
CHAIRMAN'S LETTER

Dear Unitholder,

ASX Listing Proposal

In connection with the release of its financial results for the year ended 31 March 2018, Investec Australia Property Fund (the "**Fund**") has reconfirmed its commitment to pursuing a dual primary listing on the ASX and the JSE, subject to favourable market conditions.

Accordingly, Unitholders are being asked to consider and vote on a number of Resolutions which would facilitate an ASX Listing, namely:

- amendments to the Management Agreement;
- a proposed capital raising to be undertaken in conjunction with the ASX Listing ("**Specific Issue of Units for Cash**"), the proceeds of which would primarily be used to make further real estate acquisitions in line with the Fund's current investment strategy, and may also be used to pay down debt; and
- amendments to the Constitution,

(the proposed ASX Listing and Specific Issue of Units for Cash comprise the "**ASX Listing Proposal**").

Accompanying this letter is:

- a Notice of Meeting and a form of proxy;
- a Circular describing the ASX Listing Proposal and providing Unitholders with information to enable them to make an informed decision as to whether or not to vote in favour of the Resolutions;
- an Independent Expert's Fairness Opinion opining on certain related party aspects of the ASX Listing Proposal;
- Frequently Asked Questions; and
- extracts of the Management Agreement and Constitution showing the proposed amendments.

Further information on the rationale for and background to the development of the ASX Listing Proposal is set out in paragraph 4 of the Circular. Other impacts of the ASX Listing Proposal on the Fund, including in relation to the Fund's distribution policy, are set out in paragraph 5 of the Circular.

Capitalised terms in this letter have the meaning given to them in the Circular.

Recommendation of the Independent Board Committee

As the proposed amendments to the Management Agreement and the Specific Issue of Units for Cash may involve financial benefits being given to a related party, the Board has established an Independent Board Committee to manage actual or perceived conflicts which may be involved in the transactions being considered, and to enable it to fulfil its obligations in respect of the JSE Listings Requirements. Accordingly, while the Board is supportive of the ASX Listing Proposal, it is the Independent Board Committee which has authorised and approved the issue of the Circular.

The Independent Board Committee recommends that Unitholders vote in favour of each of the Resolutions.

In making its recommendation, the Independent Board Committee has had regard to the rationale for and the impacts of the ASX Listing Proposal and the Independent Expert's Fairness Opinion. The Independent Expert has concluded that the proposed amendments to the Management Agreement and the Specific Issue of Units for Cash are fair to Unitholders (excluding the related parties) and reasonable in the circumstances as if the Responsible Entity and the related parties were dealing at arms' length.

Actions required by Unitholders

If you are supportive of the ASX Listing Proposal, or believe it is a matter for the Responsible Entity to determine in accordance with its stated strategy, you should vote in favour of each of the Resolutions.

If all Resolutions are passed, the Responsible Entity will be in a position to implement the ASX Listing Proposal within 12 months of the Resolutions being passed, subject to favourable market conditions.

If you are not supportive of the ASX Listing Proposal, you may wish to vote against the ASX Listing Resolutions.

If the Resolutions are not passed, the Fund will remain as is, the ASX Listing Proposal will not proceed and the Fund will remain listed on the JSE and the Bermuda Stock Exchange. However, certain amendments to modernise the Constitution will still apply if the Ancillary Resolution is passed. Further information on the potential voting outcomes is set out in paragraph 2 of the Circular.

Your vote is important

You should be aware that the Responsible Entity does not intend to, and will not be in a position to, implement the ASX Listing Proposal if the Resolutions are not passed and has no current intention to pursue any other form of ASX Listing. If the Resolutions are not passed, there is no certainty that an ASX Listing will be pursued in the future.

You should also be aware that certain Units directly or indirectly owned by Investec Group Entities or managed or advised by Investec Group Entities will not be able to be voted on the Resolutions.

The accompanying Circular contains important information regarding the ASX Listing Proposal, and I urge you to read it carefully and in its entirety. If you are in any doubt as to what actions to take, please consult your broker, CSDP, banker, legal advisor, accountant or other professional adviser.

I look forward to welcoming you at the General Meeting and thank you for your support.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Richard Longes", with a stylized flourish at the end.

Richard Longes

Chairman and Non-executive Director
Investec Property Limited