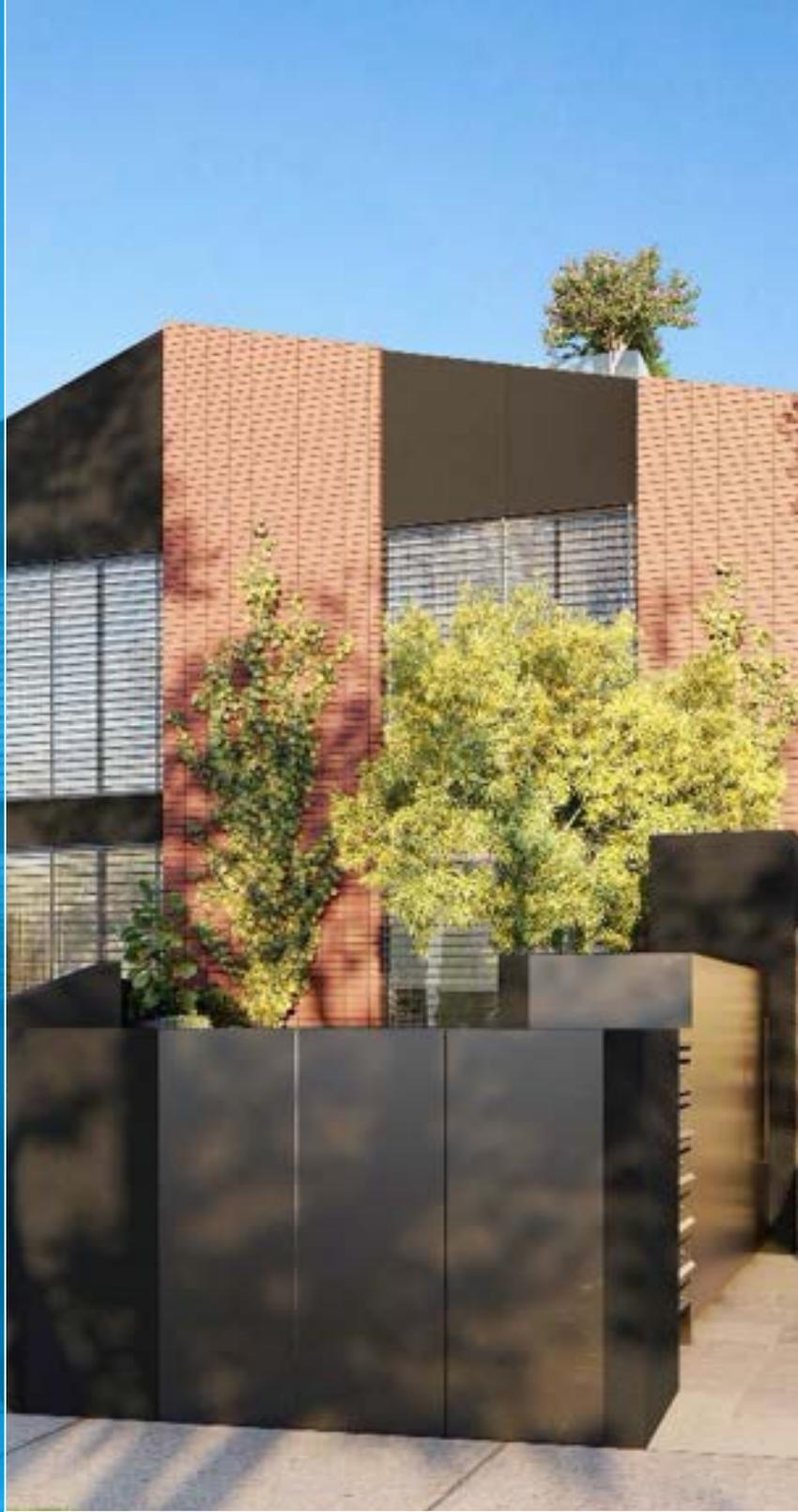


PRINCESS STREET KEW TRUST

as Trustee for the Princess Street Kew Trust

INFORMATION
MEMORANDUM

DATED 1ST JULY 2020



For the offer of 7,000,000 Units in the Trust at an issue price of \$1.00 per Unit.

The Offer of Units under this document should be considered by potential investors as a speculative medium term investment in the Trust. If in doubt, please consult your professional advisors.

LANTERN RE

AUTHORISED INTERMEDIARY
LANTERN RE, SUITE 8, LEVEL 18,
1 EAGLE STREET BRISBANE CITY,
QLD 4000

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Important information

This Information Memorandum (IM) dated 1st July, 2020 has been prepared by 106 Princess Street Kew Pty Ltd ACN 624 557 866 (Trustee) as trustee for the Princess Street Kew Trust (Trust). Neither the Trustee, the Project Manager nor any other person guarantees the performance of the Trust, the repayment of capital or any particular rate of return. An investment in the Trust is subject to both known and unknown risks.

The offer of Units in the Trust contained in this IM is an offer which does not require disclosure for the purposes of Part 7.9 of the Corporations Act. The Trust is not, nor is it required to be, registered as a managed investment scheme under the Act.

The Offer is only available to persons who qualify as wholesale clients (as defined in section 761G of the Corporations Act) or sophisticated investors (as defined in section 761GA of the Corporations Act) (Eligible Investors)

Offers made under this Information Memorandum are made pursuant to an arrangement between the Trustee and an authorised intermediary, Lantern RE Limited ACN 145 968 574, AFSL 386569 (Lantern). Lantern is not the issuer of, and has not prepared, this IM.

The accuracy, reliability and completeness of information contained in this IM is not guaranteed and to the extent permitted by law, each of the Trustee, the Project Manager and Lantern accept no liability for any loss or damage arising from investors relying on any information contained in this IM. The information contained in this IM is current as at the date specified on the front page and is subject to change without notice.

NO PREVIOUS OFFERS

This IM represents the entire offer with respect to an investment in the Trust and supersedes any and all other offer documents or purported offer documents offering investment in the Trust.

NO DISCLOSURE REQUIRED

This IM has been prepared for use by 'wholesale or sophisticated clients' as defined by the Corporations Act.

This IM is not a product disclosure statement and must not be provided to 'retail clients' as defined by the Corporations Act.

This IM does not contain the information which would be required to be disclosed in a product disclosure statement prepared in accordance with the requirements of the Corporations Act.

Generally, Units will be issued through this IM to Eligible Investors only. However, the Trustee and Authorised Intermediary have the discretion to accept applications from people who are not Eligible Investors, provided these investors are otherwise permitted by law to participate in the Offer.

AUTHORISED INTERMEDIARY

Offers under this IM will be made pursuant to section 911 A (2) (b) of the Corporations Act. The Trustee has entered an arrangement with Lantern RE Limited ACN 145 968 574, holder of AFS license 386569 for this purpose.

The Trustee will only issue Units in accordance with such offers made by Lantern to Eligible Investors if they are accepted.

The function performed by Lantern should not be considered as an endorsement of the Offer nor a recommendation of the suitability of an investment in the Trust for any person.

Lantern does not guarantee the success or performance of the Trust or any returns to be achieved by Eligible Investors.

FOREIGN JURISDICTIONS

This IM does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction other than Australia or in circumstances in which such offer or solicitation is not authorised.

No recipient of this IM in any jurisdiction other than Australia may treat it as constituting an offer to acquire Units in the Trust.

This offer is only open to Eligible Investors receiving this IM as a hard copy or electronically within Australia.

NO RESPONSIBILITY FOR CONTENTS

To the maximum extent permitted by law, neither the Trustee, the Project Manager, Lantern nor any of their associates, related parties, directors, officers, employees, advisors (including financial, accounting and legal advisors) or representatives make any recommendation in relation to the Trust, or make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this IM.

This IM does not purport to contain all the information that a prospective investor may require in evaluating an investment in the Trust. This IM must be read in conjunction with the Constitution, a copy of which is available (free of charge) from the Trustee by email at customercare@growthsyndicatesaustralia.com. To the extent there are inconsistencies between the Constitution and this IM, the Constitution will prevail.

FORWARD LOOKING STATEMENTS

This IM contains forward looking statements that are identified by words such as “believe”, “intend”, “estimate”, “expect” and other words of similar meaning that involve risks and uncertainties. All forward looking statements, including those regarding the Trust’s financial position and investment strategy, are subject to factors that could cause the performance of the Trust to differ materially from that expressed or anticipated in these statements.

The forward looking statements in this IM are based on numerous assumptions regarding the Trust’s present and future operations and investment strategies and markets in which the Trust operates.

These forward looking statements are current only at the date of this IM. There is no assurance that such statements, estimates or projections will be realized or will apply in the future.

NO FINANCIAL ADVICE

The information provided in this IM is general information only and does not take into account your personal objectives, financial situation or needs.

It is not intended to be a recommendation by the Trustee, the Project Manager or any other person to invest in the Trust.

The Trustee is not licensed to provide financial product advice in relation to investments in the Trust.

You should read this IM in full and consider your own needs and situation and, if necessary, obtain your own financial and legal advice prior to investing in the Trust.

No cooling-off rights apply in relation to an investment in the Trust.

DISCLOSURE OF INTERESTS

The Trustee, the Project Manager and their related entities may acquire Units in the Trust on the same terms and with the same rights as other investors.

UPDATED INFORMATION

The information contained in this IM can change. Unless the changed information is materially adverse to you, the Trustee may not always update or replace this IM to reflect the changed information. Email us at customercare@growthsyndicatesaustralia.com to obtain updated information.

TRUSTEE LIMITATION OF LIABILITY

Except in certain circumstances (including fraud, negligence or default by the Trustee), the Trustee enters into transactions for the Trust in its capacity as trustee of the Trust only, not in its own capacity, and its liability in relation to those transactions is limited to the assets of the Trust.

CONFIDENTIALITY

This IM is confidential and is provided to prospective investors for them to consider investing in the Trust. Its use for any other purpose is not permitted. It must not be reproduced or redistributed, in whole or in part, and its contents must not be disclosed to any person.

GLOSSARY AND CURRENCY

Certain capitalised words and expressions used in this IM are defined in the Glossary.

All dollar amounts are in Australian dollars, unless otherwise indicated.

Drawings and photos shown in this IM are for illustrative purposes only and are not assets of the Trust unless indicated otherwise.



Princess Street Kew Trust

1. Director's letter

1st July, 2020

Dear Investor,

I am pleased to be able to invite you to participate in the Princess Street Kew Trust.

Comprising of 5 architecturally designed three-level townhomes, 106 Princess Street is situated in Kew, a suburb located in Melbourne's inner South East corridor. One of Melbourne's more desirable suburbs, Kew is surrounded by key amenities including freeway and arterial access, public transport, parks, shops and schools. Within close proximity to Studley Park Boathouse, Alexandra Gardens and Yarra Bend Park, the area is highly sought after by renters and owner-occupiers alike.

The Project has a Town Planning permit and a copy of the floor plans and elevations are contained within Annexure A. Project milestones are identified within this Information Memorandum tabled under 'Key Dates'.

The strategy for the project is to build, rent and hold all townhouses for a period of five (5) years from completion, where investors can benefit from the capital growth achieved upon selling.

Investors under this Information Memorandum are being offered to participate in the '106 Princess Street Kew' development, with a total subscription of \$7,000,000 to be raised by offering 7,000,000 Units at \$1.00 per unit, payable upon application under this Information Memorandum. The minimum investment under this offer is \$100,000 per one (1) Eligible Unitholder.

The balance of costs to complete the build will be funded by a recognised Construction Lender.

Under this offer, the Company is targeting a pre-tax rate of return of 20.0% per annum on each Unitholder's contribution. Part of the returns may be paid during the term of the investment and the balance upon completion and sale of the townhouses at the end of the holding period.

The investment timeframe is anticipated to be approximately six (6) years. Following the completed townhouse settlements (anticipated to be in the last quarter of 2026), repayment of the debt funding and the Project being fully completed, the Company will be liquidated and distributions (capital and dividend) will be issued to the Unitholders (expected to be in 2026).

To complement its capable and reliable Development Team, who specialise in low density residential projects, the Company has appointed an Australian Financial Services Licensee, Lantern RE Limited for the issue of Units on behalf of the Trust under s 911 A (2) (b) of the Corporations Act.

The Authorised Intermediary will hold all Application Money in a designated bank account until the Minimum Subscription is reached. When the Minimum Subscription is reached, these Application monies will be transferred to the Trustee in order to commence development of the Project.

On behalf of the Company, I encourage you to read this document, consider consulting a suitably qualified professional advisor to ensure that this investment meets your individual requirements, and submit your Unit Application Form during the Offer Period.

I look forward to welcoming you as an investor in this exciting project.

Yours sincerely,



Peter Blauw
Director
106 Princess Street Kew Pty Ltd



2. Key Features of the Offer

This section provides a summary of the key features of an investment in the Trust. It is not intended to be exhaustive. For more detailed information please refer to the relevant section of the IM noted in the column on the right. You should read the whole of this IM to make an informed decision about whether to invest in the Trust.

FEATURE	OVERVIEW	REFER TO SECTION
STRUCTURE OF THE OFFER	106 Princess Street Kew Pty Ltd ACN 624 557 866 (Trustee) as trustee for the Princess Street Kew Trust (Trust) is an unregistered managed investment scheme structured as a unit trust and established by its Constitution dated 21st February, 2018.	4.1
MINIMUM APPLICATION AMOUNT	The minimum application amount per Eligible Investor under the Offer is 100,000 Units at the Offer price of \$1.00 per Unit. The Trustee may waive the Minimum Application Amount at its discretion.	4.5
MINIMUM SUBSCRIPTION AMOUNT	The Minimum Subscription Amount under this offer is 1,500,000 Units issued at \$1.00 per Unit	4.3
MAXIMUM SUBSCRIPTION	The total number of Units on offer is 7,000,000 issued at \$1.00 per Unit.	4.3
PURPOSE OF THE OFFER	The funds raised from this Offer will be used to assist with the purchase of land sit-uated at 106 Princess Street Kew Vic 3101 (Property) and together with bank debt commence construction of five (5) luxury townhouses which will be held for five (5) years after completion of construction. (Project).	4.2
PROJECTED RETURNS TO INVESTORS	By holding Units in the Trust and subject to satisfactory completion of the Project as outlined in this IM, Eligible Investors will be entitled to return of their capital and a proportionate share of the development profit by way of distributions on comple-tion and sale of the Project.	7.3
EXPECTED TERM OF THE INVESTMENT	The term of the investment is expected to be seventy-eight months (78) months from the Issue date of Units. The investment may be extended by the Trustee for a further term of twelve (12) months at its sole discretion and without notice.	4.8
KEY DATES	The offer opens as at the date of this IM. The Closing Date is seven (7) months from the date of this IM or when the Subscription Amount is reached, whichever is earlier.	4.4
WHO CAN INVEST	The Offer is only available to persons who qualify as wholesale clients (as defined in section 761G of the Corporations Act) or sophisticated investors (as defined in section 761GA of the Corporations Act) (collectively, Eligible Investors).	8

INVESTOR INFORMATION

FEATURE	OVERVIEW	REFER TO SECTION
APPLICATION MONEY	The Authorised Intermediary will hold all Application Money in a designated bank account until the Minimum Subscription is reached. When the Minimum Subscription is reached, the Trustee will issue Units in the Trust to Eligible Investors and these Application monies will be transferred to the Trustee in order to commence development of the Project.	8
ISSUE OF UNITS	Units in the Trust will be issued once the Minimum Subscription Amount is achieved.	4.6
OWNERSHIP	The Trustee will own the Property as Trustee and Eligible Investors will be issued Units in the Trust.	4.1
LIQUIDITY	You will not have a right to withdraw your investment during the life of the Trust. This is a fixed-term investment with no ongoing liquidity and your investment should be viewed as illiquid with no redemption rights.	4.9
BORROWINGS	The Trustee purchased the land for \$2,800,000 including GST in March 2018 and settled the site with a combination of debt and equity subscribed by the ordinary Unitholders. The Trustee proposes to obtain a debt facility from a recognised Construction Lender to assist with the balance of funds required to complete the Project as set out in this IM. Any construction funding entered into by the Trustee will be non-recourse to any assets of Eligible Investors in the Trust.	7.1
TAX INFORMATION	Before investing, you should obtain your own independent tax advice, taking into account your own individual circumstances.	10

PROPERTY DETAILS

FEATURE	OVERVIEW	REFER TO SECTION
PROPERTY	106 Princess Street Kew Victoria 3101 described as Vol 04046 Folio 117.	5.3
GROSS REALISATION	Upon satisfactory completion of the Project within time and budget, the estimated Gross Realisation of the townhouses is \$14,300,000	6.3

FEES AND RISKS

FEATURE	OVERVIEW	REFER TO SECTION
FEES AND COSTS	There are fees and costs payable by the Trust to the Project Manager and the Author-ised Intermediary, ongoing annual costs will also be payable in relation to the man-agement and administration of the Trust.	7.7 & 8
KEY RISKS	<p>An investment in the Trust is subject to known and unknown risks. Return of capital or projected distributions are not guaranteed by the Trustee or any of its associates.</p> <p>Loan Default Risk</p> <p>The Construction Lender will take a registered first mortgage over the Land to allow it to provide the construction funding through to completion of the Project.</p> <p>Should the Project incur cost overruns, not be completed, and generally fall into disrepair, the Construction Lender will be entitled to sell the Land as mortgagee in possession to recover its debt.</p> <p>Property Market</p> <p>The ongoing value of the Project is influenced by changes in property market conditions including supply, demand and availability of capital.</p> <p>There is no guarantee the Project will achieve a capital gain on sale nor is there a guarantee the Project will not fall in value as a result of assumptions upon which the relevant feasibility is based proving to be incorrect.</p>	9

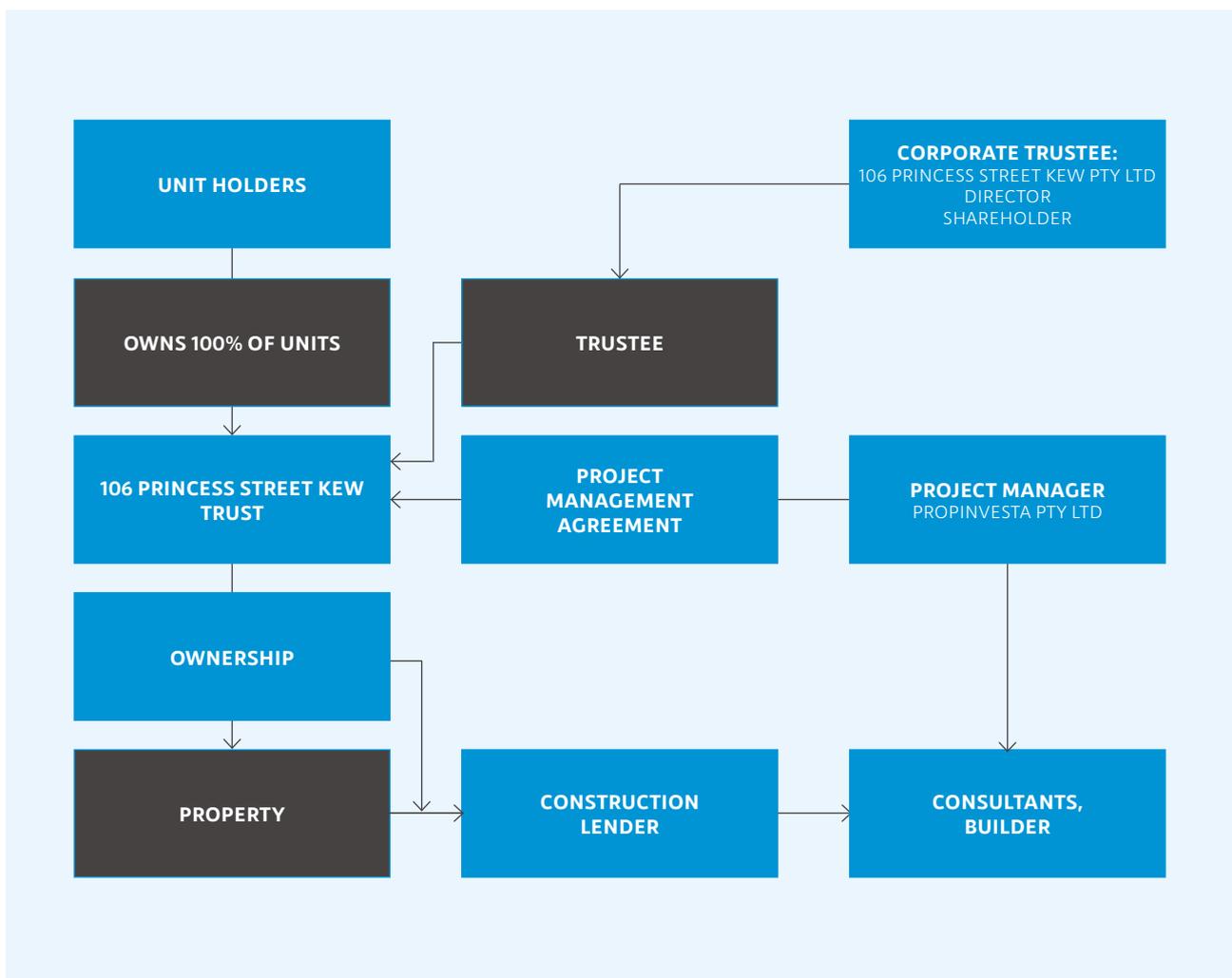


3. The Offer

3.1 INVESTMENT STRUCTURE

The structure of the investment vehicle will be an unregistered wholesale unit trust with a corporate trustee. Both the Trust and the Project will be managed by the Project Manager.

Investors will receive Units in the Trust and in turn, will be the registered owner of the Property. The Trust will offer a first registered mortgage to the Construction Lender as security for the Loan. The Trust will also retain all rights, title and interest in any Development Application (DA) lodged or held in relation to the Property.



3.2 USE OF FUNDS FROM THE OFFER

Funds raised from the issue of Units under this Information Memorandum will be used to:

- » contribute to the purchase price of the Property and all associated acquisition costs (e.g. stamp duty, inspection fees, buyers advocacy, bank fees, conveyancing fees);
- » reimburse the Project Manager for monies previously expended in getting the property under contract and undertaking due diligence investigations;
- » engage Consultants to provide advice and achieve a development application in relation to the Property;
- » pay Council fees and charges required to obtain approvals for the Project;
- » engage Consultants to provide advice to achieve a formal Building Application in relation to the Property;
- » contribute to the cost of construction of the townhouses;
- » provide a cash buffer as determined to be appropriate by the Project Manager;
- » pay holding costs associated with the Property and the Construction Loan;
- » pay administration costs associated with the Project; and
- » meet associated costs that the Project Manager determines are appropriate and in the Trust's best interest.

The Project will incur total costs in excess of the Maximum Subscription Amount; therefore debt funding will be required. The Trustee will secure a Construction Loan to assist with the purchase of the Property and construction of the townhouses. On completion of construction, the townhouses will be rented for approximately 5 years.

By holding Units, you will share in the income generated from the disposal of the townhouses.

Distributions are not guaranteed and neither are any capital returns. An investment in the Trust comes with risks associated with investing in residential townhouse developments.

You should refer to Section 9 for more information about the risks associated with this investment.

3.3 AMOUNT BEING RAISED FROM THE OFFER

The Trust is seeking to raise the Maximum Subscription Amount of \$7,000,000 under this IM. Over subscriptions will not be accepted.

If the Minimum Subscription Amount of \$1,950,000 is not raised by the Closing Date, or such other date as determined by the Trustee, then the Offer may not proceed and Application Money will be returned as soon as practicable by the Trustee. Interest will be paid at current bank rates on returned Application Money.

The director of 106 Princess Street Kew Pty Ltd, Mr Peter Blauw, has been issued 1,950,000 Units in consideration of monies already expended in the project. The minimum and maximum subscription amounts are inclusive of the 1,500,000 issued.

3.4 THE CLOSING DATE OF THE OFFER

The Closing Date is 31st December 2020 or the date the Minimum Subscription Amount is raised, whichever is earlier.

Any applications received on or before the Closing Date that have been accompanied by Application Money will be granted an allocation of Units in the Trust.

The Trustee reserves the right to close the Offer earlier than the Closing Date or extend the Offer after the Closing Date at their discretion and without notice.

3.5 APPLICATION PRICE AND MINIMUM INVESTMENT AMOUNT

Units in the Trust will be issued at \$1.00 each.

The minimum amount you must invest is \$100,000. The Trustee and the Authorised Intermediary reserve the right to accept applications for lower amounts, at its discretion.

3.6 ISSUE OF UNITS

If your Application is accepted by the Authorised Intermediary and the Trustee and upon reaching the Minimum Subscription Amount, then the Trustee expects to issue Units to you on or before the Closing Date.

There is no cooling off period under this IM, meaning you cannot withdraw your application once it has been accepted by the Authorised Intermediary.

3.7 DISTRIBUTIONS

On satisfactory completion of the Project and subject to receipt of net sale proceeds (after GST and selling costs), surplus funds from the Project will be distributed as follows:

1. Repayment of the Loan in full including outstanding interest;
2. Payment of any other secured creditors for the Project;
3. Payment of any outstanding taxation obligations;
4. Payment of distributions to Eligible Investors as set out in this IM;
5. Redemption of Units at face value;

Unit Holders registered as a holder of Units on the last day of the financial year are entitled to a share of the distributable income of the Trust for that financial year in proportion to their Unit Holding.

The Trustee may deduct from distributions amounts of tax payable by the Trustee for the Investor, including interest withholding tax for investors who are not residents of Australia, or any other amount required by law.

An investment in the Trust should be considered long-term and not expect that any distributions will be paid until the Project is completed, the Property is sold and the Trust is wound up.

The Trustee may make irregular partial distributions from excess rental income.

3.8 EXPECTED TERM OF THE OFFER

Units in the Trust will be issued with an investment term of seventy-eight (78) months, commencing on the date Units are issued to Eligible Investors. However, the Trustee has the right to reduce the Term to completion and sale of the Development, whichever occurs earlier.

Prior to redemption of Units, all townhouses will be sold and the net after tax sale proceeds (after GST, selling costs and all related expenses of the Project) are distributed to Investors in proportion to their Investment in the Trust.

In the event the Project is not completed, or all townhouses are not sold within the Term, the Term will be extended by the Trustee for as long as is required to sell the remaining townhouses and final distribution of the net sale proceeds is made proportionally to Investors in the Trust.

3.9 ILLIQUID INVESTMENT

You will not have any right to withdraw your money from the Trust. Investment in the Trust is illiquid and the Trustee is not obligated to meet any redemption requests before the Project is completed and sold.

Therefore, once your Application Form has been accepted, you should expect that your investment will remain in the Trust until the end of the expected investment term or any extension to the term.

There will not be any established secondary market for the sale of Units. If you want to sell Units, then under the law there are certain restrictions placed on the Trustee in relation to the level of assistance the Trustee can provide. Subject to those restrictions, the Trustee will endeavour to assist you should you wish to sell your Units.

Under the Constitution, the Trustee has discretion to refuse to register any transfer of Units.

3.10 HOW YOU CAN INVEST

Applications to invest must be made by completing the Application Form which accompanies this IM. Only Eligible Investors can invest in the Trust and participate in the Offer.

Investors will also be required to provide to the Authorised Intermediary a declaration that they qualify as an Eligible Investor which will be provided to them on or before the IM is distributed for investment.

The Application Form should be completed in accordance with the instructions in Section 15 of this IM.

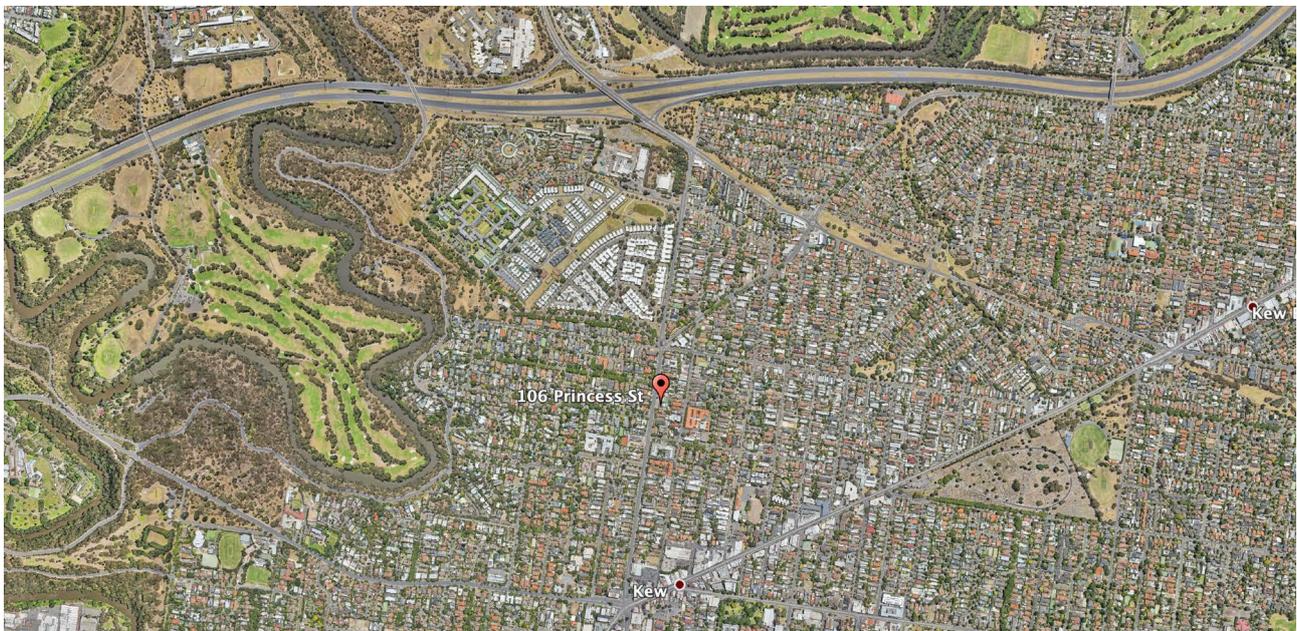


4. The Property

4.1 LOCATION

The property is located at 106 Princess Street, Kew, Victoria 3101. The site is a rectangular allotment of 805m² with an 15.2m frontage to Princess Street.

4.2 LOCATION MAPS



4.3 TITLE AND STATUTORY DETAILS

REAL PROPERTY DESCRIPTION OF THE LAND	1//TP403927G Volume 04046 Folio 117
CURRENT REGISTERED OWNER	106 Princess Street Kew Pty Ltd
LOCAL AUTHORITY	City of Boroondara
ZONING	General Residential Zone 3

4.4 LAND DETAILS

AREA OF THE LAND	805sqm
SERVICES	Water, Sewer, Power
INFRASTRUCTURE	Rail, Bus & Improving freeway links
SITE FRONTAGE AND ACCESS	15.24sqm
FLOODING	No
CONTOURS	No



5. Proposed Development

5.1 DETAILS OF THE PROJECT

This boutique development of 5 contemporary townhouses offers a modern architecturally designed streetscape and high quality internal finishes. Within close proximity to shops, schools and public transport.

Each townhouse comes equipped with 3 bedrooms, 2 bathrooms, 2nd lounge area rounded off with a great central dining and entertainment space and double lock-up underground garage. Individual lifts provide excellent access to all levels of the townhouses.

The completed townhouses will be rented out for approximately 5 years after completion.

5.2 MARKET OVERVIEW

Melbourne has been regarded globally as one of the world's most liveable cities. There is a highly qualified workforce which contributes to the strong local economy. Melbourne boasts a fabulous healthcare service, quality education facilities and a progressive investment in infrastructure. Over the past 10 years the local population has increased by nearly 1 million people. This continues to place a large demand on providing quality housing. Melbourne has experienced strong growth in property prices over the past decade. This has been driven by buyer competition to secure affordable housing stock. Although affordability has been stretched, property prices remain a minimum of 30% lower than Sydney. Rental yields remain at between 3.1% to 4.5%.

The outlook for the Melbourne economy remains positive. Employment growth figures remain positive and point to continued high performance. Economists believe Melbourne will exceed the Sydney population in the next 10 - 15 years. The regulators have increased measures to slow bank lending to Investors and also remain firm on the small contributions allowed into superannuation, but have continued to offer strong tax benefits to attract Investors into property. As Melbourne continues to attract 2000 new residents per week, the long term future of the local property market remains high.

5.3 PROJECT FEASIBILITY - CONSTRUCTION PERIOD ONLY

PROJECT FEASIBILITY	
DESCRIPTION	AMOUNT
GROSS REALISATION AT \$9250 PER METRE AVERAGE (1)	\$14,300,000
LESS SELLING AND MARKETING COSTS (2)	\$ 465,000
NET SALE PROCEEDS AFTER SELLING COSTS	\$13,835,000
LESS	
LAND PURCHASE AND ACQUISITION COSTS	\$3,663,000
SUNDRY COSTS (3)	\$ 90,000
CONSTRUCTION COSTS INC. CONTINGENCY (4)	\$6,839,000
PROFESSIONAL FEES (5)	\$ 750,000
HEADWORKS AND PERMITS	\$ 356,000
HOLDING COSTS	\$ 200,000
CAPITALISED INTEREST AND FINANCE COSTS (6)	\$ 822,000
TOTAL DEVELOPMENT COSTS	\$12,720,000
PROJECTED DEVELOPMENT PROFIT (PRE TAX) ON COMPLETION OF PROJECT	\$ 1,155,000

1. Pricing adopted by pricing schedule provided by Raine & Horne (Real estate agents)
2. Selling costs at end cannot be determined as it depends on the prevailing values of the property at the point of sale. A provision of \$465,000 has been made to cover these costs at end plus advertising.
3. Provision of licencing and AFSL compliance costs.
4. Based on quotes received to date by the Trustee and estimates of costs of similar projects undertaken by associated builders and architects. A Quantity Surveyor or Engineer will confirm all construction costs and fees in a format to be approved by the Trustee and the Construction Lender.

5. Professional fees and referral fees to introducers are included as Project costs.
6. Interest rates and fees shown above are based on current market interest rates obtained for the Project by the Trustee and based on their previous experience.
7. As the site is to be held for a 5 year term, the site becomes input taxed and no GST has been calculated in this summary. Should the site be sold earlier, GST will be payable on the project

5.4 PROJECT TIMELINE

TASK/MILESTONE	TIMELINES
ISSUE INFORMATION MEMORANDUM (UPDATED)	JULY 2020
ELIGIBLE INVESTORS CONFIRMED	JULY - SEPTEMBER 2020
SETTLEMENT OF LAND	APRIL 2019
OBTAIN TOWN PLANNING PERMIT	DECEMBER 2019
OBTAIN FINANCE FOR PROJECT	JULY 2020
COMMENCE CONSTRUCTION	AUGUST 2020
COMPLETION OF CONSTRUCTION	OCTOBER 2021
INDIVIDUAL TITLES ISSUED & REFINANCE	NOVEMBER 2021
RENTAL COMMENCEMENT	NOVEMBER 2021
SETTLEMENT OF THE INDIVIDUAL LOTS	NOVEMBER 2021
REPAY LOAN AND CREDITORS	NOVEMBER 2026
PAY DISTRIBUTIONS TO INVESTORS AS SET OUT IN THE IM	DECEMBER 2026
REDEEM UNITS IN THE TRUST	DECEMBER 2026
WIND UP PROJECT	FEBRUARY 2027

Note: This timetable is indicative only. The Trustee reserves the right to vary the times and dates of the Offer including closing the offer early or accepting late Applications, without notifying any recipient of this Information Memorandum or Applicant for Units.

The Trustee has already conducted due diligence on the Project.



6. Investment Strategy

6.1 CONSTRUCTION LOAN

The Trustee proposes to enter into a debt facility with a recognised Construction Lender to undertake construction of 5 luxury townhouses sufficient to complete the Project including capitalised interest and a GST component.

Based on initial discussions held with major lenders, indicative terms and conditions are as follows:

TYPE OF LOAN	First Mortgage Loan
LOAN AMOUNT AT MAXIMUM SUBSCRIPTION	\$6,500,000
ESTIMATED GEARING RATIO As a % of Gross Realisation "on completion"	45%
INTEREST COST	13.00% p.a.
TERM OF LOAN	12-15 months
ESTABLISHMENT FEES	1% of loan amount
SECURITY	1st Registered Mortgage over the Property. General Security agreement over all of the assets of the Trustee

Post Construction Loan Facility – On completion of the project, the Trustee will seek to refinance the construction loan facility with a cheaper lender. The incoming financier will require similar security to the construction lender.

All borrowings of the Trust will be on a limited recourse basis. The Lender's recourse will be limited to the Trust and its assets and they will not have recourse to Investors and their personal assets. Investors should however note that amounts owing to the Lender and other creditors of the Trust rank ahead of an Investor's interest in the Trust.

6.2 EXIT STRATEGY

The preferred exit strategy is for the Project to be completed on time and within budget as outlined in this IM and to rent the completed townhouses for 5 years. The anticipated time frame for this strategy is seventy-eight (78) months from the date the Units are issued.

On completion of the construction of the townhouses, each townhouse will be rented for 5 years. A local agent has assessed the current rental rates of the townhouses, as if complete, to range from \$900 to \$1,000 per week. The rental income is expected to be sufficient to cover all holding costs including interest, rates, land tax and insurances.

The Project Manager will pursue the preferred exit strategy unless circumstances change and it becomes necessary or desirable to adopt an alternative strategy. In determining whether to adopt an alternative exit strategy, the Project Manager and/or the Trustee will take into account prevailing real estate market conditions, progress of the Project and the best risk/return outcome for Investors.

Although the Trustee may consult with Investors prior to implementing an alternative exit strategy, the final decision on the exit strategy will be determined by the Trustee.

6.3 ANTICIPATED RETURNS TO INVESTORS

A thorough assessment of the potential costs associated with the Project has been undertaken. An extract of the preliminary feasibility for the Project is contained in section 5.3 of this IM.

Neither the Project Manager, Lantern nor the Trustee guarantees the performance of the Project. The anticipated returns and assessments provided in this Information Memorandum are targets only, and neither the Project Manager nor the Trustee accepts any responsibility for failure to achieve the anticipated outcome.

The Project will be complete once all townhouses have been sold and settled (assuming the preferred exit strategy is adopted). Upon completion of the Project:

- » all invoices, records, bank statements and other documents will be provided to the Accountant appointed by the Trustee who will undertake a detailed review of the Project;
- » the Accountant will produce a summary of the financial outcome of the Project;
- » all debts of the Project will be repaid (including the Loan);
- » payment of any taxes and statutory fees owing by the Trust;
- » residual funds will be distributed to Investors in proportion to their investment in the Trust; and
- » sufficient funds will be retained to engage Consultants to finalise and wind up the Trust.

6.4 ANTICIPATED TIMEFRAMES

As outlined above in section 6.4 of this IM, the Project Manager anticipates that the total Project will be completed within approximately seventy-eight (78) months from the date Units are issued. The Project may be completed in a shorter period of time, but could take longer to complete due to unforeseen circumstances.

The Project Manager has identified the following items as the key variables that may affect the length of the Project:

- » the time taken to secure the required Development Approvals;
- » refusal of a planning permit;
- » time taken to construct the new townhouses; and
- » time taken to sell the dwellings.
- » Market conditions at the completion of the 5 year rental period

Eligible Investors should note that all timeframes included in this Information Memorandum represent the Project Manager's best estimates at the time of preparation and are indicative only.

6.5 PROJECT DELIVERY TEAM

The following table sets out the consultancy firms that are part of the project's delivery team. The project team has been carefully selected, using a team of locally based consultants with a track record of delivery of similar project types in the past.

DISCIPLINE	COMPANY	KEY PERSONNEL
PROJECT MANAGER	Propinvesta Pty Ltd	A Hawkins
SURVEYING / STRATA ESTABLISHMENT	Head & Humphreys	P Murrhly LS
ARCHITECTURE	KUD Architects	B Kavellaris
CIVIL CONTRACTOR	Vayco Structures	C Vayinas
CIVIL / STRUCTURAL ENGINEERING	Vayco Structures	C Vayinas
MARKETING / SALES	Raine & Horne Project Marketing	J Pastras
CONSTRUCTION (BUILDER)	To be appointed	

6.6 PROJECT MANAGER DETAILS

Established in 2016, Propinvesta specialises in the project management of boutique low to medium residential property developments and provides a holistic end to end project management service offering.

Propinvesta is currently involved in the project management of a series of residential investments. Townhouses and smaller boutique apartment complexes are the primary focus. Propinvesta uses external consultants and has experience and capability across:

- » property market research
- » site sourcing, buyers advocacy, negotiating and acquisition
- » conducting detailed feasibilities and due diligence processes
- » end to end project management from concept to completion
- » establishing and coordinating a reputable project consultant team

- » project marketing and sales
- » liaising with Council Authorities throughout design, development approval and endorsement
- » coordinating working drawings and build tender process
- » working with the Superintendent throughout the build to registration of titles and settlements

Propinvesta is known to engage high level architects to produce contemporary, affordable designs and liveable floor plans, the location of its sites, and most importantly, the trusted long-term relationships it has established with all those involved in the project, including the high calibre and experienced project consultant team, investors, buyers and sales agents.

As of the publication of this IM, Propinvesta has 5 projects (24 dwellings) under management/construction. Over the coming months, its goal is to continue its steady growth by increasing its projects by 20-25 dwellings to reach its target of 44+ dwellings either completed or under management by end of 2022.

See website www.Propinvesta.com.au for more details.

6.7 PROJECT MANAGEMENT FEE

The Project Management Agreement will be entered into at or prior to the issuance of Units by the Trust. Most of the duties of the Project Manager are also included in the Project Management Agreement.

The Project Manager shall be paid a fee of \$150,000 plus GST per annum, for the entire term of the project, to provide the services outlined as follows:

- a. The Trustee will appoint the Project Manager to provide initial and ongoing day to day management of the Project through to completion of the Project;
- b. The Project Manager will obtain all necessary approvals and consents to undertake the Project;
- c. The Project Manager will engage suitably qualified contractors and consultants to construct the Project in a proper and workmanlike manner through to Practical Completion;
- d. The Project Manager will have the right to allow variations to the Project as required and subject to prior approval by the Company;
- e. The project manager will provide monthly updates to the Trustee on the status of the Project;
- f. Unitholders may inspect the Project at any time, subject to prior arrangement;
- g. The Trustee must ensure that it has sufficient funds to meet Project costs;
- h. The Project Manager will arrange for Practical Completion of the Project generally in line with the feasibility and timelines provided by the Company;
- i. The Project Manager will assist the Trustee to obtain registration of the Strata Plan and issuance of individual titles for the Project upon Practical Completion;
- j. The Project Manager will manage the letting of the completed townhouses;
- k. On completion of the Project, the Trustee will arrange for the payment of the dividend amount to the Unit Holders and for redemption of the Units.

PAYMENT AND REIMBURSEMENT OF COSTS

Under the agreement, the Project Manager is entitled to be reimbursed from the Trustee for all costs properly paid or incurred by the Project Manager in relation to providing to the Trustee the services under the agreement.

The Project Manager may, at its election, for purposes of administrative simplicity or to support any short term funding needs of the Trustee, pay costs on behalf of the Trustee and recover these costs from the Trustee at a later date plus interest and holding costs.

7. Role of the Authorised Intermediary

7.1 ELIGIBLE INVESTORS

This IM contains an offer to persons located within Australia who are classified as 'wholesale clients' or 'sophisticated investors' pursuant to sections 761G and 761GA of the Corporations Act and to other persons to whom disclosure is not required in accordance with section 1012E of the Corporations Act (Eligible Investors).

7.2 ROLE OF LANTERN RE LIMITED

Lantern RE Limited has been appointed by the Trustee as an Authorised Intermediary pursuant to section 911A (2) (b) of the Corporations Act. The Authorised Intermediary is responsible for making offers to Eligible Investors and arranging for the issue of Units in the Trust pursuant to its Australian Financial Services Licence.

The Authorised Intermediary will only make offers to persons if it is satisfied on reasonable grounds that the person to whom an offer is to be made is an Eligible Investor. Potential Investors will be required to provide to the Authorised Intermediary a declaration that they qualify as an Eligible Investor.

The Authorised Intermediary is not the issuer of, and has not prepared this IM. The Authorised Intermediary makes no representation in, and to the maximum extent permitted by law takes no responsibility for, the accuracy or truth of any statement or omission from any part of this IM.

The Authorised Intermediary has been operating as a boutique fund manager since 2004 and has successfully completed a number of mortgage schemes and property projects on behalf of its investors. The Authorised Intermediary currently holds an Australian Financial Services Licence No. 386569 allowing it to deal in securities and to make offers of this type to Eligible Investors.

The Authorised Intermediary is licensed to promote a range of offers to wholesale investors and is backed by a board of directors with many years' experience in property acquisitions, fund and mortgage management, compliance and managed investment schemes. For more information visit <http://lanternre.com.au/>.

The Authorised Intermediary is responsible for arranging the issue of Units by:

- » distributing to persons or entities in Australia that qualify as Eligible Investors copies of the Information Memorandum directly or through its authorised representatives;
- » receiving the Unit Application Forms from Eligible Investors;
- » banking the Application Money into a designated bank account controlled by the Authorised Intermediary;
- » providing to the Trustee a list of Eligible Investors and the number of Units applied for;
- » notifying the Trustee once the Minimum Subscription Amount has been achieved;
- » arranging for the Trustee to issue the Units in the Trust to relevant Eligible Investors;
- » upon notification by the Trustee that all contracts and other documents are in order as set out in the Information Memorandum, transferring the Application Amount to the Trust; and
- » closing the bank account and finalise any outstanding matters with the Trust.

The Trustee and the Authorised Intermediary are parties to an Authorised Intermediary agreement dated 1st July, 2020. Under that agreement:

- » the Trustee has appointed the Authorised Intermediary to make offers to Eligible Investors and to arrange for the issue of the Units by the Trust; and
- » the Trustee will issue those Units in accordance with such offers, if the offers are accepted.

The Authorised Intermediary is entitled to a fee of \$10,000 or 1.0% of the face value of Units issued by the Trust, whichever is the greater (plus GST) for its services. This fee is payable once Units are issued by the Trust.



8. Risks

As with any investment, there are risks associated with investing in the Trust. Many risks are outside the control of the Trustee and the Project Manager. If these risks eventuate, returns to the investors may not be as expected and distributions may be reduced or suspended and the capital value of the Trust may be reduced. Distributions are not guaranteed and neither is the return of your capital.

The risks discussed below are not an exhaustive list. At the date of this IM, the Trustee considers the following are key risks of an investment in the Trust:

8.1 REAL ESTATE SPECIFIC RISKS

An investment in the Trust comes with risks associated with investing in residential property.

The following Property specific risks may cause the projections and assumptions in this IM to be negatively impacted:

a. Gross Realisation "on completion"

The ongoing value of the Project is influenced by changes in property market conditions including supply, demand and availability of capital. There is no guarantee the Property will achieve a capital gain on sale nor is there a guarantee the Property will not fall in value as a result of assumptions upon which the relevant valuation is based proving to be incorrect.

b. Town Planning Permit

There is the risk that the property may not receive the necessary approvals, or may not receive necessary approvals in a timely manner, which will prohibit the progression of the development of the Property and impact returns to investors.

c. Property settlement risk

There is a risk that the vendor of the Property may not settle on the date settlement is expected to occur, if at all.

d. Capital expenditure and cost blow outs

There is a risk that capital expenditure requirements and development costs could exceed projections resulting in lower than targeted distributions to Investors.

e. Loan default risk

The Construction Lender will provide the balance of funds required to complete the Project. They will hold a first mortgage over the property and any improvements to the property. They will normally stand in priority over any other lender such as a second mortgagee and the Unit Holders. It is customary that the first mortgagee would be a banking or major financial institution.

The term of the loan facility would in most cases last the entire Project and the principal amount and capitalised interest would be repaid from sales proceeds on or soon after completion of the Project. As it is the intention to continue to hold the property for a further term post completion, the construction Lender will be paid out at this time from a refinance to a primary Lender.

Should the Project incur cost overruns, not be completed, and generally fall into disrepair, the Construction Lender will be entitled to sell the Land as mortgagee in possession to recover its debt.

As a secured creditor, the Lender's rights rank ahead of Unit Holders. There is a risk that some or all of the funds subscribed by Unit Holders to the Company may be lost.

f. Delivery Risk

The investment will be managed exclusively by the Project Manager on behalf of the Unit Holders. The Trust and the Project Manager will be required to submit regular reports to Unit Holders outlining the status of the Project, any delays or cost overruns and provide detailed reports to Investors so they may make an informed decision.

The success of the Company will depend largely on the ability of its Director, the Project Manager and any other professionals engaged by the Company, to manage the Project through to satisfactory completion in order to realise the objectives of the Company.

Upon completion of the successful raising of funds under this I.M. the Project Manager will continue to manage the town planning application through Council and will once approved, engage a suitable builder and civil contractor to commence construction works on the Land. The building contract entered into by the Company (as trustee of the trust and owner of the Land in accordance with the Development Agreement) with the nominated builder will be a guaranteed maximum price or fixed price contract.

The Trustee, the Project Manager and the Construction Lender generally retain a contingency amount of 5% of the building contract to meet cost overruns or variations to the contract. However, there is a risk that cost overruns may exceed the contingency amount or that the builder is bankrupted during the course of construction.

The Trustee will seek to minimise this risk by causing the Project Manager to apply the following criteria pursuant to the Development Agreement:

- » Contracting with licensed builders that have a proven track record for this type of construction;
- » Employing standard construction techniques for the Project;
- » Closely monitoring construction draws minimising variations to the building contract;
- » Engaging a Quantity Surveyor and Building Surveyor to verify construction costs;
- » Payments to the builder will be on a cost expensed and a cost to complete basis which means that the Construction Lender will retain sufficient funds to complete the Project.

g. Uncontrolled events

There is a risk uncontrolled events, such as natural phenomena and terrorist attacks, may affect the Property for which insurance is not available or for which the Trust does not have insurance cover.

Should such an event occur, a loss will result which will have negative impact on the income and capital value of the Trust.

h. Insurance risks

Various factors might influence the cost of maintaining insurance over the Property, or the extent of cover available. Increased insurance costs, or limits on cover, can have a negative impact on the performance of the Trust. There are also some potential losses that cannot be insured including force majeure events.

i. Related party risks

The Trustee has appointed the Project Manager, a related body corporate of the Trustee, to provide project management services in relation to the Property. The engagement of the Project Manager constitutes a related party transaction. The risk with related party transactions is that the transaction may not have occurred on the same terms as the transaction may have occurred on had the transaction been with an unrelated, third party.

This risk is mitigated by the Trustee complying with its internal policies and procedures. The Trustee is satisfied the terms of the Project Manager's appointment are on no more favourable terms than if an unrelated party had been appointed as Project Manager.

8.2 TRUST INVESTMENT RISKS

The following risks relate to an investment in the Trust and their impact on the financial information contained in the IM:

a. Project Manager risk

The Project Manager is responsible for providing project management services to the Trust and for managing the development of the Property on a day to day basis. If the Project Manager fails to do so effectively, then this could negatively affect the Trust's performance.

In particular, there is a risk that the Project Manager may fail to manage the development risks appropriately or fail to properly execute the Trust's development strategy. These factors could have an adverse impact on the financial position and performance of the Trust.

The Project Manager's key personnel have extensive experience in transacting property, operating residential developments, financing, structuring, and funds management.

b. New fund risk

The Trust is a newly established managed investment scheme and has no track record or past performance. However, the Trustee and the Project Manager's management team possesses extensive property asset and finance experience.

c. Liquidity

There is no established external secondary market for the sale of Units in the Trust. Investors may arrange for their own private sale and the Trustee, without obligation, will assist in that process. There is no right for Investors to require their Units to be purchased by the Project Manager, the Trustee or by any other person, or to have their Units redeemed. The Trust will not be listed on the ASX or any other exchange. In addition, real estate assets are, by their nature, illiquid assets. It may be difficult for the Trustee to dispose of the Property at the end of the Trust term in a timely manner at its optimal sale price.

d. Investment term

There is no guarantee Investors' capital will remain invested for the expected term of seventy-eight (78) months from the date Units are issued. There are circumstances which may result in the Term of the Trust being shorter. For example, while it is not the current intention to dispose of the Property prior to the project completion, if the Trustee, on advice from the Project Manager, considers it appropriate to take advantage of a selling opportunity, then it may sell the Property prior to the proposed termination date if it believes that an early disposal of the Property is in the best interest of Investors. The Trustee also has the right to extend the Term at its discretion.

e. Investment return

Neither the performance of this investment nor the repayment of Investor capital is guaranteed

f. General borrowing risk

The Trust may borrow money from a financial institution. Gearing comes with risk, and gearing a property investment can increase the potential for capital losses, as well as gains. If the Trust is unable to service the loan, the distributions may be reduced or suspended and the lender may enforce its security over the Property.

g. Refinance risk

There is a risk that the Trustee will not be able to refinance the debt facility, or not be able to refinance the debt facility on terms similar to those summarised in section 7.1 of this IM. This may result in increased costs for the Trust, and therefore it may have a negative impact on distributions to Investors.

h. Interest rate risk

There is a risk that unfavourable movements in interest rates may lead to increased interest expenses. This may result in a reduction to the distributions available to Investors, or failure by the Trust to meet interest obligations on its borrowings.

i. Tax and stamp duty risk

Changes to tax law and policy (including any changes in relation to how income of the Trust is taxed or to the deductibility of expenses or stamp duty law) might adversely impact the Trust and Investors' returns. You should obtain independent tax advice in respect of an investment in the Trust.

j. Property due diligence and use of experts

In acquiring the Trust's interest in the Property, the Trustee will engage experts to prepare reports as part of its due diligence enquiries. These reports will be relied on by the Trustee in assessing the risks associated with ownership of the Property. Whilst the Trustee has no reason to believe those enquiries will not be appropriate and complete, it cannot guarantee all risks and potential problems associated with this investment will be identified and properly addressed.

k. Concentration risk

Generally, the more diversified a portfolio, the lower the impact an adverse event affecting one investment will have on the income or capital value of the portfolio. The Trust will own a single property and is not diversified by asset class, geographic location of properties or exposure to different property sectors.

l. Forward looking statements

There can be no guarantee that the assumptions and contingencies on which the forward looking statements, opinions and estimates are based will ultimately prove to be valid or accurate.

The forward looking statements, opinions and estimates depend on various factors, many of which are outside the control of the Trustee and the Project Manager.

8.3 GENERAL RISK FACTORS

In addition to the specific risks identified above, there are also other more general risks that can affect the value of an investment in the Trust. These include the following:

- a. The state of the Australian and world economies.
- b. Movements in the inflation rate.
- c. Negative investor and/or consumer sentiment which may keep the value of assets depressed.
- d. The illiquidity and cost of capital markets.
- e. Changes in taxation legislation
- f. Geopolitical circumstances and events

The Trustee, Lantern RE Limited, the Project Manager and their associates, employees, advisors and representatives do not guarantee an investment in the Trust.

Property development investment, by its nature, carries a level of risk and no guarantee is or can be given that an investment in the Trust will not decrease in value and that investors will not suffer losses.

Please read this IM in full and consider your attitude towards risk before deciding to invest in the Trust. You should also assess, in consultation with your professional advisers, how an investment in the Trust fits into your overall investment portfolio.

9. Taxation Information

Neither the Trustee nor the Project Manager provides tax advice, nor have they obtained taxation advice specific to the Offer. As such, this IM cannot address all of the taxation issues which may be relevant to you. Investors must take full and sole responsibility for their investment in a Trust, the associated taxation implications arising from that investment and any changes in those taxation implications during the course of that investment.

It is not intended for the Trust to retain any profits or capital. All profits will be distributed, capital repaid at completion of the Project and the Trust will be dissolved.

9.1 TAXATION OF THE TRUST

The Trust is structured as an unlisted unit trust. Australian taxation legislation currently treats such trusts as 'flow through' vehicles. The Trust intends to invest only in real property for the purpose of deriving development income or capital gains. Accordingly, the Trust should not be subject to tax on any earnings that it distributes to Australian resident investors.

9.2 TAXATION OF UNIT HOLDERS

Investors will be required to include any distributions made from the Trust in their assessable income in the year to which the distributions relate. As a result, Investors are likely to be subject to income tax or capital gains tax on the amounts received. The Trustee will determine the distribution policy and provide investors with taxation statements advising them of the classification and treatment of any distributions made.

As noted elsewhere in this Information Memorandum, all profits will be distributed to Investors on completion of the final sale of the townhouses. Investors should note that, due to the anticipated development timetable, income or profits may be derived across more than one financial year by the Trust. Income may need to be distributed to Investors for tax purposes at the end of the financial year, despite the funds not being released until completion of the final sale. This may affect some Investors' tax positions, which could vary across the financial years involved.

9.3 CAPITAL GAINS TAX

The proposed redemption of Units will not be treated as income to the Unit Holders. Any funds treated as a return of capital will reduce the cost base of the Units for Capital Gains Tax (CGT) purposes. Investors will be provided with a taxation statement advising of the treatment of any distributions made.

The Trustee may decide at its discretion to return any excess capital to Unit Holders. In accordance with the CGT provisions, any return of capital will represent an adjustment to Investors' cost bases for CGT purposes.

9.4 GST

All entities that conduct an enterprise or business are generally required to register for GST where the expected turnover exceeds the GST registration threshold. The building of new residential premises for sale also requires GST registration.

The Trustee intends renting the completed Townhouses for a minimum of 5 years after completion. At the time of sale, the sale will be input taxed and no GST will be payable.

However, if the townhouses are sold earlier than 5 years after completion, the Trust's expected turnover is likely to constitute GST supplies as it involves the sale of the proposed new residential dwellings.

The Trust will determine and account for what GST credits are available on costs to develop the new residential premises and will utilise the margin scheme, if applicable, to determine the GST payable on the GST supplies (new residential premises). The Trust has been issued an ABN (Australian Business Number) and is registered for GST.

Goods and Services Tax (GST) is not directly applicable to your Investment as a Unit Holder in the Trust or in the redemption of your Units. Additionally, there should be no GST implications on the payment of any distributions or payments to Unit Holders. Each intending investor should seek their own taxation advice in regard to any taxation implications that may apply to their own individual circumstances as a result of an investment in the Trust.



OLIVER

PNC

10. Additional Information

10.1 IMPORTANT AGREEMENTS

TRUST DEED

The Trust is governed by its trust deed. The Trust Deed governs Investors' rights as an investor in the Trust. A copy of the Trust Deed may be obtained by contacting the Trustee on customercare@growthsyndicatesaustralia.com.

Each Unit gives Investors a beneficial interest in the assets of the Trust. However, a Unit does not give an Investor an interest in any particular part of the Trust and does not entitle an Investor to have any part of the Property transferred to them. Subject to the Trust Deed and in common with all other Investors, the rights of an Investor include:

- » The right to share in any distributions.
- » The right to attend and vote at meetings of Investors.
- » The right to participate in the proceeds of winding up the Trust.

CONSTITUTION

The Constitution is the primary document that governs the way the Trust operates and sets out many of the rights, liabilities and responsibilities of the Trustee.

The Constitution contains provisions about convening and conducting meetings of Investors.

A copy of the Constitution is available free of charge by emailing the Trustee on customercare@growthsyndicatesaustralia.com.

PROJECT MANAGEMENT AGREEMENT

Propinvesta Pty Ltd is the Project Manager appointed by the Trustee and is responsible for implementing and operating the Project on behalf of the Trustee and its Unitholders.

The Project Management agreement is between the Trustee and the Project Manager under which the Project Manager agrees to provide project management services to the Trust.

The Project Management agreement contains provisions dealing with matters such as the Project Manager's obligations to report to the Trustee and sets out the fees payable to the Project Manager for its services (summarised in section 7.7 of this IM).

The Project Management agreement will remain in force until the Trust is wound up, unless the agreement is terminated earlier in accordance with its provisions. The agreement can be terminated by the Trustee if the Project Manager is in material breach of the agreement and that breach has not been remedied after a certain time. There are also provisions allowing the Trustee to terminate if, for example, the Project Manager becomes insolvent.

The Project Manager is permitted to terminate the agreement in certain circumstances, such as if the Trustee ceases to be the trustee for the Trust.

10.2 RESPONSIBILITY FOR COSTS

The Project Manager, the Trustee or Lantern are not liable to reimburse or compensate any party or any of their representatives for any costs or expenses incurred by any party or its representatives in conducting their review and evaluation of this Information Memorandum, undertaking due diligence or otherwise in connection with the Project.

10.3 PROVISION OF INFORMATION

Requests for further information must be directed in writing to the Trustee. The provision of additional information is at the discretion of the Trustee and subject to availability of the requested information. Any additional information requested by and provided to one prospective investor may also be made available to other prospective investors at their request and at the discretion of the Trustee.

10.4 INDEPENDENT ADVICE

Eligible Investors should read this Information Memorandum in its entirety prior to completing the Unit Application Form as it contains important information about this investment opportunity. Eligible Investors should also consider seeking independent financial and legal advice prior to investing in the Trust.

10.5 CONFIDENTIAL INFORMATION

This Information Memorandum is the confidential information of the Trustee and is strictly intended for the recipient and must not be disclosed to any other party without the prior written consent of the Trustee.

10.6 COPYRIGHT

This Information Memorandum is copyrighted material owned by the Trustee. Intention to use any part of this Information Memorandum must have the express written permission of the Trustee.

10.7 CHANGING DETAILS

All requests for changes in details must be made in writing and signed by the Investor. If Units are held jointly, then both parties must sign.

10.8 RELATED PARTY INTERESTS

Pursuant to the Project Management agreement between the Trust and the Project Manager, a related party of the Project Manager may be issued Units in the Trust on the same terms and conditions as Units issued to Eligible Investors.

10.9 RELATED PARTY TRANSACTIONS

The Trustee may from time to time face conflicts between its duties to the Trust as trustee and its own interests. The Trustee will manage any conflicts in accordance with its conflicts of interest policy, the Corporations Act, the constitution, ASIC policy and the law. The Trustee has appointed the Project Manager, a related body corporate of the Trustee, to provide management services in relation to the Property under the Project Management Agreement.

The Project Manager is entitled to remuneration and reimbursement of expenses on arms-length, commercial terms. The engagement of the Project Manager constitutes a related party transaction.

The risk with related party transactions is that the transaction may not have occurred on the same terms as the transaction may have occurred, had the transaction occurred with an unrelated third party. This risk is mitigated by the Trustee complying with its internal policies and procedures and by the disclosure of the fee amount in section 7.7 of this document. The Trustee is satisfied the terms of the Project Management Agreement are on not more favourable terms than if an unrelated party had been appointed as project manager.

The Trustee may from time to time enter into other transactions with related entities. All transactions will be effected at market rates or at no charge, and in accordance with the Corporations Act.

10.10 PRIVACY

In applying to invest, you are providing the Trustee and the Authorised Intermediary with certain personal details (such as your name and address). The Trustee may use this information to establish and manage that investment for you.

Under the Privacy Act 1988 (Cth), you can access personal information about you held by us, except in limited circumstances. Please let us know if you think the information is inaccurate, incomplete or out of date. You can also tell us at any time not to pass on your personal information by advising us in writing.

If you do not provide us with your contact details and other information, then we may not be able to process your application to invest. Under various laws and regulatory requirements, we may have to pass on certain information to other organisations, such as the Australian Tax Office or the Australian Transactions Reports and Analysis Centre (AUSTRAC).

By applying to invest, you give us permission to pass information we hold about you to other companies which are involved in helping us administer the Trust, or where they require it for the process of compliance with AML/CTF law or in connection with the holding or Application Money such as the Trustee. We may also use the information to provide you with details of future investment offers made by the Authorised Intermediary.

10.11 ANTI-MONEY LAUNDERING LAW

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and associated rules and regulations require the Trustee to verify your identity prior to accepting your investment. You will be required to provide the identification information set out in the Application Form. We will not issue you with Units unless satisfactory identification documents are provided.

10.12 STATEMENT BY DIRECTOR OF THE TRUSTEE

With respect to any statements made in the IM other than by the Director, the Director has made reasonable inquiries and on that basis, has reasonable grounds to believe that persons making those statements were competent to make such statements, those persons have given their consent to the statements being included in this IM in the form and context in which they are included and have not withdrawn their consent before issue of this IM.

To the best of the knowledge and belief of the current director of the Company (who has taken all reasonable care to ensure that such is the case), the information contained in this IM is in accordance with the facts and does not omit anything likely to affect the accuracy of such information.

The IM dated 1st July, 2020 has been signed by Peter Blauw, Director pursuant to Section 351 of the Act.



Peter Blauw DIRECTOR
106 Princess Street Kew Pty Ltd



11. Glossary

ACN	Australian Company Number as defined in the Corporations Act
AFSL	Australian financial services license as defined in the Corporations Act
ALLOTMENT	The allotment of Units to Applicants on the Issue Date
AAML/CTF	Anti-money laundering and counter-terrorism financing
APPLICANT	Someone who applies for Units under this IM
APPLICATION FORM	The application for the allotment of Units in the Trust offered under this IM
APPLICATION MONEY	The money paid by an Applicant for Units
ASIC	The Australian Securities and Investments Commission
AUTHORISED INTERMEDIARY	Lantern RE Limited ACN 106 187 731, its successors and assigns
BUSINESS DAY	A day on which banks are open for business in Melbourne, except a Saturday, Sunday or public holiday
CONSTRUCTION LENDER	A recognised financial institution providing sufficient funds to complete the Project on terms and conditions satisfactory to the Trustee.
CONSTRUCTION LOAN	A loan between the Trust and the Construction Lender to assist with completion of the Project including capitalised interest.
CLOSING DATE	Unless varied by the Trustee, the earlier of 31st December 2020 and the date the Maximum Subscription Amount is raised.
CONSTITUTION	The Constitution of the Trust dated 21st February 2018, as amended from time to time
CORPORATIONS ACT	The Corporations Act 2001 (Cth) for the time being in force, together with the regulations.
ELIGIBLE INVESTOR	Entities who qualify as wholesale clients (as defined in section 761G of the Corporations Act) or sophisticated investors (as defined in section 761GA of the Corporations Act) as determined by the Authorised Intermediary.
GST	Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999, as amended
IM	This information memorandum dated 1st July, 2020
ISSUE DATE	Expected to be on or about the Closing Date, unless otherwise determined by the Trustee in its discretion

13. How to Apply for Units

- a. Applications for Units can only be made on the Application Form accompanying this IM.
- b. Intending Investors will also be required to complete a form provided by the Authorised Intermediary confirming their status as an Eligible Investor under Section 761GA of the Act.
- c. All Application Monies are deposited in a bank account controlled by the Authorised Intermediary until the Minimum Subscription is reached and the units are issued by the Trustee.
- d. Application Forms must be accompanied by a cheque, crossed "not negotiable", made payable to "Lantern RE - Princess Offer" and sent to:

Lantern RE Limited

Suite 8, Level 18

1 Eagle Street

Brisbane City QLD 4000

Phone: 07 3295 3266

Email: Alex.k@lanternre.com.au

Please note your EFT reference number should start with Princess and your entity name or last name.

For example, if your last name is Smith, your EFT reference would be "Princess SMITH".

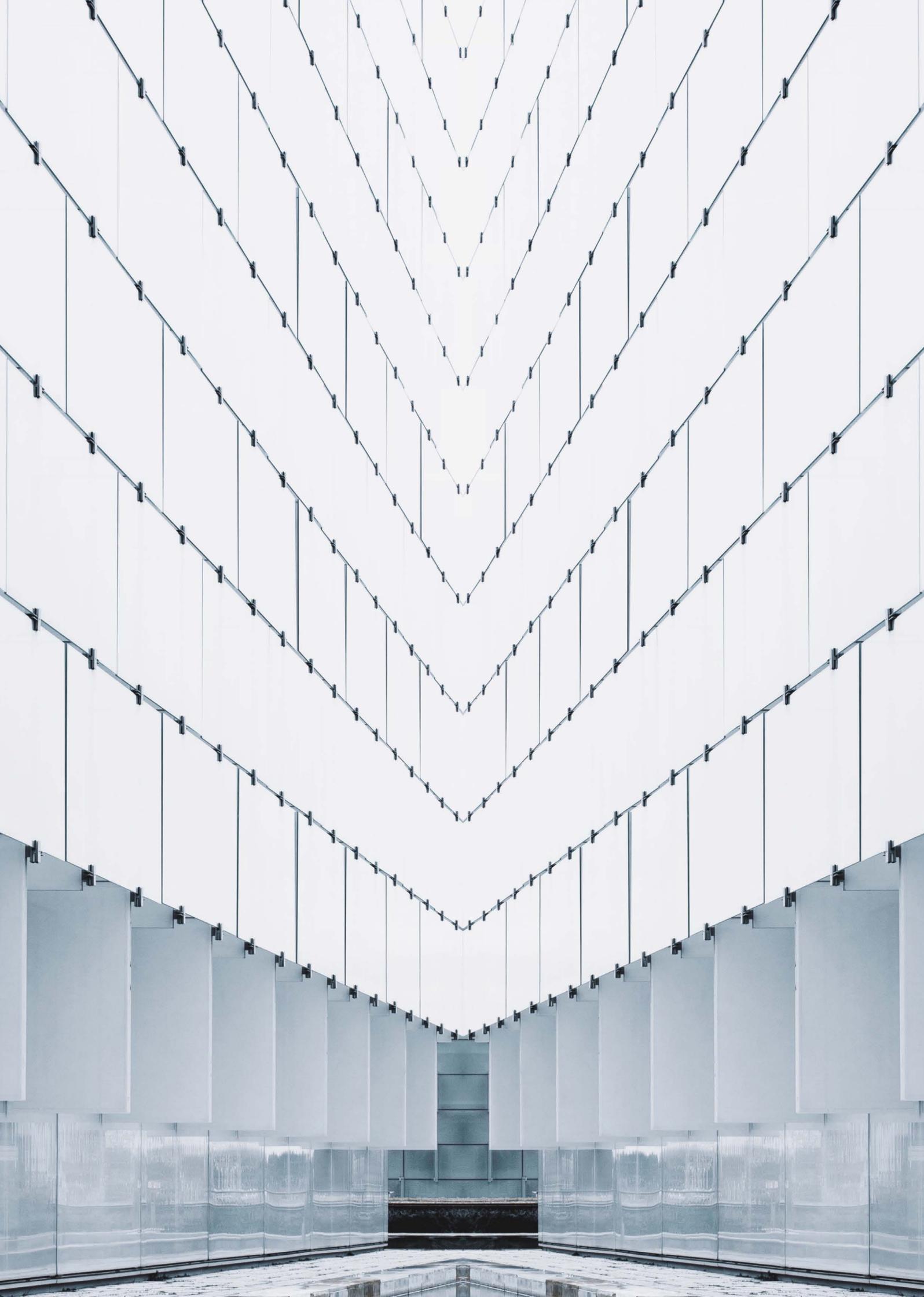
Transfers by direct credit may be made to:

BANK NAME AND ADDRESS	Westpac Bank 260 Queen Street Brisbane Qld 4000
ACCOUNT NAME	Lantern RE - Client Applications Account
BSB	034-001
ACCOUNT NO.	631432
REFERENCE	Princess (Investor name)



Memorandum
Access Street





16. Annexures

A secure link will be sent providing access to the following specifications on request.

- a. Locality map
- b. Town Planning
- c. Site Plans
- d. Engineering drawings of Project



The information provided should be regarded as general information only, rather than as advice. It has been prepared without taking account of any person's objectives, financial situation or needs. Because of that each person should, before acting on any such information, consider its appropriateness, having regard to their objectives, financial situation and needs. All investments involve risk and before making any investment consider whether the investment is suitable for you and if necessary consult your financial advisor.

PRINCESS STREET KEW TRUST

INFORMATION
MEMORANDUM

DATED 1ST JULY 2020

LANTERN RE

AUTHORISED INTERMEDIARY
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