Recipient (or its nominee) of all of the IAP Stapled Securities issued by the Discloser by way of inter-conditional trust schemes.