



4 March 2021

ASX ANNOUNCEMENT

SCHEME UPDATE

Australian Leaders Fund Limited (ACN 106 845 970) (**ALF**) refers to its previous announcements in relation to the proposed restructure of ALF by way of a scheme of arrangement between ALF and its shareholders (**Scheme**).

Shareholders have each received a Scheme Booklet containing detailed information about the Scheme, including the reasons for the recommendation of the Independent Directors, a copy of the Independent Expert's report, and notices convening two general meetings on Monday 8 March 2021. At the first of these meetings, ALF shareholders will be asked to consider and vote on the Scheme (**Scheme Meeting**). The second meeting, which will be convened immediately after the Scheme Meeting, is ALF's 2020 annual general meeting (**2020 AGM**).

Your vote on this Scheme is important. Shareholders can vote in person (by attending the virtual meetings) or by proxy (electronic proxy must be submitted by 11am (Sydney time) on 6 March 2021 to be valid). See the Scheme Booklet for further details.

Withdrawals of New Units if the Scheme is implemented

If the Scheme is implemented, ALF shareholders will receive a cash dividend payment and exchange their ASX listed ALF shares, on a one-for-one basis, for a new class of units (**New Units**) in the Watermark Absolute Return Fund (ARSN 631 094 534) (**Watermark Fund**)¹.

The Scheme provides ALF Shareholders with the option to remain invested in the Watermark Fund's Long/Short investment strategy (being the same strategy employed by ALF) or exit their investment by withdrawing (redeeming) their New Units at a price approximate to the prevailing NAV per New Unit (on a monthly basis).

What is the cut-off for withdrawals after the Scheme implementation on 26 March 2021?

The cut-off time for the first round of withdrawals will be 5.00pm on 31 March 2021.

Ordinarily the cut-off time for withdrawals requests will be 2.00pm on the 10th business day of each month (see the Watermark Fund's product disclosure statement for further details).

The Responsible Entity has extended the cut-off time for March withdrawals to allow ALF Shareholders who want to exit, an ability to withdraw immediately following implementation of the Scheme.

Withdrawal requests received by 5.00pm on 31 March 2021 will be:

- priced by referenced to the NAV per New Unit calculated on 31 March 2021; and
- paid no later than 16 April 2021 (i.e. within 10 Business Days of the Scheme implementation date).

¹ ALF Shareholders be sent holding statements in respect of their New Units by post following implementation of the Scheme.



How to withdraw New Units?

ALF shareholders who want to withdraw their New Units must return their completed Withdrawal Form **AND** their completed KYC ('Know your client') Information Form (together with any information/documents required by the Responsible Entity of the Watermark Fund to verify their identity) by the cut-off time each month.

The Withdrawal Form can be downloaded via [Watermark's website](http://watermark.com.au) (by clicking on the link or entering the following address into your browser: <http://wffunds.com.au/fund/australian-leaders-fund/>). Alternatively a paper Withdrawal Form can be requested from Boardroom. ALF Shareholders do not need to wait until New Units are distributed under the Scheme to submit their Withdrawal Form. Withdrawal Forms can be submitted as soon as the Scheme is legally effective and ALF shares are suspended from trading (expected to occur at 7pm on 17 March 2021).

The simplest and quickest way to access and complete the KYC Information Form is to use the electronic KYC Information Form and online platform available at olivia123.com/warf/. Click on the link (or insert the address into your browser) and follow the prompts. Alternatively, a paper version of the KYC Information Form can be downloaded at <https://wffunds.com.au/> or requested from Boardroom.

Further Information

For general information about the Scheme, the Withdrawal Form or KYC Information Form please call Boardroom on the Shareholder Information Line on 1300 737 760 (in Australia) +61 2 9290 9600 (International), Monday to Friday between 9.00am and 5.00pm (Sydney time).

If you have questions about this announcement please contact ALF's company secretary, Mark Licciardo on +61 3 8689 9997.

Authorised for release by the Board of Directors.