



23 July 2019

Dear Unitholder

UNDERWRITTEN NON-RENOUCEABLE RIGHTS ISSUE – INFORMATION TO UNITHOLDERS

As announced on 14 June 2019 and 9 July 2019, we are pleased to invite Eligible Unitholders to participate in a pro rata 1 for 1 non-renounceable rights offer (**Rights Issue**) by the Alternative Investment Trust ARSN 112 129 218 (**AIQ**) of new fully paid ordinary units in AIQ (**New Units**), at a price of each New Unit of \$0.095 (**Offer Price**).

Entitlements not taken up may become available as additional units. Eligible Unitholders may, in addition to their entitlements, apply for the New Units over and above their entitlement at the Offer Price (**Additional Units**) regardless of the size of their present holding. Any Additional Units not subscribed for, will be issued to the underwriter.

The Rights Issue will be conducted under section 1012DAA of the Corporations Act 2001 (Cth) (**Corporations Act**) and does not require a product disclosure statement. Eligible Unitholders will be sent a short form offer document relating to the Rights Issue (**Offer Document**) and a personalised Entitlement and Acceptance Form on or about 30 July 2019.

The proceeds of the Rights Issue will be primarily used to support AIQ's ongoing investment activities.

Key Information about the Rights Issue

The Rights Issue is non-renounceable and is proposed to be underwritten by Blann Investments Pty Ltd.

Each Unitholder on AIQ's register of members who has a registered address in Australia or New Zealand (**Eligible Unitholder**) at 5.00pm (Sydney time) on 26 July 2019 (**Record Date**) will be entitled to subscribe for one New Unit in AIQ for every one ordinary unit held at the Record Date, at a price of \$0.095 per unit. The entitlement of Eligible Unitholders to participate in the Rights Issue will be determined on the Record Date. The entitlement will be shown on an Entitlement and Acceptance Form which will accompany the Offer Document in respect of the Rights Issue. Entitlements to New Units can be accepted by Eligible Unitholders in full or in part.

Eligible Unitholders may take one of the following actions:

- take up all of their entitlement (and may also subscribe for Additional Units);
- take up part of their entitlement; or
- do nothing and allow all of their entitlement to lapse.

Entitlements to the New Units under the Rights Issue are non-renounceable, which means that entitlements will not be tradeable on ASX or otherwise transferable. If an Eligible Unitholder does not take up their entitlement by the Closing Date of the Rights Issue, that Eligible Unitholder's entitlement under the Rights Issue will lapse and its interest in AIQ will be diluted.



The New Units issued under the Rights Issue and Additional Units will be fully paid and will rank equally with AIQ's existing issued ordinary units. The Responsible Entity has made an application to the ASX for official quotation of the New Units. The Responsible Entity expects that the New Units will be issued on 21 August 2019.

Key dates for Unitholders

The indicative timetable for the Rights Issue is as follows:

Event	Date
Section 1012DAA(f) notice and Appendix 3B lodged with ASX	Before commencement of trading Tuesday, 23 July 2019
Notice to Unitholders setting out Appendix 3B information and timetable.	Tuesday, 23 July 2019
Lodge Offer Document with ASX	Tuesday, 23 July 2019
Ex date	Thursday, 25 July 2019
Record date	Friday, 26 July 2019
Dispatch of Offer Document and Entitlement and Acceptance Form to Unitholders	Tuesday, 30 July 2019
Opening Date	Tuesday, 30 July 2019
Closing Date	5.00 (Sydney time) Wednesday, 14 August 2019
Units quoted on a deferred settlement basis	Thursday, 15 August 2019
AIQ Notifies ASX of undersubscriptions	Monday, 19 August 2019
Settlement date	Wednesday, 21 August 2019
Allotment date of New Units	Wednesday, 21 August 2019
Dispatch of New Units holding statements	Wednesday, 21 August 2019
Commencement of trading of New Units on ASX	Thursday, 22 August 2019

This timetable is indicative only and subject to change. Subject to the ASX Listing Rules and the Corporations Act, the Directors of the Responsible Entity reserve the right to vary these dates, including the Opening Date and Closing Date, without prior notice.



Capital structure

As at the date of the announcement, AIQ has 124,204,979 Units on issue. The number of New Units to be issued under the Rights Issue is 124,204,979. At the conclusion of the Rights Issue, the total number of issued Units in AIQ will be a maximum of 248,409,958 Units. All this information is subject to the reconciliation of entitlements and rounding.

Overseas Unitholders

The Rights Issue is not being extended to any Unitholder with a registered address outside Australia or New Zealand (**Ineligible Unitholders**). The Responsible Entity has determined that it is not economically viable for it to make offers to Ineligible Unitholders, having regard to the cost of meeting compliance requirements with securities laws in each applicable jurisdiction and the small number and value of New Units that would be offered in such jurisdictions.

Pursuant to ASX Listing Rule 7.7, the Responsible Entity intends to appoint a nominee, Taylor Collison Limited (**Nominee**), to sell the New Units to which Ineligible Unitholders would otherwise be entitled. An application has been made to ASIC seeking its consent to the appointment of Taylor Collison Limited as nominee for the purposes of section 615 of the Corporations Act. The Nominee must sell the New Units and will have the absolute and sole discretion to determine the timing and price at which the New Units are sold and the manner of any such sale.

If the proceeds of the sale of New Units exceed the cost of the Units and the Nominee's expenses incurred in relation to the sale, the net proceeds will be forwarded, as soon as practicable, to the Ineligible Unitholders. If any such proceeds of sale are less than the sum of the cost of the New Units and the Nominee's expenses, then no amount will be paid to Ineligible Unitholders.

Ineligible Unit holders may receive no proceeds if the costs of the sale are greater than the sale proceeds.

Further information

Unitholders eligible to participate in the Rights Issue do not need take any action at this time.

A personalised Entitlement and Acceptance Form will be mailed to each Eligible Unitholder at the address on the Unit Register on 30 July 2019 with the Opening Date for accepting their entitlement being 30 July 2019. Eligible Unitholders that wish to participate in the Rights Issue will need to complete the Entitlement and Acceptance Form and return it with payment by the Closing Date.

The Closing Date for acceptance and payment is currently expected to be 5.00pm (Sydney time) on 14 August 2019.

For further information, please contact the Responsible Entity on +61 2 8277 0000 or ait@oneinvestment.com.au.