

ASX ANNOUNCEMENT

15 June 2021

Irongate Group (ASX: IAP)

Acquisition of Canberra Office Property and Placement

Irongate Funds Management Limited as responsible entity of the Irongate Group¹ (IAP) is pleased to announce the following:

- The acquisition from Blackstone Group Inc.² of a 100% interest in the property located at 38 Sydney Avenue, Canberra ACT (**Property**) for a total purchase price of A\$73.75 million³ (**Acquisition**).
- A fully underwritten institutional placement to raise approximately A\$50 million (**Placement**) at an issue price of A\$1.47 per stapled security (**Issue Price**) to partly fund the Acquisition and the associated transaction costs.

Property

The Property is an A-grade office building comprising 8,901m² of accommodation across four levels including a ground floor cafe in one of Canberra's prime office precincts. The Property is being acquired on an initial yield of 5.13%⁴.

The Property is 55% leased to the Australian National Audit Office, a department of the Australian Federal Government functioning as the national auditor for the Parliament of Australia with 13.5 years remaining on the lease term and annual fixed rent reviews of 3.5%. The balance of the office space (3,920m²) is subject to a 24-month non-refundable gross rent guarantee provided by the vendor, resulting in a WALE for the Property at completion of 8.5 years⁵.

IAP CEO, Graeme Katz, said, "This transaction builds on IAP's track record of acquiring strategically located, good quality income-producing properties. The Property has had approximately A\$12.6 million spent on fit out and refurbishment works in the last two years including a full atrium lobby upgrade, the addition of end-of-trip facilities and refurbishment of on floor amenities."

"The Canberra office market proved resilient through the COVID-19 pandemic, underpinned by the government sector. The Property is located 500m from Parliament House in a precinct with

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

² The vendor is Merlin Australia Secondary Offices Hold Pty Ltd as trustee for Merlin Australia Secondary Offices Hold Trust.

³ The interest will be acquired by a wholly owned sub trust of IAP purchasing all of the units in a trust known as the 38 Sydney Ave Trust. Purchase price excludes transaction costs and is subject to customary adjustments.

⁴ Initial yield is pre transaction costs.

⁵ Weighted by gross property income. Including 24-month non-refundable gross rent guarantee provided by the vendor.

A-grade vacancy of less than 1%, and this, together with the Property's NABERS energy rating of 4.5 stars and large floor plates that are easily subdividable, gives us confidence with respect to future leasing activities."

Impact of the Acquisition

	Audited 31 March 2021	Pre Acquisition ⁶	Acquisition	Post Acquisition
Number of properties	32	34 ⁷	1	35
Property valuation (A\$m)	1,237	1,257	74 ⁸	1,331
Lettable area (m ²)	345,787	352,268	8,901	361,169
WACR (%) ⁹	6.02	6.02	5.13 ¹⁰	5.96
Occupancy (%) ¹¹	97.5	97.5	100.0 ¹²	97.6
WALE (years) ¹³	4.7	4.6	8.5 ¹⁴	4.7
WARR (%) ¹⁵	3.4	3.4	3.3	3.4
Office/industrial weighting (%) ¹⁶	68/32	68/32	100/0	69/31

Placement

IAP has today launched a fully underwritten Placement¹⁷ of 34,013,605 new fully paid ordinary stapled securities (**New Securities**) to raise approximately A\$50 million at a fixed Issue Price of A\$1.47 per New Security, representing a:

- 3.9% discount to the last closing price of A\$1.53 on the ASX on Friday, 11 June 2021; and
- 6.2% FY22 distribution yield.¹⁸

New Securities issued under the Placement will rank equally with existing IAP stapled securities from the date of issue and will be entitled to the distribution for the six months to 30 September

⁶ As at 31 May 2021, before adjusting for the Acquisitions.

⁷ Includes the acquisition of Lot 24 Dunhill Crescent which has been announced but has not yet completed.

⁸ Purchase price excludes transaction costs and is subject to customary adjustments.

⁹ Weighted by property value.

¹⁰ Initial yield is pre transaction costs.

¹¹ Weighted by gross property income.

¹² Including 24-month non-refundable gross rent guarantee provided by the vendor.

¹³ Weighted by gross property income.

¹⁴ Including 24-month non-refundable gross rent guarantee provided by the vendor.

¹⁵ Weighted by gross property income.

¹⁶ Weighted by gross property income.

¹⁷ To be conducted by way of a vendor consideration placing in terms of section 5.62 of the JSE Listings Requirements and in accordance with ASX Listing Rule 7.1.

¹⁸ Based on midpoint of guidance of distribution growth range of 2% - 3%. The higher end of the range dependent on securing additional commitments and deployment for the TAP Fund. IAP's policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted renewals will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals.

2021. The Placement is fully underwritten by Macquarie Capital (Australia) Limited and UBS AG, Australia Branch.

The funds raised under the Placement will be used to part fund the Acquisition, with the balance funded under a new tranche of the debt facility provided by Westpac, ANZ and PGIM.

Commenting on the Placement, Katz said, “The placement, the proceeds from which will be used to partly fund the Acquisition, provides IAP with the opportunity to increase liquidity while preserving balance sheet capacity for future growth.”

Financial Impact

Including the impact of the Acquisition and the Placement, FY22 DPS guidance remains unchanged at 2% – 3% growth, and FY22 FFO per security expected to be in line with consensus.¹⁹

The Placement reduces IAP’s pro forma gearing to 30.6%²⁰ (at the lower end of IAP’s target range of 30% to 40%) and following the Acquisition and the Placement, pro forma NTA will be A\$1.42 per stapled security.²¹

Indicative Timetable

Event	Date (and Australian Eastern Standard time if relevant)	Date (and South African time if relevant)
ASX trading halt and announcement of the Placement and Acquisition	By 10.00am, 15 June 2021	By 2.00am, 15 June 2021
Placement bookbuild closes for ASX investors	By 4.30pm, 15 June 2021	By 8.30am, 15 June 2021
JSE trading halt and SENS (JSE) announcements of the Placement and Acquisition	By 4.45pm, 15 June 2021	By 8.45am, 15 June 2021
Placement bookbuild closes for JSE investors	By 8.00pm, 15 June 2021	By 12.00pm, 15 June 2021
Announcement of completion of the Placement on SENS (JSE)	By 10.00pm, 15 June 2021	By 2.00pm, 15 June 2021
ASX announcement of completion of the Placement released on ASX	By 10.00am, 16 June 2021	By 2.00am, 16 June 2021

¹⁹ The higher end of the range dependent on securing additional commitments and deployment for the TAP Fund. IAP’s policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted leases will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals. 6. Based on the midpoint of the guidance range.

²⁰ Pro forma based on the balance sheet of IAP as at 31 March 2021, adjusted only for the Acquisition and the Placement.

²¹ Barring any unforeseen events and no material change in current market conditions and based on the same underlying assumptions in relation to that guidance in IAP’s 2021 annual report and the property specific assumptions set out in Appendix E of the attached investor presentation.

Event	Date (and Australian Eastern Standard time if relevant)	Date (and South African time if relevant)
Trading halt lifted on ASX and JSE		
Settlement of New Securities on ASX	18 June 2021	18 June 2021
Settlement of New Securities on JSE	21 June 2021	21 June 2021
Allotment and normal trading of New Securities on ASX	21 June 2021	21 June 2021
Allotment and normal trading of New Securities on JSE	21 June 2021	21 June 2021

The timetable is indicative only and may change without notice. IAP reserves the right to amend any or all of these events, dates and times, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules, the JSE Listings Requirements and other applicable laws. The commencement of quotation and trading of the New Securities is subject to confirmation from the ASX and the JSE (as applicable).

Important Information

Refer to the attached investor presentation for important information about the Acquisition and the Placement (including key risks and property information).

This announcement has been authorised for release by the Company Secretary.

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

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IRONGATE

Investor presentation

Acquisition and equity raising

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Important Information

This presentation ("**Presentation**") and the announcement to which it is attached is issued by Irongate Funds Management Limited (ABN 93 071 514 246, AFSL number 290 090) ("**Responsible Entity**") in its capacity as responsible entity of Irongate Property Fund I (ARSN 162 067 736) and Irongate Property Fund II (ARSN 644 081 309) (ASX:IAP, JSE:IAP) ("**Irongate**" or "**IAP**").

Not an offer

This Presentation and the announcement to which it is attached is for information purposes only and is not, and does not constitute, an invitation, solicitation, recommendation or offer of securities for subscription, purchase or sale in any jurisdiction. This Presentation and the announcement to which it is attached is not financial product advice, investment advice or any recommendation. This Presentation and the announcement to which it is attached does not and will not form any part of any contract or commitment for the acquisition of stapled securities in Irongate ("**Stapled Securities**").

This Presentation and the announcement to which it is attached is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law.

This Presentation and the announcement to which it is attached does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended ("**US Securities Act**") and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. The New Securities will not be offered in the United States.

Summary information

The information contained in this Presentation and the announcement to which it is attached should not be considered to be comprehensive or to comprise all the information which a security holder or potential investor in IAP may require in order to determine whether to deal in Stapled Securities, nor does it contain all the information which would be required in a product disclosure statement prepared in accordance with the Corporations Act 2001 (Cth) ("**Corporations Act**"). This Presentation and the announcement to which it is attached does not take into account the financial situation, investment objectives or particular needs of any person and nothing contained in the information in this Presentation and the announcement to which it is attached constitutes investment, legal, tax or other advice. Readers or recipients of this Presentation and the announcement to which it is attached should, before making any decisions in relation to their investment or potential investment in IAP, consider the appropriateness of the information having regard to their own objectives and financial situation and seek their own professional advice.

This Presentation should be read in conjunction with the announcement to which it is attached. This Presentation and the announcement to which it is attached should also be read in conjunction with IAP's other periodic and continuous disclosure announcements lodged with ASX and JSE which are available at www.ironategroup.com.au.

Investment risk

An investment in IAP is subject to known and unknown risks (including possible loss of income and principal invested), some of which are beyond the control of the Responsible Entity (or any of its related bodies corporate). The Responsible Entity (and any of its related bodies corporate or any other person or organisation) does not guarantee any particular rate of return, repayment or the performance of an investment in IAP nor does it guarantee any particular tax treatment. Investors should have regard to the risk factors outlined in this Presentation when making their investment decision. Cooling off rights do not apply to the acquisition of New Securities.

Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented as at 31 March 2021 unless otherwise stated. Investors should note that this Presentation contains pro forma financial information. The pro forma financial information and past information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of the Responsible Entity's views on IAP's, nor anyone else's, future financial condition and/or performance.

Important Information (cont.)

The pro forma historical financial information included in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. Investors should be aware that certain financial data included in this Presentation and the announcement to which it is attached are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and 'non-GAAP financial measures' under Regulation G of the U.S. Securities Exchange Act of 1934. These measures include NTA and FFO. Such financial measures are not recognised under the Australian Accounting Standards ("**AAS**") and International Financial Reporting Standards ("**IFRS**"). Moreover, the disclosure of such non-GAAP financial measures in the manner included in this Presentation and the announcement to which it is attached may not be permissible in a registration statement under the Securities Act. These non-IFRS / non-GAAP financial measures do not have a standardised meaning prescribed by the AAS and IFRS and therefore may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with the AAS and IFRS. Although the Responsible Entity believes these non-IFRS / non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of IAP's business, readers are cautioned not to place undue reliance on any non-IFRS / non-GAAP financial measures included in this Presentation and the announcement to which it is attached.

Future performance

This Presentation and the announcement to which it is attached contains certain "forward-looking statements" with respect to the financial condition, results of operations and business of IAP and certain plans, strategies and objectives of the management of IAP, within the meaning of securities laws of applicable jurisdictions. The words "expect", "should", "could", "may", "predict", "outlook", "foresee", "guidance", "plan", "estimate", "anticipate", "aim", "intend", "believe", "projection", "forecast", "target", "consider" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements, as well as statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, significant uncertainties, assumptions, contingencies and other factors (including those described in this Presentation), many of which are beyond the control of the Responsible Entity and its related bodies corporate and affiliates and each of its directors, officers, employees, partners, agents and advisers ("**Beneficiaries**"), that may cause actual results or performance of IAP to differ materially from those predicted or implied by any forward-looking statements. Such forward-looking statements speak only as of the date of this Presentation. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements and the Responsible Entity (and its Beneficiaries) assume no obligation to update such information.

Past performance

The historical information in this Presentation and the announcement to which it is attached is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX and JSE including IAP's 2021 Annual Report. Any past performance information given in this Presentation and the announcement to which it is attached is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

South African regulatory disclosures

Irongate Property Fund I is an approved foreign collective investment scheme and the Responsible Entity is its approved management company in terms of the Collective Investment Schemes Control Act No.45 of 2002. Collective investment schemes are generally medium to long-term investments. The value of Stapled Securities may go down as well as up. Collective investment schemes are allowed to engage in borrowing and scrip lending. The schedule of fees and charges and maximum commissions is available on request. A detailed description of how performance fees are calculated and applied is available on request. No guarantee is provided with respect to the capital or income return of IAP.

Disclaimer

Information in this Presentation and the announcement to which it is attached including, without limitation, any forward looking statements or opinions (the “**Information**”) may be subject to change without notice, does not purport to be complete or comprehensive and has been obtained from or based on sources believed by the Responsible Entity to be reliable. This Presentation and the announcement to which it is attached does not purport to summarise all information that an investor should consider when making an investment decision. To the maximum extent permitted by law, the Responsible Entity, the joint lead managers to the Placement (“**Joint Lead Managers**”) and each of their respective Beneficiaries do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the Information or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the Information or any part of it and disclaim all responsibility and liability for the Information (including, without limitation, liability for negligence). The Information includes information derived from third party sources that has not been independently verified. Subject to any obligations under applicable laws, regulations or securities exchange listing rules, the Responsible Entity (and its Beneficiaries) disclaim any obligation or undertaking to release any updates or revisions to the Information to reflect any change in expectations or assumptions. Nothing contained in this Presentation or the announcement to which it is attached is or may be relied upon as a promise or representation whether as to the past or the future.

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Determination of eligibility of investors to participate in the Placement will be made by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Responsible Entity and/or the Joint Lead Managers. The Responsible Entity, the Joint Lead Managers and each of their respective Beneficiaries disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law. The Joint Lead Managers may rely on information provided by or on behalf of institutional investors in connection with managing, conducting or underwriting the Placement without having independently verified that information and the Joint Lead Managers do not assume responsibility for the accuracy or completeness of that information.

Statements made in this Presentation and the announcement to which it is attached are made only as at the date of this Presentation and the Information remains subject to change without notice. The Responsible Entity may in its absolute discretion, but without being under any obligation to do so, update or supplement this Presentation or the announcement to which it is attached. Any further information will be provided subject to the terms and conditions contained in this Disclaimer.

Disclaimer (cont.)

The Responsible Entity reserves the right to withdraw the Placement or vary the timetable for the Placement without notice.

In consideration for being given access to this Presentation and the announcement to which it is attached, the recipient confirms, acknowledges, undertakes and agrees to the matters set out in this Disclaimer and any modifications notified to you.

U.S. Foreign Account Tax Compliance Act (FATCA) and OECD Common Reporting Standard (CRS)

The Responsible Entity may conduct due diligence on investors to comply with its obligations under FATCA and CRS and may require investors to provide it with certain information, certifications and/or documentation in respect of their status for the purposes of FATCA and CRS at the time of application for the issue of Stapled Securities and/or at any time after the Stapled Securities have been issued to the investor.

The Responsible Entity will report information in respect of certain investors and their Stapled Securities to the Australian Taxation Office. Broadly, the Responsible Entity will report information in respect of investors who are U.S. citizens or residents, certain types of U.S. entities or certain types of non-U.S. entities that are controlled by one or more U.S. citizens or residents (pursuant to FATCA) and foreign resident individuals, certain types of foreign resident entities, and certain types of Australian entities that are controlled by one or more foreign residents (pursuant to the CRS). In addition, financial institutions through which payments on the Stapled Securities are made may also be subject to FATCA and CRS regimes (including outside Australia) and have separate obligations to collect or report information in respect of investors.

If an investor does not provide the Responsible Entity or other financial institutions through which payments on Stapled Securities are made with the required information, certifications and/or documentation upon request, an investor and its Stapled Securities may be reported to the Australian Taxation Office. The Australian Taxation Office or other relevant tax authority will share information reported to it with the U.S. Internal Revenue Service or tax authorities of jurisdictions that have signed a relevant CRS Competent Authority Agreement.

Investors should consult with their tax advisers for further information on how FATCA and CRS, and related domestic implementing legislation, may affect their holding of Stapled Securities.

Agenda

- Transaction overview and strategic rationale
- Property overview
- Portfolio impact
- Equity raising overview
- Conclusion
- Appendices

Presenting today



Graeme Katz
Chief Executive Officer



Zach McHerron
Fund Manager



Kristie Lenton
Chief Financial Officer

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Transaction overview
and strategic rationale

Transaction overview

ACQUISITION	<ul style="list-style-type: none"> – Irongate Group (“Irongate” or “IAP”) has entered into a sale agreement to acquire a 100% interest in the property at 38 Sydney Avenue, Canberra ACT (the “Property”) for A\$73.75 million¹ (the “Acquisition”): – the Property has a passing yield (pre-transaction costs) of 5.13% and a WALE of 8.5 years² – the Property is underpinned by a long lease to a government tenant and is strategically located in a strong performing Canberra office sub-market
EQUITY RAISING	<ul style="list-style-type: none"> – Irongate will undertake a fully underwritten institutional placement to raise approximately A\$50 million (“Placement”) to partially fund the Acquisition at an Issue Price of A\$1.47 per Stapled Security. The Issue Price represents: – 3.9% discount to the last closing price of A\$1.53 on Friday, 11 June 2021
FINANCIAL IMPACT	<ul style="list-style-type: none"> – Pro forma gearing is expected to be approximately 30.6%³, towards the lower end of the 30% – 40% target gearing range – Irongate will also establish a new A\$80 million debt tranche and extend existing debt facilities – Post the Acquisition and Placement IAP has approximately A\$85 million of acquisition capacity⁴ – FY22 DPS guidance remains unchanged at 2% to 3% growth, and FY22 FFO per Stapled Security expected to be in line with consensus⁵ – 6.2% forecast FY22 DPS yield (on Issue Price)⁶

1. The interest will be acquired by a wholly owned sub trust of IAP purchasing all of the units in a trust known as the 38 Sydney Ave Trust. Purchase price excludes transaction costs and is subject to customary adjustments. 2. Weighted by gross property income, including 24-month non-refundable gross rent guarantee provided by the vendor. 3. Pro forma based on the balance sheet as at 31 March 2021, refer Appendix A for detailed breakdown. 4. Based on an acquisition that is 100% debt financed and pro forma gearing of 35%, the midpoint of IAP's target gearing range of 30% – 40%, prior to the inclusion of a further approximately \$20 million of development spend for the construction of properties in Kingston, Morningside and Brendale. 5. The higher end of the range dependent on securing additional commitments and deployment for the TAP Fund. IAP's policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted leases will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals. 6. Based on the midpoint of the guidance range.

Strategic rationale

A-grade office building in one of Canberra's prime office precincts with a long-term lease to the Australian Federal Government



STRATEGICALLY
LOCATED IN A
STRONG SUB-
MARKET



QUALITY ASSET
WITH RECENT
REFURBISHMENT

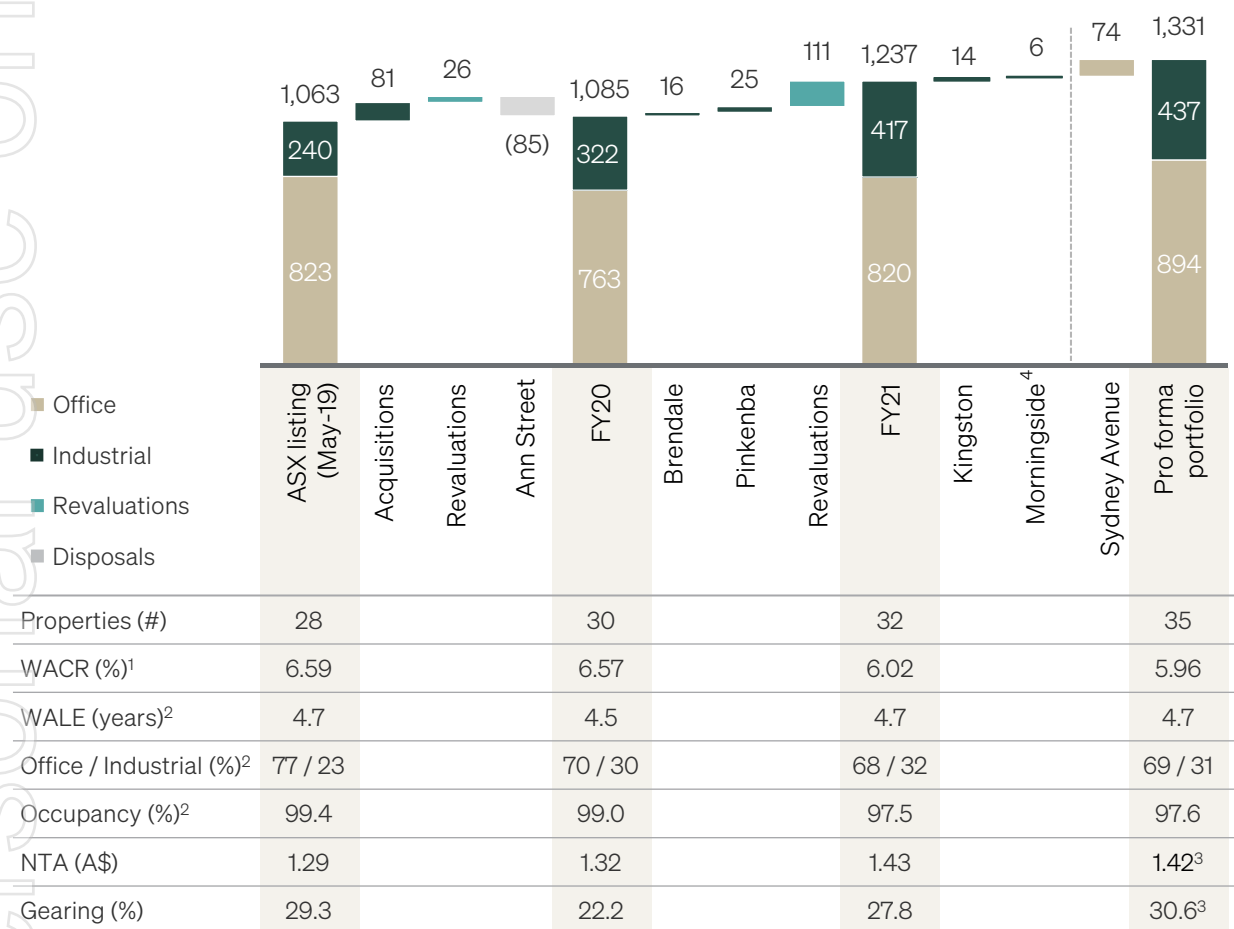


ATTRACTIVE
INCOME PROFILE

- Located in one of Canberra's prime office precincts 500m from Parliament House, surrounded by government departments and corporate occupiers
- Tightly held precinct with high level of institutional ownership and low vacancy rate
- The Canberra office market was resilient through COVID-19, with occupancy supported by the government sector (c.50% of Canberra's occupied stock)
- Quality asset having undergone recent significant refurbishment works
- The Property has good natural light and large floor plates that are sub-dividable, creating optionality for future leasing initiatives
- Approximately A\$12.6 million spent on fit-out and refurbishment works in the last 2 years
- Currently has a 4.5 star NABERS energy rating
- 55% leased to the Australian National Audit Office ("ANAO")
- ANAO has 13.5 years remaining on its lease with annual reviews of 3.5%
 - AAA tenant covenant
- The vendor is providing a 24-month non-refundable gross rent guarantee in respect of the vacant space (43%), resulting in a WALE across the entire Property of 8.5 years¹ at completion

1. Weighted by gross property income, including 24-month non-refundable gross rent guarantee provided by the vendor.

Repositioning for growth and scale post-internalisation



- Demonstrated ability to deploy capital into attractive assets in well located areas (A\$215 million deployed since ASX listing)
- Significant transaction activity post recently completed internalisation – platform now ready to be leveraged to pursue further growth opportunities
- Recent value-add activity continuing including the development of TAP Fund seed asset (50-52 Phillip Street) and acquisition of an additional asset (Rundle Place) in TAP Fund

1. Weighted by property value. 2. Weighted by gross property income, including 24-month non-refundable gross rent guarantee provided by the vendor. 3. Pro forma based on the balance sheet as at 31 March 2021, refer Appendix A for detailed breakdown. 4. The Morningside acquisition has been announced but has not yet completed.

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Property
overview

38 Sydney Avenue, Canberra ACT



A\$73.75m

purchase price¹
\$8,286/m² of NLA

8.5 yrs²

WALE
13.5 years remaining
on lease to ANAO

8,901m²

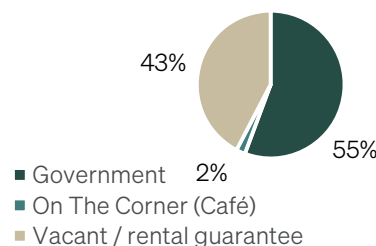
8,777m² office NLA
124m² ground floor café

5.13%

Initial yield
(pre-transaction costs)

4.5*

NABERS
Energy rating



Tenancy split
(by income)

Key investment highlights

- A-grade Canberra office asset located in the Forrest / Barton precinct
- The Forrest / Barton precinct has a vacancy rate of <1%
- Canberra's resilient office market supported by a government tenant base and low unemployment
- Recently completed a major renovation in 2019 including full refurbishment of floor plates and amenities
- The vendor is providing a 24-month non-refundable gross rental guarantee over the vacant space and car parks

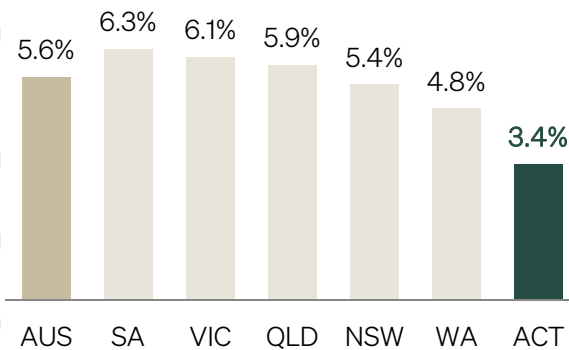
1. Purchase price excludes transaction costs and is subject to customary adjustments. 2. Weighted by gross property income, including 24-month non-refundable gross rent guarantee provided by the vendor.

Canberra office market

Canberra was the only CBD office market in Australia to record a reduction in vacancy since the outbreak of COVID-19

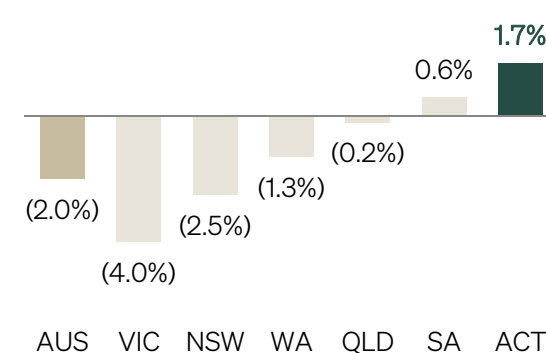
Unemployment rate

As at March 2021

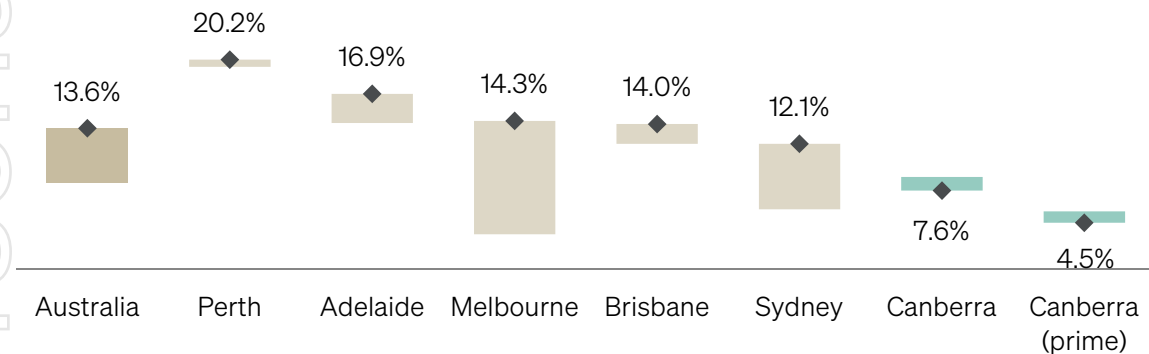


CBD white collar employment

YoY growth for the year to March 2021



Canberra office vacancy



■ 12 month increase in vacancy to Mar-21 ■ 12 month decrease in vacancy to Mar-21 ◆ Current vacancy (Mar-21)

- Canberra recorded the highest levels of positive net absorption in the past 6 months since January 2008
- The only CBD market to record higher than average leasing demand
- Canberra's A-grade office rents rose 1.5% in the 12 months to March 2021
- Government demand for office space with specific sustainability targets, building amenities, and mandates to consolidate work groups into a single location has supported demand for high quality office and above average absorption rates

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Portfolio impact

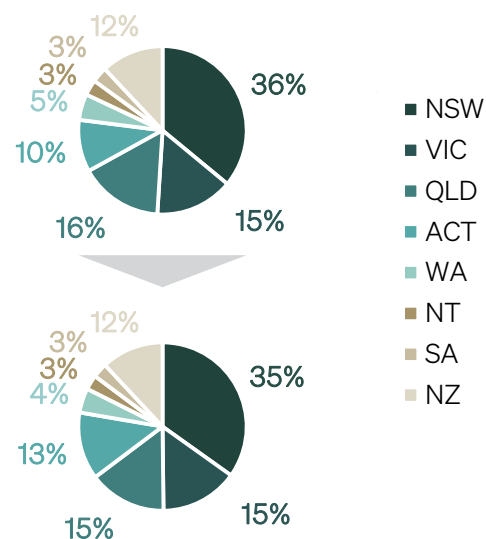
Portfolio impact

	AUDITED 31 MARCH 2021	PRE ACQUISITION ¹	38 SYDNEY AVE, CANBERRA ACT	POST ACQUISITION
Properties (#)	32	34	1	35
Valuation (A\$m)	1,237	1,257	74 ²	1,331
Lettable area (m ²)	345,787	352,268	8,901	361,169
WACR (%) ⁵	6.02	6.02	5.13 ³	5.96
Occupancy (%) ⁶	97.5	97.5	100.0 ⁴	97.6
WALE (years) ⁶	4.7	4.6	8.5	4.7

Sector split⁶



Geographic split⁶



1. As at 31 May 2021, pro forma for the acquisition and completion of Kingston and Morningside. 2. Purchase price excludes transaction costs and is subject to customary adjustments. 3. Initial yield of 38 Sydney Avenue, Canberra ACT. 4. 38 Sydney Avenue, Canberra ACT is currently 57% occupied (by income) with the remainder supported by a 24-month non-refundable gross rent guarantee provided by the vendor. 5. Weighted by property value. 6. Weighted by gross property income, including 24-month non-refundable gross rent guarantee provided by the vendor.

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Equity raising
overview

Sources and uses of funds

- Irongate will undertake a fully underwritten institutional Placement to raise approximately A\$50 million to partially fund the Acquisition
- The balance of the funding for the Acquisition and associated transaction costs will be sourced from existing and new debt facilities
- Settlement of the Acquisition is expected to occur on 29 June 2021
- Following the Placement and Acquisition, IAP has headroom for future growth, with approximately A\$85 million of acquisition capacity¹

SOURCES OF FUNDS	A\$ million
Proceeds from Placement	50.0
New and existing debt facilities	29.1
Total sources	79.1
USES OF FUNDS	A\$ million
Acquisition	73.8
Transaction costs ²	5.3
Total uses	79.1

KEY METRICS	
Issue Price	A\$1.47 per New Security
Discount to last close on the ASX	3.9%
Pro forma market capitalisation post Placement ³	A\$985 million
FY22 DPS yield (at Issue Price) ⁴	6.2%
Pro forma gearing ⁵	30.6%

1. Based on an acquisition that is 100% debt financed and pro forma gearing of 35%, the midpoint of IAP's target gearing range of 30% – 40%, prior to the inclusion of a further approximately \$20 million of development spend for the construction of properties in Kingston, Morningside and Brendale. 2. Includes costs associated with the Acquisition and the Placement. 3. Based on IAP's market capitalisation as at Friday, 11 June 2021, adjusted for the approximately A\$50 million placement. 4. Based on the midpoint of the FY22 DPS guidance range of 2% – 3% growth on FY21 DPS (barring any unforeseen events and no material change in current market conditions). 5. Pro forma based on the balance sheet as at 31 March 2021, refer Appendix A for detailed breakdown.

Equity raising details

STRUCTURE	<ul style="list-style-type: none">– Fully underwritten Placement to raise approximately A\$50 million
PRICING	<ul style="list-style-type: none">– Issue Price under the Placement of A\$1.47 per New Security, represents:<ul style="list-style-type: none">– 3.9% discount to the last closing price on ASX of A\$1.53 on Friday, 11 June 2021– 6.2% forecast FY22 DPS yield (on Issue Price)¹
RANKING	<ul style="list-style-type: none">– New Securities will rank equally with existing Stapled Securities from the date of issue– New Securities will be entitled to the distribution for the six months to 30 September 2021
UNDERWRITING	<ul style="list-style-type: none">– The Placement is fully underwritten by Macquarie Capital (Australia) Limited and UBS AG, Australia Branch

¹. Based on midpoint of guidance of distribution growth range of 2% – 3%. The higher end of the range dependent on securing additional commitments and deployment for the TAP Fund. IAP's policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted renewals will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals.

Timetable

	AUSTRALIAN EASTERN STANDARD TIME	SOUTH AFRICAN TIME
ASX trading halt and announcement of the Placement and Acquisition	By 10:00am Tuesday, 15 June 2021	By 2:00am Tuesday, 15 June 2021
Placement bookbuild closes for ASX investors	By 4:30pm Tuesday, 15 June 2021	By 8:30am Tuesday, 15 June 2021
JSE trading halt and SENS (JSE) announcements of the Placement and Acquisition	By 4:45pm Tuesday, 15 June 2021	By 8:45am Tuesday, 15 June 2021
Placement bookbuild closes for JSE investors	By 8:00pm Tuesday, 15 June 2021	By 12:00pm Tuesday, 15 June 2021
Announcement of completion of the Placement on SENS (JSE)	By 10:00pm Tuesday, 15 June 2021	By 2:00pm Tuesday, 15 June 2021
ASX announcement of completion of the Placement released on ASX Trading halt lifted on ASX and JSE	By 10:00am Wednesday, 16 June 2021	By 2:00am Wednesday, 16 June 2021
Settlement of New Securities on ASX	Friday, 18 June 2021	Friday, 18 June 2021
Settlement of New Securities on JSE	Monday, 21 June 2021	Monday, 21 June 2021
Allotment and normal trading of New Securities on ASX	Monday, 21 June 2021	Monday, 21 June 2021
Allotment and normal trading of New Securities on JSE	Monday, 21 June 2021	Monday, 21 June 2021

1. The above timetable is indicative only and may change without notice. IAP reserves the right to amend any or all of these events, dates and times, subject to the Corporations Act, the ASX Listing Rules, the JSE Listings Requirements and other applicable laws. The commencement of quotation and trading of New Securities is subject to confirmation of ASX and the JSE (as applicable).

Conclusion

- Irongate continuing to execute on its strategy of capital deployment into well located assets with high occupancy and long lease terms
- Since listing on the ASX in May 2019, IAP has delivered +25% growth in portfolio value with A\$215 million of capital deployed into new acquisitions¹
- The Acquisition reflects strong strategic rationale for IAP, underpinned by a high quality asset in a prime location with a strong tenant covenant and long lease term
- Post the Placement and Acquisition, IAP is well positioned for growth with gearing of 30.6%, at the lower end of the 30% – 40% target gearing range
- FY22 DPS guidance remains unchanged, and FY22 FFO per Stapled Security expected to be in line with consensus²

1. Including the acquisition of 38 Sydney Avenue, Canberra. 2. The higher end of the range of 2% – 3% growth on FY21 DPS dependent on securing additional commitments and deployment for the TAP Fund. IAP's policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted leases will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals.

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Financial
information

Pro forma balance sheet

A\$m	MAR-21	POST BALANCE DATE ADJUSTMENTS ¹	MAR-21 PRO FORMA (PRE ACQUISITION AND PLACEMENT)	ACQUISITION AND PLACEMENT	MAR-21 PRO FORMA (POST ACQUISITION AND PLACEMENT)
Cash	7	(2)	5	-	5
Investment properties	1,237	4	1,241	74	1,315
Equity accounted investments	6	10	16	-	16
Intangible assets	40	-	40	-	40
Other assets	9	-	9	-	9
Total assets	1,299	12	1,311	74	1,385
Borrowings	339	40	379	29	408
Distribution payable	28	(28)	-	-	-
Other liabilities	19	-	19	-	19
Total liabilities	386	12	398	29	427
Net assets	913	-	913	45	958
Securities on issue	611		611	34	645
NAV per Stapled Security	A\$1.49		A\$1.49		A\$1.48
NTA per Stapled Security	A\$1.43		A\$1.43		A\$1.42
Gearing	27.8%		30.1%		30.6%

1. Pro forma for the payment of the announced final FY21 distribution, TAP Fund capital call and settlement of land at 57 – 83, Mudgee Street, Kingston QLD.

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Key risks

Key risks

A number of risks and uncertainties, which are both specific to IAP and of a more general nature, may affect the future operating and financial performance of IAP and the value of its Stapled Securities. This section identifies the key risks associated with an investment in Stapled Securities. These risks are not exhaustive of the risks faced by potential investors in the IAP. You should consider carefully the risks described in this section, as well as other information in this Presentation and the announcement to which it is attached, and consult your financial or other professional adviser before making an investment decision. If any of the following risks materialise, IAP's business, financial condition and operational results are likely to suffer.

Risks specific to an investment in property

IMPACT OF THE COVID-19 PANDEMIC	<ul style="list-style-type: none"> – The performance of IAP depends heavily on property investment activity in Australia and New Zealand. This sector is cyclical and influenced by changes in prevailing economic conditions. Market and economic disruptions may affect government, consumer and business spending, consumer and investment confidence levels, interest rates and other relevant factors in the economies in which IAP operates. – In light of recent global macroeconomic events, including the impact of the COVID-19 pandemic, any of Australia, New Zealand or South Africa may experience an economic recession or downturn of uncertain severity and duration which could cause a material contraction in the real estate sector. These economic disruptions could have a material adverse impact on IAP's operating and financial position and performance, as well as the price of the Stapled Securities. – Many of the risks set out below are likely to be heightened due to the impacts of this situation, and there is no certainty as to when a return to pre-COVID-19 pandemic conditions is likely. There is continued uncertainty as to the further impact, including in relation to governmental action, potential taxation changes, work stoppages, lockdowns, quarantines, travel restrictions and the impact on the global economy and securities markets. Among the potential effects of these actions on IAP are interruption to supply chains, solvency of counterparties, impact on rental revenue in relation to IAP's property portfolio and impact on property valuations.
GROSS PROPERTY INCOME	<ul style="list-style-type: none"> – Distributions made by IAP will continue to be largely dependent upon rental income, occupancy levels and the level of non-recoverable outgoings. – Gross property income may be adversely affected by a number of factors within and beyond IAP's control, including overall macro-economic conditions, changes in market rental rates, competition from other property owners and rental arrears and vacancy periods. The COVID-19 pandemic created considerable uncertainty and volatility surrounding these factors. – Any negative impact on gross property income has the potential to decrease the value of IAP's properties. – A decrease in gross property income may affect the FFO of IAP and in turn impact distributions and the market price of Stapled Securities.
RE-LEASING AND VACANCY	<ul style="list-style-type: none"> – IAP may not be able to negotiate suitable lease extensions with existing tenants or replace outgoing tenants with new tenants on the same terms (if at all) or be able to find new tenants to take over space that is currently unoccupied which could affect FFO of IAP and in turn impact distributions. This risk increased as a result of the COVID-19 pandemic and any economic recessions that may arise as a result of it. In addition, with respect to office properties within IAP's portfolio, it is possible that existing and prospective tenants may seek to promote and utilise working from home options which could result in decreased demand for commercial office space. – Gross property income might also be negatively impacted by any increases in amounts not recoverable from tenants that might be incurred by IAP which could affect FFO of IAP and distributions.

Key risks (cont.)

CAPITAL EXPENDITURE REQUIREMENTS	<ul style="list-style-type: none"> Required capital expenditure may exceed forecast spend, requiring additional funding or property sales, affecting FFO and distributions. Some examples of circumstances that may require capital expenditure in excess of the forecast amount include damage caused by fire, flood or other disaster, changes to law or council requirements such as environmental, building or safety regulations or unforeseen property defects or environmental issues that need to be addressed (to the extent not covered by insurance).
PROPERTY VALUATION	<ul style="list-style-type: none"> The value of, and returns from, IAP's properties may fluctuate depending on property market conditions, general economic conditions, and/or property specific factors. Demand for property may change as investor preferences for particular sectors, asset classes and geographies change over time and can be influenced by general economic factors. The COVID-19 pandemic created considerable uncertainty and volatility surrounding these factors, and assessing fair value involves uncertainties around the underlying assumptions. A change in valuations of the properties will not directly impact FFO of IAP and distributions but will impact gearing which could have a bearing on compliance with debt covenants.
PROPERTY LIQUIDITY	<ul style="list-style-type: none"> IAP may not be able to realise the properties within a short period of time or may not be able to realise properties at valuation. This may affect the NTA or the price of Stapled Securities.
SECTOR CONCENTRATION	<ul style="list-style-type: none"> IAP's performance depends on, in part, the performance of the office and industrial property sectors in Australia and New Zealand. A downturn in these sectors might reduce gross property income and impact FFO of IAP and distributions.
CLIMATE CHANGE RISK	<ul style="list-style-type: none"> IAP acknowledges climate change as a financial risk and will consider the ability to quantify and understand those aspects of its business, which produce greenhouse gas emissions, as a competitive advantage in terms of cost and market risk management. IAP's failure to adequately respond to the impact of climate change and associated legislative requirements could result in litigation (if reporting requirements are not met), reduced profit due to the impact of increased costs associated with energy efficiency and other costs associated with upgrading existing buildings to comply with new building standards or contractual obligations. IAP is also potentially exposed to acute physical risks stemming from the impacts of climate change, such as damage from extreme weather, and chronic risks such as heat stress.
ENVIRONMENTAL ISSUES AND CONTAMINATION	<ul style="list-style-type: none"> IAP may be required to undertake remediation for contaminated properties which could require material capital expenditure and impact the FFO of IAP and distributions. Environmental laws impose penalties for environmental damage and contamination, which can be material in size. Exposure to hazardous substances at a property could result in personal injury claims which could prove greater than the value of the contaminated property. An environmental issue may also result in interruptions to the operations of a property, including loss as a result of closure. Any loss of income might not be recoverable.
HEALTH AND SAFETY	<ul style="list-style-type: none"> Liability arising from workplace health and safety matters at a property may be attributable to IAP as the landlord instead of, or as well as, the tenant. Any liabilities or penalties borne by IAP may impact the financial performance of IAP (to the extent not covered by insurance).

Key risks (cont.)

Risks specific to an investment in IAP

ACQUISITIONS	<ul style="list-style-type: none"> IAP expects the Acquisition to proceed as contemplated in this Presentation. If the Acquisition in fact fails to complete or completion is delayed, the expected financial performance of IAP could be adversely affected. If the Acquisition does not complete and IAP has raised funds under the Placement, IAP will consider alternative uses for those funds (including reducing debt).
GEARING	<ul style="list-style-type: none"> A higher level of gearing will magnify the effect of any changes in interest rates or changes in value or performance measure. Changes in the value of the properties or gross property income that secure the repayment and servicing of the borrowing may also affect the gearing ratio which a financier may require to be maintained, which may result in a requirement to reduce the level of debt, including by selling properties. If the level of gearing increases over the term of IAP's facility agreement (thereby impacting IAP's gearing ratio), this may create refinancing risk on the facility.
FUNDING AND REFINANCING	<ul style="list-style-type: none"> IAP's ability to raise capital from debt or equity markets on favourable terms depends on a number of factors including the general economic climate, the state of debt and equity capital markets and the property market, and the performance, reputation and financial strength of IAP. IAP may be unable to borrow on terms and conditions, including durations and interest rates, which are acceptable or may be unable to refinance the facility when it matures, or that the refinance may not be obtained on the same terms (e.g. interests may be higher on refinancing). In addition, adverse changes in global equity or credit market conditions as a result of the uncertainty and downturn in economic conditions arising from the COVID-19 pandemic may adversely affect IAP's ability to make future acquisitions or meet future capital expenditure needs, increase IAP's cost of funding, constrain access to funding or impair IAP's ability to refinance its expiring borrowings on acceptable terms or at all. An inability to attract funding on acceptable terms may adversely affect the growth prospects of IAP. A lack of or increased cost of debt financing could also increase the funding costs of IAP and therefore impact the performance and financial position of IAP.
BREACH OF COVENANTS	<ul style="list-style-type: none"> An event of default may occur if IAP fails to maintain the undertakings and covenants under IAP's facility agreement. In the case of a default that is not remedied, lenders may require repayment of the facility prior to the expected expiry date. If so, IAP may need to sell properties for less than the book value, raise additional equity, or reduce or suspend distributions in order to repay the facility. In addition, the facility held with PGIM has a make whole provision that may be triggered in circumstances where there has been a full or partial repayment during the terms of the facility .
DILUTION OF PARTICIPATORY INTEREST	<ul style="list-style-type: none"> Existing securityholders who do not participate in the Placement will have their percentage holding in IAP diluted. Depending on the size of a securityholder's existing holding, a participating securityholder may still be diluted even though they participate in the Placement, depending on the number of New Securities allocated to them. Stapled Securities may also be issued to finance future acquisitions which may also, under certain circumstances, dilute the value of a securityholder's interests.

Key risks (cont.)

INTEREST RATE FLUCTUATIONS	<ul style="list-style-type: none"> IAP is exposed to interest rate risk and adopts a policy of ensuring that at least 75% of its exposure to changes in interest rates on borrowings is on a fixed basis. This is achieved by entering into variable for fixed rate swap instruments. IAP is exposed to movements in variable interest rates on the portions drawn but unhedged. Further, where interest bearing indebtedness is hedged, there is a risk that hedging counterparties may fail to honour their obligations under these arrangements and that the arrangements may not be effective in reducing exposure to movements in interest rates. IAP may be unable to hedge future interest rate risk or the terms of such hedging may be less favourable than existing terms.
EXCHANGE RATE FLUCTUATIONS	<ul style="list-style-type: none"> If an investor chooses to hold their Stapled Securities through the South African register, their Stapled Securities will be denominated in ZAR but distributions will be denominated in A\$ and earnings derived from the Australian properties will be denominated in A\$. This may involve a currency exchange risk for securityholders. The value (in ZAR terms) of the Stapled Securities trading on the JSE may go up or down according to changes in the exchange rate between the ZAR and A\$. These changes may be significant. Earnings derived from any New Zealand properties will be denominated in NZ\$. Movements in the exchange rate at such times between A\$ and NZ\$ may adversely affect the results of the operations and/or the balance sheet of IAP.
DUAL LISTING	<ul style="list-style-type: none"> The number of potential buyers or sellers of Stapled Securities on the ASX and the JSE at any given time may vary. This may increase the volatility of the market price of the Stapled Securities and therefore affect the market price at which securityholders are able to sell their Stapled Securities. IAP is dual listed and needs to comply with both the ASX Listing Rules and the JSE Listings Requirements. Investors should be aware that certain South African legal concepts, which investors may not be familiar with via investments in Australian companies or trusts, may apply to IAP. Transfer of Stapled Securities between the Australian and South African subregisters of IAP will occur in accordance with IAP's current procedures. Securityholders will not be able to move their Stapled Securities between the Australian and South African register for a short period where IAP declares a record date for the purpose of paying distributions.
LIQUIDITY	<ul style="list-style-type: none"> There can be no guarantee that an active market in the Stapled Securities will be maintained in Australia or South Africa, that the price of Stapled Securities will increase, or that liquidity will be maintained. If a large securityholder chooses to sell its Stapled Securities, this may affect the prevailing market price of Stapled Securities.
INABILITY TO COMPLETE DISPOSALS OR ACQUISITIONS	<ul style="list-style-type: none"> IAP may be unable to identify suitable investment opportunities that meet IAP's investment objectives or IAP may be unable to dispose of and/or acquire properties on appropriate terms, thereby potentially limiting growth of IAP. The COVID-19 pandemic may also cause material changes or delays in planned or potential acquisition and/or disposals of properties. Failure to deliver or effectively execute IAP's stated strategy including its acquisition and/or disposal of properties or its failure to redefine its strategy to meet changing conditions could result in a decline in the price of the Stapled Securityholders and/or distributions. There can be no assurance that any future acquisitions and/or disposals will enhance the investment returns of securityholders.
FINANCIAL INFORMATION AND FORECASTS	<ul style="list-style-type: none"> Forward-looking statements, opinions and estimates provided in this Presentation rely on various factors, many of which are outside the control of the board of the Responsible Entity or management of IAP, and several assumptions, any of which could be inaccurate or result in material deviations in actual performance from expected results. Securityholders are strongly cautioned not to place undue reliance on forward looking statements, particularly in light of the current economic climate and the volatility, uncertainty and disruption caused by the COVID-19 pandemic. There can be no guarantee that IAP will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate.

Key risks (cont.)

COMPLIANCE	<ul style="list-style-type: none"> IAP is subject to a range of legal and regulatory controls, including environmental and planning laws, anti-money laundering and anti-bribery and corruption laws, and taxation laws. If IAP fails to comply with necessary laws or regulations, it may be subject to fines, penalties and requirements to pay compensation for damages, as well as reputational damage. Furthermore, if the Responsible Entity breaches the Corporations Act or the terms of its AFSL, ASIC may take action to suspend or revoke the Responsible Entity's licence, which in turn may adversely impact IAP.
TAX	<p><i>Irongate Group</i></p> <ul style="list-style-type: none"> Changes in general taxation law and, in particular, income tax, GST or stamp duty legislation, case law in Australia, rulings and determinations issued by the Australian Commissioner of Taxation or other practices of tax authorities may adversely affect IAP's performance, position and prospects. Any changes to the tax regime applicable to IAP may affect IAP's ability to make distributions or attributions of income and may adversely affect the tax treatment of distributions or attributions in the hands of securityholders. <p><i>Irongate Property Fund I</i></p> <ul style="list-style-type: none"> IPF I, as an Attribution MIT ("AMIT"), should not be subject to Australian tax on any of the net income derived by IAP so long as (i) its activities are limited to an eligible passive investment business, being the investment in land for the purposes of deriving rent (described further in section 9 of the IAP product disclosure statement dated 20 October 2020), and (ii) it fully distributes or attributes its net income to securityholders each income year. IPF I currently invests in New Zealand and is subject to New Zealand tax. Distributions made by IPF I in respect of New Zealand investment will necessarily be made on a post-tax basis. IPF I, and returns from IPF I, are subject to any changes in New Zealand tax laws. The Australian taxation treatment of managed investment trusts ("MITs"), including Australian REITs, has previously been under review in Australia. There is a risk that if the concessional rates change, or if IPF I ceases to qualify as a MIT in the future, distributions or attributions of net income to South African investors or other non-Australian tax resident investors may become subject to a higher withholding tax rate. In particular, if the ATO takes the view that Division 6C of Part III of the Income Tax Assessment Act 1936 applies to the IAP group stapling arrangements then IPF I may be taxed as a company. In this circumstance, IPF I would be taxed in a similar manner to IPF II and the taxation treatment of distributions from IPF I to investors would be similar to those applicable to IPF II. For further details of the tax analysis in relation to an investment in IAP, see section 7.3.12 and section 9 of the product disclosure statement dated 20 October 2020.
INSURANCE	<ul style="list-style-type: none"> If any of the properties are damaged or destroyed by an event which is not covered by IAP's insurance policies, IAP could incur a capital loss which could affect gross property income, FFO of IAP and distributions. Dependent on the type of coverage, IAP may have to incur an excess prior to any payment by the insurer or pay for any difference between the full replacement cost and insured amount. IAP may also incur increases to its insurance premium applicable to other areas of its cover as a result of the event.
LITIGATION	<ul style="list-style-type: none"> IAP may be the subject of complaints from or litigation by investors, tenants, government agencies or other third parties. While the Responsible Entity has in place professional indemnity insurance, certain events may not be covered, or the claims incurred may be in excess of the insured amount. If the Responsible Entity breaches the law, this may result in a fine or penalty or, in a serious case, the loss of the Responsible Entity's AFSL. Such matters may have a material adverse effect on IAP's reputation, divert its financial and management resources from more beneficial uses, and/or have a material adverse effect on IAP's future financial performance or position.

Key risks (cont.)

PRE-EMPTIVE RIGHTS	<ul style="list-style-type: none"> IAP and Abacus Property Group are joint owners of the property located at 324 Queen Street, Brisbane QLD. Where a joint owner wishes to dispose of its interest in the property, the other joint owner will have a pre-emptive right except in limited circumstances (for example, by way of a permitted transfer to a member of its group).
LOSS OF KEY MANAGEMENT PERSONNEL	<ul style="list-style-type: none"> The loss of key management personnel could cause material disruption to IAP's activities in the short to medium term and could result in the loss of key relationships and expertise which could have a material adverse impact on its current and future earnings.
TERMINATION	<ul style="list-style-type: none"> In the event of termination or winding-up of IAP, the claims of IAP's creditors will have priority over the claims of securityholders. Under such circumstances, the Responsible Entity may sell properties and first repay or discharge all costs and liabilities owed to IAP's creditors before distributing the remaining proceeds to securityholders. There is a risk that Securityholders may receive no amount or an amount less than the price at which their Stapled Securities were acquired on termination or winding-up of IAP.
STAFF MISCONDUCT	<ul style="list-style-type: none"> IAP could be adversely affected if an employee, contractor or external service provider does not act in accordance with regulations or IAP's policies or engages in misconduct. This is a particular risk for organisations with a small number of staff who are required to perform various duties. As a result, IAP could incur losses, financial penalties and reputational damage, and could be subject to legal or regulatory action.
RISKS ASSOCIATED WITH AN INVESTMENT IN THE TAP FUND	<ul style="list-style-type: none"> IPF II currently acts as investment and asset manager of the TAP Fund and has committed to invest up to A\$30 million in the TAP Fund ("TAP Commitment"). As with any investment, the TAP Commitment represents an opportunity cost as IPF II cannot allocate committed funds to invest in other assets. The TAP Commitment will provide IPF II with an indirect interest in the investments made by the TAP Fund. The TAP Fund seeks to invest in opportunistic real estate transactions in Australia and New Zealand with a shorter term investment horizon than more passive investments, including value add and real estate backed opportunities which require more active management. In this regard, the risk profile of investments made by the TAP Fund is different to the risk profile of property owned by IPF I. Further information regarding the risks associated with the TAP Fund are set out in section 2 of the product disclosure statement dated 20 October 2020.
RISKS ASSOCIATED WITH MANAGEMENT OF THE TAP FUND	<ul style="list-style-type: none"> Management of the TAP Fund may not generate expected revenues. In particular, the management fees earned by IPF II as manager of the TAP Fund are calculated by reference to the committed capital of the TAP Fund and assets under management, which is in turn dependent on the manager's ability to originate and execute investments in accordance with the TAP Fund's investment strategy. There is a risk that the TAP Fund investment management agreement may be terminated in limited circumstances, for example on certainty insolvency or change of control events of the manager. There is a risk that a conflict of interest may arise in circumstances where the manager sources an acquisition or investment opportunity falls within the investment mandate of both IPF I and the TAP Fund. The Responsible Entity has adopted an allocation policy which establishes a clear framework for allocation of investments between IPF I and other investments managed by IPF II from time to time. As at the date of this Presentation, it is not expected that there will be an overlap between IPF I's mandate and the mandate of the TAP Fund. To the extent conflicts of interest arise in the future given IPF II's position as both manager of a third party fund and as an investor in that fund, the Responsible Entity would implement protocols under which decision making in relation to conflict matters would be undertaken by separate senior personnel and directors of the Responsible Entity (as necessary). The Responsible Entity has also implemented a related party policy which outlines how the Responsible Entity will approach transactions with related parties. Further information regarding the related party policy are described in the product disclosure statement dated 20 October 2020.
OPERATING COSTS	<ul style="list-style-type: none"> IAP is exposed to movements and volatility in operating cost structures. There is a risk that ongoing operating costs may be higher than anticipated.

Key risks (cont.)

General risks associated with the Placement and investment in IAP

PRICE OF STAPLED SECURITIES	<ul style="list-style-type: none"> The trading price of Stapled Securities may be volatile and fluctuate significantly in response to various factors including changes to general economic conditions, demand for property securities, changes in government policy or regulations, inclusion / removal from major market indices and other general or operational business risks. There is also the ongoing uncertainty associated with the ongoing impact of the COVID-19 pandemic on the Australian and global economy. Equity capital markets have historically been and may in the future be subject to significant volatility as a result of the COVID-19 pandemic. The trading price of Stapled Securities may be influenced by factors non-specific to IAP and out of IAP's control. No assurances can be made that the performance of Stapled Securities will not be adversely affected by such market fluctuations or factors. As a result of fluctuations in the trading price of Stapled Securities, securityholders may not be able to sell their Stapled Securities at or above the price at which they acquired them, if at all.
ECONOMY AND MARKET CONDITIONS	<ul style="list-style-type: none"> There is the risk that changes in economic and market conditions may affect asset returns and values and may decrease the price of Stapled Securities. This risk has increased as a result of the ongoing COVID-19 pandemic, which has created considerable uncertainty and volatility surrounding these factors. The overall performance of an investment in Stapled Securities may be affected by changing economic or property market conditions. These may include movements in interest rates, exchange rates, securities markets, inflation, consumer spending, employment and the performance of individual local, state, national and international economies.
LAW, REGULATORY AND POLICY CHANGES	<ul style="list-style-type: none"> Changes in law, government legislation, regulation and policy in a jurisdiction in which IAP operates may adversely affect the value of the performance of the portfolio and/or future distributions and the value of Stapled Securities.
ACCOUNTING STANDARDS	<ul style="list-style-type: none"> Changes to accounting standards issued by the Australian Accounting Standards Board and IFRS to which IAP adheres, or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in IAP's financial statements.
RELIANCE ON THIRD PARTIES	<ul style="list-style-type: none"> The Responsible Entity may engage third party services providers in respect of a part or the whole portfolio. A failure of third parties to discharge their agreed responsibilities may adversely affect the management and financial performance of IAP and therefore also adversely impact returns to securityholders.
UNDERWRITING	<ul style="list-style-type: none"> The Responsible Entity has entered into an underwriting agreement under which UBS AG, Australia Branch and Macquarie Capital (Australia) Limited have agreed to underwrite the Placement, subject to the terms and conditions of the underwriting agreement. The underwriters' obligation to underwrite the Placement is conditional on certain customary matters, including entry into the Acquisition agreement and IAP delivering a certificate to the underwriters The Placement is subject to the underwriting agreement not being terminated in accordance with its terms. The events which may trigger termination of the underwriting agreement include (not exhaustive, and some of which are qualified by materiality): <ul style="list-style-type: none"> the Acquisition agreement is terminated, materially breached or amended in an adverse manner without consent of the underwriters; credit approval for the debt financing for an aggregate amount of at least \$80 million for the purposes of partially funding the Acquisition is withdrawn or varied in a materially adverse manner without underwriter consent or IAP is in breach of any debt covenant certain delays in the offer timetable the delisting of IAP from the JSE or ASX IAP alters its capital structure or disposes of a substantial part of its business or property without underwriter consent a change in the board of the Responsible Entity or loss of certain key management personnel, or the chairman, CEO or CFO of IAP vacate office any member of the IAP group becomes insolvent any director of the Responsible Entity is charged with an indictable offence or is disqualified from managing a corporation

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Foreign selling
jurisdictions

Foreign selling jurisdictions

This Presentation does not constitute an offer to subscribe for Stapled Securities in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the Stapled Securities may not be offered or sold, in any country outside Australia and New Zealand except to the extent described below.

South Africa

The material in this Presentation do not constitute, advertise or relate to an offer to the public (as defined in the South African Companies Act, No 71 of 2008, as amended (the "**SA Companies Act**") for the sale of or subscription for, or the solicitation of an offer to buy or subscribe for securities, and must not be distributed to any person in South Africa in any manner which could be construed as an offer to the public in terms of Chapter 4 of the SA Companies Act. The Presentation is being provided to you on the basis that by accessing this Presentation you will be deemed to have represented and warranted for the benefit of IAP and the Joint Lead Managers and their respective affiliates that if you are in South Africa, you are a person who is (i) acting as principal and who intends to subscribe for Stapled Securities at a minimum acquisition cost of ZAR 1,000,000, as contemplated in section 96(1)(b) of the South African Companies Act, or (ii) a person who complies with the requirements set out in section 96(1)(a) of the South African Companies.

The Presentation does not, nor is it intended to, constitute a prospectus registered under the SA Companies Act and accordingly, does not comply with the substance and form requirements for prospectuses set out in the SA Companies Act and the South African Companies Regulations of 2011. Nothing in the presentation should be viewed, or construed, as "advice" as that term is used in the South African Financial Markets Act, No 19 of 2012, as amended ("**FMA**") and/or the South African Financial Advisory and Intermediary Services Act, No 37 of 2002, as amended and nothing in this Presentation should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

Guernsey

This Presentation may only be made available to, and the New Securities may only be offered or sold, in or from within the Bailiwick of Guernsey either (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "**POI Law**"); or (ii) to persons licensed under the POI Law, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors (Bailiwick of Guernsey) Law, 2000.

Hong Kong

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

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

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

Foreign selling jurisdictions (cont.)

New Zealand

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

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

Singapore

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

This Presentation and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Securities may not be circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

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

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

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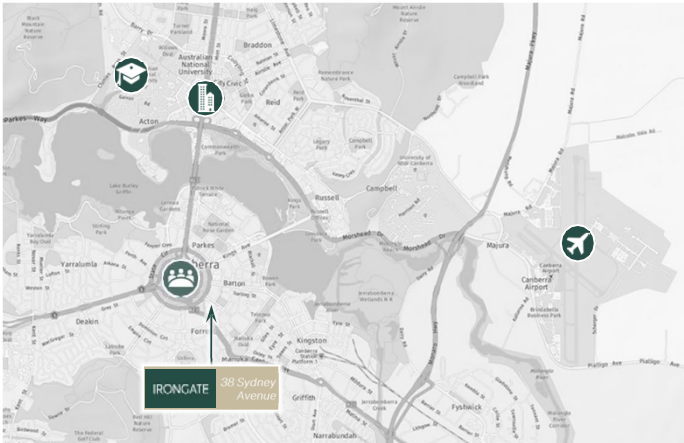

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Additional
disclosure
required by the
JSE

Property specific information

PROPERTY LOCATION



Parliament House
500m/10 min walk

ANU University
5km/10 min drive

Canberra CBD
4km/8 min drive

Canberra Airport
8km/12 min drive

PROPERTY DETAILS

Sector	Office
Address	38 Sydney Avenue, Forrester ACT
Location	Located in the prime office precinct of Barton, approximately 500m from Parliament House
Title	Crown leasehold (73 years remaining)
Year built / refurbished	1997 / 2019 (A\$12.6m spent by tenant and vendor)
NLA / site area	8,901m ² / 3,269m ²
Car spaces	82
Occupancy	55% ANAO / 2% On The Corner Café / 43% vendor rent guarantee
WALE	8.5 years ¹
Environmental credentials	4.5 star NABERS energy rating

1. Weighted by gross property income, including 24-month non-refundable gross rent guarantee provided by the vendor.

Forecast information

Set out below is the forecast revenue, operational net income, net profit attributable to equity holders and earnings available for distribution from the Acquisition (forecast) for the 10 months ending 31 March 2022 and the 12 months ending 31 March 2022 (forecast period).

The forecast has been prepared on the assumption that the Acquisition will be implemented on 31 May 2021 (notwithstanding that the settlement date under the unit sale agreement is scheduled for 29 June 2021) and on the basis that the forecast includes forecast results for the duration of the forecast period.

The forecast, including the assumptions on which it is based and the financial information from which it is prepared, is the responsibility of the board of directors of the Responsible Entity. The forecast has not been reviewed or reported on by the independent reporting accountants.

The forecast presented in the table below relates to the Acquisition only and has been prepared in accordance with IAP's accounting policies and in compliance with International Financial Reporting Standards.

	FORECAST 10 MONTHS ENDING 31 MARCH 2022 A\$'000	FORECAST 12 MONTHS ENDING 31 MARCH 2022 A\$'000
Revenue, including straight line adjustment	4,245	5,145
Total property expenses	(551)	(676)
Net property income	3,694	4,469
Fund operating costs	(350)	(420)
Net operating income before finance charges	3,344	4,049
Finance costs	(1,842)	(2,210)
Net profit attributable to equity holders	1,502	1,839
Less: straight line revenue adjustment	(528)	(550)
Distributable income pre-withholding tax	974	1,289
Distributable income post-withholding tax	871	1,153

The forecast incorporates the following material assumptions in respect of revenue and expenses: 1. Contracted revenue is based on existing lease agreements including stipulated increases. 2. There are no leases expiring during the forecast period. 3. Of the rental income of A\$3,717,338 for the 10 months ending 31 March 2022, 100% relates to contracted rental income and rental guarantees provided by the vendor. 4. Of the rental income of A\$4,594,846 for the year ending 31 March 2023, 100% relates to contracted rental income and rental guarantees provided by the vendor. 5. Expenditure items relate to fund operating costs. 6. No material expenditure items have been increased in the forecast period ending 31 March 2023 by more than 15% over the previous financial period. 7. The finance costs assume an all-in cost of funds of 2.84% per annum for the Acquisition. At least 75% of the cost of the Fund's total debt will be fixed via interest rate swaps (in accordance with the Fund's interest rate hedging policy) for 4, 5 and 10 year periods. 8. Distributions are payable to securityholders attributable to the Acquisition and are partially shielded by depreciation allowances. 9. A fair value adjustment is recognised in relation to the transaction costs. 10. There will be no unforeseen economic factors that will affect the lessees' ability to meet their commitments in terms of existing lease agreements.

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Glossary

Glossary of terms

TERM	MEANING
A\$	Australian dollars.
Acquisition	The acquisition of a 100% interest in the Property (through a trust known as the 38 Sydney Ave Trust).
AFSL	Australian financial services licence issued under the Corporations Act.
ANAO	Australian National Audit Office.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited and, where applicable, the Australian securities exchange operated by ASX Limited.
CIS Act	Collective Investment Schemes Control Act, No. 45 of 2002 of South Africa.
Collective Investment Scheme	A collective investment scheme as defined in section 1 of the CIS Act.
Corporations Act	Corporations Act 2001 (Cth).
DPS	Distribution per Stapled Security.
FFO	Funds from operations calculated in accordance with the Property Council Guidelines, determined by adjusting statutory net profit (under Australian Accounting Standards) for non-cash and other items such as property revaluations, derivative mark-to-market impacts, amortisation of tenant incentives, gain/loss on sale of investment properties, straight-line rental revenue adjustments, non-FFO tax expenses/benefits and other unrealised one-off items.
FY	Financial year ended 31 March in the relevant year.
gearing	Interest bearing liabilities (excluding debt establishment costs) less cash divided by the total value of investment properties.
Irongate or IAP	Irongate Group, comprising IPF I and IPF II.
IPF I	Irongate Property Fund I (ARSN 162 067 736), duly registered as a Managed Investment Scheme under the Corporations Act; also recognised as a foreign Collective Investment Scheme and authorised to solicit investments in it from members of the public in South Africa under section 65 of the CIS Act, and, if the context requires, its controlled entities from time to time.
IPF II	Irongate Property Fund II (ARSN 644 081 309), which is duly registered as a Managed Investment Scheme under the Corporations Act, and, if the context requires, its controlled entities from time to time.

TERM	MEANING
Issue Price	A\$1.47 per New Security.
JSE	JSE Limited and, where applicable, the exchange operated by JSE Limited in accordance with its licence under the Financial Markets Act, No. 19 of 2012 of South Africa.
Managed Investment Scheme	A managed investment scheme that has been registered by ASIC as a managed investment scheme under Chapter 5C of the Corporations Act.
NABERS	National Australian built environment rating system.
New Securities	New fully paid ordinary Stapled Securities to be offered under the Placement.
NLA	Net lettable area.
NTA	Net tangible assets.
NZ\$	New Zealand dollars.
Placement	Fully underwritten institutional placement to raise approximately A\$50 million at an issue price of A\$1.47 per New Security.
Property	The property located at 38 Sydney Avenue, Canberra ACT.
REIT	Real estate investment trust.
Responsible Entity	Irongate Funds Management Limited as responsible entity of IPF I and IPF II.
Stapled Securities	Stapled securities in IAP, comprising one ordinary unit in Irongate Property Fund I and one ordinary unit in Irongate Property Fund II.
TAP Fund	A fund comprised of Templewater Australia Property I L.P., Templewater Australia Property Fund I Head Trust and various sub trusts that have been established (or may be established from time to time).
VWAP	Volume weighted average price.
WACR	The average capitalisation rate across IAP's portfolio or group of properties, weighted by property value.
WALE	The average lease term remaining to expiry across IAP's portfolio or a property or group of properties, weighted by gross property income.
ZAR	South African Rand, being the lawful currency of South Africa.

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