

# ASX announcement

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1 July 2014

## Australand Property Group enters into a Bid Implementation Agreement with Frasers Centrepoint Limited

Australand Property Group ("**Australand**") has entered into a Bid Implementation Agreement ("**BIA**") with Singapore-listed Frasers Centrepoint Limited ("**Frasers**") under which a wholly owned subsidiary of Frasers will make an off-market takeover offer to acquire all of Australand's stapled securities for cash consideration of \$4.48 per stapled security (the "**Offer**").

The execution of the BIA follows Australand's entry into a Process Agreement with Frasers, which was announced to the ASX on 4 June 2014. Under that Process Agreement, Frasers was granted a period of exclusivity to conduct due diligence which it has now completed.

The terms of the Offer are consistent with those announced in the Process Agreement and have been summarised in this announcement.

### Summary of the Offer

Australand securityholders will be offered cash consideration of \$4.48 per stapled security (the "**Offer Price**"). This represents a premium of:

- 22% to Australand's estimated net tangible assets per stapled security at 30 June 2014<sup>1</sup>;
- 15% to Australand's volume weighted average price for the three months to 18 March 2014 of \$3.88, being the day prior to Stockland announcing its 19.9% interest in Australand; and
- 15% to Australand's close price on 18 March 2014 of \$3.89.

In addition, Australand securityholders will be entitled to a distribution (the "**Allowed Distribution**") which represents the expected second half 2014 distribution of 12.75 cents per stapled security<sup>2</sup> pro-rated for the period from 1 July 2014 until the earlier of the Offer becoming unconditional and 31 December 2014. This equates to approximately 2.1 cents per stapled security per month.

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1. As announced to the ASX on 30 May 2014.

2. Australand announced to the ASX on 30 May 2014 that it expects to distribute 25.5 cents per stapled security for the 2014 full year.

Australand securityholders on the register at 5.00pm (EST) on 30 June 2014 will also remain eligible to receive the payment of the 2014 first half distribution of 12.75 cents per stapled security (the "**Half Year Distribution**") without reducing the Offer Price. This distribution is expected to be paid on 6 August 2014.

Both the Allowed Distribution and Half Year Distribution are amounts that will be paid in addition to the Offer Price. To the extent any other Australand distributions are paid, the Offer Price will be reduced by a corresponding amount.

### **Conditions of the Offer**

The Offer will be conditional on the following terms:

- A minimum acceptance condition of more than 50% (on a fully diluted basis);
- Foreign Investment Review Board ("**FIRB**") approval;
- Australand continuing to conduct its business in the ordinary course;
- No changes to Australand's distribution policy;
- No further issuance of Australand stapled securities or performance rights (other than the issuance of Australand stapled securities on the vesting of performance rights already on issue);
- No material change by Australand to its senior management team; and
- No prescribed occurrences, material acquisitions or disposals or regulatory actions.

In the event that both the minimum acceptance and FIRB approval conditions are satisfied, Frasers has agreed to waive all other conditions within three business days, other than any condition in respect of which it has publicly announced a breach or suspected breach before that time.

### **Australand Directors' Recommendation**

After carefully considering the Offer, the Australand directors unanimously recommend the Offer, in the absence of a superior proposal and subject to an independent expert opinion concluding the Offer is fair and reasonable to Australand securityholders.

In addition, each of the Australand directors intends to accept the Offer (after it becomes open for acceptance) in respect of all Australand securities owned or controlled by that director, in the absence of a superior proposal and subject to an independent expert opinion concluding the Offer is fair and reasonable to Australand securityholders.

Australand's Chairman, Mr Paul Isherwood said, "Australand's entry into a Bid Implementation Agreement with Frasers is a significant milestone in the process of presenting Australand securityholders with a compelling offer that is capable of acceptance."

### **Overview of the BIA**

The BIA sets out the manner in which Australand and Frasers have agreed to co-operate with each other in relation to the Offer.

The BIA extends Frasers' exclusivity until the end of the Offer period and also provides for a number of customary deal protections in favour of Frasers (including a break fee of 1.0% of the aggregate value of the Offers) in certain circumstances and subject to appropriate exceptions.

If a superior proposal emerges, Australand has the right to terminate the BIA subject to Frasers' matching rights. Other circumstances in which the BIA may be terminated are set out in clause 12 of the BIA.

A copy of the BIA is attached to this announcement.

## ASSETS hybrid securities

In the event the Offer becomes unconditional and Frasers and its associates have a relevant interest in more than 50% of Australand stapled securities (on a fully diluted basis), Australand and Frasers currently intend that the issuer of the ASSETS will exercise its right to redeem all the ASSETS at face value (\$100 per security) as soon as practicable.

## Timetable and other matters

A summary of the indicative timetable Australand and Frasers have agreed to work towards is set out below.

1 July 2014	Frasers lodges its Bidder's Statement with ASIC and serves it on Australand and the ASX
7 July 2014	Frasers despatches its Bidder's Statement to Australand securityholders
21 July 2014	Australand releases its 2014 first half results to the ASX
22 July 2014	Australand lodges its Target's Statement with ASIC, serves it on Frasers and the ASX and despatches it to Australand securityholders
7 August 2014	Offer period ends (unless extended in accordance with the Corporations Act)

Australand securityholders are not required to take any action until they receive Frasers' Bidder's Statement. The Target's Statement to be released to Australand securityholders will include further details of the Offer, the Australand directors' recommendation, the Independent Expert's report and the options available to Australand securityholders.

Australand will continue to keep securityholders informed of the progress of the Offer in accordance with its continuous disclosure obligations.

Australand is being advised by Fort Street Advisers, Macquarie Capital (Australia) Limited and King & Wood Mallesons.

## Issued by

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# Bid Implementation Agreement

Dated 2014

Australand Holdings Limited (ABN 12 008 443 696) ("**AHL**")

Australand Property Limited (ABN 90 105 462 137, AFS Licence No. 231130) ("**APL**") in its capacity as responsible entity of Australand Property Trust (ARSN 106 680 424) ("**APT**")

Australand Investments Limited (ABN 12 086 673 092, AFS Licence No. 228837) ("**AIL**") in its capacity as responsible entity of Australand Property Trust No.4 (ARSN 108 254 413) ("**APT4**") and Australand Property Trust No.5 (ARSN 108 254 771) ("**APT5**")

(together, "**Australand**")

Frasers Centrepoint Limited, incorporated in the Republic of Singapore, Company Registration No. 196300440G ("**Frasers**")

**King & Wood Mallesons**

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Governor Phillip Tower  
1 Farrer Place  
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Australia  
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Ref : 02-5507-3274

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# Bid Implementation Agreement

## Details

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<b>Parties</b>	<b>AHL, APL, AIL (together, "Australand") and Frasers</b>	
<b>AHL</b>	Name	<b>Australand Holdings Limited</b>
	ABN	12 008 443 696
	Address	Level 3, Building C, Rhodes Corporate Park 1 Homebush Bay Drive Rhodes NSW 2138
	Telephone	+61 2 9767 2000
	Fax	+61 2 9767 2900
	Attention	Company Secretary
	With a copy of any communication under clause 15 to be sent for the attention of	Managing Director
<b>APL</b>	Name	Australand Property Limited (AFS Licence No. 231130) in its capacity as responsible entity of Australand Property Trust (ARSN 106 680 424)
	ABN	90 105 462 137
	Address	Level 3, Building C, Rhodes Corporate Park 1 Homebush Bay Drive Rhodes NSW 2138
	Telephone	+61 2 9767 2000
	Fax	+61 2 9767 2900
	Attention	Company Secretary
	With a copy of any communication under clause 15 to be sent for the attention of	Managing Director

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<b>AIL</b>	Name	Australand Investments Limited (AFS Licence No. 228837) in its capacity as responsible entity of Australand Property Trust No.4 (ARSN 108 254 413) and Australand Property Trust No.5 (ARSN 108 254 771)
	ABN	12 086 673 092
	Address	Level 3, Building C, Rhodes Corporate Park 1 Homebush Bay Drive Rhodes NSW 2138
	Telephone	+61 2 9767 2000
	Fax	+61 2 9767 2900
	Attention	Company Secretary
	With a copy of any communication under clause 15 to be sent for the attention of	Managing Director
<b>Frasers</b>	Name	Frasers Centrepont Limited
	Company Registration No.	196300440G
	Fax	+65 6276 6328
	Address	438 Alexandra Road #21-00 Alexandra Point Singapore 119958
	Attention	Company Secretary
	With a copy of any communication under clause 15 to be sent for the attention of	Chief Executive Officer
<b>Recitals</b>	<b>A</b>	Frasers is proposing to acquire all of the Australand Securities by way of Takeover Bid.
	<b>B</b>	Australand and Frasers have agreed to co-operate with each other in relation to the Takeover Bid on the terms of this agreement.
<b>Governing law</b>	New South Wales	
<b>Date of agreement</b>	See Signing page	

# Bid Implementation Agreement

## General terms

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### 1 Definitions and interpretation

#### 1.1 Definitions

The following words have these meanings in this agreement unless the contrary intention appears.

**Advisers** means, in relation to an entity, its legal, financial and other expert advisers.

**AHL** means Australand Holdings Limited (ABN 12 008 443 696).

**AIFRS** means the Australian International Financial Reporting Standards.

**AIL** means Australand Investments Limited (ABN 12 086 673 092, AFS Licence No. 228837) in its capacity as responsible entity of Australand Property Trust No.4 (ARSN 108 254 413) and Australand Property Trust No.5 (ARSN 108 254 771).

**Allowed Distribution** means a distribution per Australand Security of no more than 12.75 cents for the half year ending 31 December 2014 pro rata for the number of days from 1 July 2014 until the earlier of:

- (a) the Offer becoming unconditional; and
- (b) 31 December 2014,

(both dates inclusive), to be calculated in cents to two decimal places.

**Allowed Distribution Record Date** has the meaning given in clause 8.5(a)(iii)(A).

**Amount of the Consideration** means:

- (a) the amount of any payment in connection with a supply; and
- (b) in relation to non-monetary consideration in connection with a supply, the GST exclusive market value of that consideration as reasonably determined by the supplier.

**Announcement Date** means the date the Takeover Bid is announced in accordance with clause 7 and the Timetable.

**Announcements** means the announcements substantially in the form of Schedule 5.

**APL** means Australand Property Limited (ABN 90 105 462 137, AFS Licence No. 231130) in its capacity as responsible entity of Australand Property Trust (ARSN 106 680 424).

**APT** means Australand Property Trust (ARSN 106 680 424).

**APT4** means Australand Property Trust No.4 (ARSN 108 254 413).



**APT5** means Australand Property Trust No.5 (ARSN 108 254 771).

**ASIC** means the Australian Securities and Investments Commission.

**ASSETS** means the preference units in the ASSETS Trust.

**ASSETS Trust** means Australand ASSETS Trust (ARSN 115 338 513).

**Associate** has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) of the Corporations Act included a reference to this agreement.

**ASX** means ASX Limited or the Australian Securities Exchange, as appropriate.

**Australand Board** means the boards of directors of:

- (a) AHL;
- (b) APL; and
- (c) AIL.

**Australand Group** means the entities comprising Australand and their respective Subsidiaries.

**Australand Performance Rights** means:

- (a) any right granted under the Performance Rights Plan which may entitle the holder to be issued (or otherwise acquire) Australand Securities or to be paid a cash amount in lieu of being issued (or otherwise acquiring) Australand Securities;
- (b) any other rights granted by Australand which may require Australand to issue or transfer Australand Securities or to pay a cash amount in lieu of issuing or transferring Australand Securities; and
- (c) any securities issued (or otherwise acquired) under the Performance Rights Plan which are subject to vesting restrictions,

with each such right or security being an Australand Performance Right.

**Australand Performance Rights Plan** means the Performance Rights Plan of Australand, approved by securityholders of Australand on 19 April 2007, as amended from time to time.

**Australand Performance Rights Plan Memorandum** means the "Performance rights plan (PRP)", "Performance rights plan 2 (PRP2)" and "Deferred short term incentive (STI) payments" sections of the document entitled "Summary of retention arrangements" being document number 1.5.3 in the Data Room Materials.

**Australand Performance Rights Plan Trust** means the Australand Performance Rights Plan Trust established by the trust deed dated on or about 18 June 2012 between AHL and the Australand Performance Rights Plan Trustee.

**Australand Performance Rights Plan Trustee** means Pacific Custodians Pty Limited (ABN 66 009 682 866) (in its capacity as trustee of the Australand Performance Rights Plan Trust) or such other trustee from time to time of the Australand Performance Rights Plan Trust.

**Australand Security** means one ASX-listed stapled security consisting of one share in AHL and one unit in each of APT, APT4 and APT5, and for the avoidance of doubt does not include the Australand Performance Rights.

**Australand Securityholder** means a holder of one or more Australand Securities as at the date of the Offer or a person who is issued Australand Securities during the Offer Period as a result of the vesting of Australand Performance Rights.

**Authorised Officer** means, in respect of a party, a director or secretary of the party or any other person appointed by a party to act as an Authorised Officer under this agreement.

**Bidder's Statement** means the bidder's statement to be issued by Frasers in respect of the Takeover Bid.

**Business Day** means a business day as defined in the Listing Rules.

**Business Hours** means from 9.00am to 5.00pm on a Business Day.

**Compensating Amount** means an amount equal to 1.0% of the aggregate value of the Offers.

**Competing Transaction** means a proposed transaction or arrangement which, (i) if entered into or completed substantially in accordance with its terms, would mean or (ii) as completed results in, a person (other than Australand or its Controlled Entities) whether alone or with another person:

(a) directly or indirectly, acquiring, having a right to acquire or otherwise acquiring, an interest or relevant interest in or becoming the holder of:

(i) more than 50% of the Australand Securities; or

(ii) all or a substantial part or a material part of the assets or business of the members of Australand,

including by way of a takeover bid, informal trust scheme, capital or income distribution, sale of assets, sale of units or joint venture, but not as a custodian, nominee or bare trustee;

(b) acquiring Control of a member of Australand or a Controlled Entity of a member of Australand; or

(c) otherwise acquiring or merging with (including by a reverse takeover bid or dual listed entity structure), or being stapled to, a member of Australand.

**Conditions** means the conditions to the Offer which are set out in Schedule 2.

**Confidential Information** means all information regardless of how the information is stored or delivered, disclosed before, on or after the date of this agreement by the Discloser to the Recipient for the Takeover Bid, but does not include Excluded Information.

**Control** has the meaning it has in the Corporations Act but ignoring section 50AA(4).

**Controlled Entity** means, in relation to an Entity, another Entity which is a Subsidiary of it, or which is Controlled by it.

**Corporations Act** means the *Corporations Act 2001* (Cwlth).

**Data Room Materials** means the materials in the "Project Frosty" data room hosted by IntraLinks, Inc. at <https://services.intralinks.com> as at the day before the date of this agreement, the information on which is duplicated on the two copies of the non-rewritable disc or other device for the storage of electronic information as agreed by the parties for identification.

**Details** means the section of this agreement headed "Details".

**Discloser** means a party who provides or discloses Confidential Information.

**End Date** means:

- (a) the earliest of:
  - (i) date of termination of this agreement in accordance with its terms;
  - (ii) the end of the Offer Period or any earlier date on which the Offer lapses or is withdrawn; and
  - (iii) 15 August 2014; or
- (b) such later date as may be agreed by the parties.

**Entity** includes a natural person, a body corporate, a partnership, a trust and the trustee of a trust.

**Excluded Information** means information which:

- (a) is in or becomes part of the public domain, except information that is or becomes so because it has been disclosed in violation of this agreement;
- (b) is lawfully known to it before the date of the Process Agreement;
- (c) is or becomes available to it from another person who is not known to the Recipient to be in possession of it unlawfully or to have made the disclosure in violation of any confidentiality obligations; or
- (d) was or is independently developed by the Recipient or a Third Party Recipient without the use of the Confidential Information.

**Exclusivity Period** means the period commencing on the date of this agreement and ending at the end of the Offer Period.

**FIRB** means the Foreign Investment Review Board.

**Frasers Offer Registry** means the securities registry to be appointed by Frasers for the purposes of performing securityholder registration functions in connection with the Offer.

**GST** means a goods and services or similar tax imposed in Australia.

**GST Act** means the *A New Tax System (Goods and Services Tax) Act 1999* (Cwlth).

**Half Year Distribution** means a distribution per Australand Security of no more than 12.75 cents for the half year period ending 30 June 2014.

**Independent Expert** means KPMG Financial Advisory Services (Australia) Pty Ltd ABN 43 007 363 215, the independent expert engaged by the Australand Board in relation to the Offer.

**Input Tax Credit** has the meaning it has in the GST Act.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a controller appointed to any part of its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement); or
- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

**Issuer** means Australand Property Limited (ABN 90 105 462 137) as the responsible entity of Australand ASSETS Trust (ARSN 115 338 513).

**Listing Rules** means the Listing Rules of ASX.

**Lodgement Date** means the date Frasers lodges the Bidder's Statement with ASIC.

**Matching Offer** has the meaning given in clause 9.6.

**Offer** means each offer to acquire Australand Securities (including any Australand Securities issued during the Offer Period) to be made by Frasers to each Australand Securityholder under the Takeover Bid on terms consistent with this agreement.

**Offer Date** means:

- (a) 7 July 2014; or
- (b) another date agreed on in writing by the parties.

**Offer Period** means the period during which the Offer is open for acceptance.

**Offer Price** has the meaning given in clause 2.2.

**Officers** means, in relation to an entity, its directors and officers (as that term is defined in the Corporations Act).

**Permitted Distributions** means the Half Year Distribution and the Allowed Distribution.

**Prescribed Occurrence** means any of the events listed in Schedule 3 under Prescribed Occurrence.

**Process Agreement** means the Process Agreement dated 3 June 2014 entered into between Australand and Frasers.

**Recipient** means a party who receives Confidential Information, and includes the Related Bodies Corporate of that party.

**Register** means the securities register of Australand in respect of Australand Securities, and Registry has a corresponding meaning.

**Register Date** means the date set by Frasers pursuant to section 633(2) of the Corporations Act.

**Regulatory Approval** means:

- (a) any consent, authorisation, registration, filing, lodgement, permit, franchise, agreement, notarisation, certificate, permission, licence, approval, direction, declaration, authority, ruling or exemption from, by or with a Regulatory Authority; or
- (b) in relation to anything that would be fully or partly prohibited or restricted by law if a Regulatory Authority intervened or acted in any way within a specified period after lodgment, filing, registration or notification, the expiry of that period without intervention or action,

as may be necessary to enable a party to fulfill its obligations under this agreement.

**Regulatory Authority** includes:

- (a) ASX, FIRB and ASIC;
- (b) an Australian or Singaporean government or governmental, semi-governmental or judicial entity or authority;
- (c) an Australian or Singaporean minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any Australian or Singaporean regulatory organisation established under statute.

**Related Bodies Corporate** has the meaning given in the Corporations Act.

**Replacement Financing** means stand-by financing to be arranged in circumstances where the Offer becomes unconditional.

**Representative** of a party means any person acting for or on behalf of a party including any Controlled Entity or any director, officer, employee, agent or Adviser of a party or a Controlled Entity. For the avoidance of doubt, the references to:

- (a) APL as a party means Australand Property Limited solely in its capacity as responsible entity of APT; and
- (b) AIL as a party means Australand Investments Limited solely in its capacity as responsible entity of each of APT4 and APT5.

**Subsidiaries** has the meaning given in section 9 of the Corporations Act on the basis that:

- (a) an entity will also be considered to be a Subsidiary of a body corporate if it is controlled by that body corporate (expressions used in this paragraph have the meanings given for the purposes of Division 6 of Part 1.2 of the Corporations Act);
- (b) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- (c) a body corporate or trust may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a body corporate.

**Superior Proposal** means:

- (a) a Competing Transaction which following consideration of advice from their Advisers is believed by the Australand Board, in good faith and acting reasonably, to be:
  - (i) reasonably capable of being completed taking into account all aspects of the Competing Transaction; and
  - (ii) more favourable to Australand Securityholders than the Offer, taking into account all terms and conditions of the Competing Transaction; or
- (b) any Competing Transaction involving consideration including securities traded on a stock exchange where the value of the consideration based on the volume weighted average price over five consecutive trading days exceeds the value of the consideration offered under the Offer (taking into account the effect of the Half-Year Distribution and the Allowed Distribution) and the Australand Board consider that Competing Transaction to be a Superior Proposal.

**Takeover Bid** means the off-market takeover bid by Frasers for all Australand Securities to be implemented in accordance with Chapter 6 of the Corporations Act.

**Target's Statement** means the target's statement to be issued by Australand in respect of the Takeover Bid.

**Tax** means any tax, levy, impost, charge or duty (including stamp and transaction duties) that is assessed, levied, imposed or collected by any imposed by any Regulatory Authority together with any related interest, penalties, fines and expenses in connection with them.

**Third Party Recipients** means, in respect of a Recipient, the directors, officers, employees and Advisers of that Recipient.

**Timetable** means the timetable set out in Schedule 1.

**Treasurer** means the Treasurer of the Commonwealth of Australia.

**USPP Agreement** means the note and guarantee agreement dated 25 May 2011 between (among others) APL as responsible entity of APT as “Issuer”, AHL and AIL in its own capacity and as responsible entity of APT4 and APT5.

## 1.2 References to certain general terms

Unless the contrary intention appears, a reference in this agreement to:

- (a) **(variations or replacement)** a document (including this agreement) includes any variation or replacement of it;
- (b) **(clauses, annexures and schedules)** a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this agreement;
- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(person)** the word “person” includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any Regulatory Authority;
- (g) **(executors, administrators, successors)** a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (h) **(reference to a group of persons)** a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- (i) **(dollars)** Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia;
- (j) **(calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (k) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (l) **(accounting terms)** an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act, or, if not inconsistent with those standards, in accounting principles and practices generally accepted in Australia;
- (m) **(meaning not limited)** the words “include”, “including”, “for example” or “such as” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
- (n) **(time of day)** time is a reference to Sydney, New South Wales, Australia; and



- (o) **(fairly disclosed)** a reference to a matter, information or a circumstance being "fairly disclosed" (or similar expression) means disclosed in writing to Frasers in the Data Room Materials in a manner and in sufficient particularity that would enable a reasonable bidder and its Representatives to make a reasonable assessment of the matter, information or circumstance.

### 1.3 Next day

If an act under this agreement to be done by a party on or by a given day is done after 5.00 pm on that day, it is taken to be done on the next day.

### 1.4 Next Business Day

If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

### 1.5 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this agreement.

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## 2 The Offer

### 2.1 Offer by Frasers

- (a) Frasers must, by no later than the Offer Date, and in any event as soon as reasonably practicable, make Offers to all Australand Securityholders in respect of all of their Australand Securities on the terms of this agreement and otherwise in accordance with all applicable provisions of the Corporations Act.
- (b) Frasers may satisfy its obligation under paragraph (a), and related obligations under this agreement, by causing a wholly owned Subsidiary of Frasers to perform the obligations referred to in paragraph (a) and related obligations under this agreement, in which case references in this agreement to Frasers making the Offer (and undertaking related matters) are taken to be references to Frasers having a primary obligation to procure that entity making the Offer (and undertaking related matters).

### 2.2 Consideration

The offer price for each Australand Security under the Offers will be a cash payment equal to \$4.48 ("**Offer Price**"). The Offers will not provide for any deduction from the Offer Price for the amount of the Half Year Distribution and the Allowed Distribution.

### 2.3 Conditions of the Offer

- (a) The Offer and any contract which results from its acceptance will be subject to the Conditions.
- (b) Each party must use all reasonable endeavours to satisfy the Conditions as soon as practicable after the date of this agreement.
- (c) From the date of this agreement until the Offer becomes unconditional, Australand must ensure that Australand and its Subsidiaries do not, without the prior written consent of Frasers, take any action or omit to do anything that will, or is likely to, result in the Conditions in paragraphs (c)

(conduct of business), (d) (no change to distribution policy), (e) (no issue of Australand Securities or Australand Performance Rights), (f) (no material changes to senior management of Australand), (g) (no Prescribed Occurrences) or (h) (no material acquisitions or disposals) of Schedule 2 being breached prior to the end of the Offer Period, provided that nothing in this clause requires the Australand Board to take any action which in the reasonable opinion of the Australand Board would result in a breach of a fiduciary duty by the Australand Board.

- (d) Frasers may waive the satisfaction of the Conditions in its sole discretion.

## **2.4 Offer Period**

The Offer Period will end one month after the date of the Offer, unless extended by Frasers at its discretion or automatically, in each case in accordance with the Corporations Act.

## **2.5 Conduct of Takeover Bid**

Within three Business Days after the Conditions in paragraphs (a) (minimum acceptance) and (b) (FIRB approval) of Schedule 2 are both satisfied, Frasers will waive all Conditions other than any Condition in respect of which Frasers has publicly announced a breach or suspected breach before that time.

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# **3 Co-operation**

## **3.1 General obligations**

Australand and Frasers must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
- (b) procure that its Representatives work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing the necessary records and information that the other party reasonably requires),

to implement the Takeover Bid.

## **3.2 Access to people and information**

Between the date of this agreement and the earlier of the end of the Offer Period and the date this agreement is terminated, Australand must to the extent reasonably required to implement the Takeover Bid:

- (a) as soon as reasonably practicable provide Frasers and its Representatives with any documents, records, and other information (subject to any existing confidentiality obligations owed to third parties, or applicable privacy laws) reasonably requested by them; and
- (b) provide Frasers and its Officers and Advisers with reasonable access within normal business hours to Australand's Officers and Advisers (provided that this access does not impose an undue burden on Australand) which Frasers reasonably requires for the purposes of:

- (i) further understanding Australand's financial position (including its cashflow and working capital position), trading performance and management control systems;
- (ii) implementing the Takeover Bid;
- (iii) preparing for carrying on the business of Australand following implementation of the Takeover Bid; and
- (iv) any other purpose which is agreed in writing between the parties.

### **3.3 Implementation obligations of Australand**

Australand must:

- (a) provide all reasonable and necessary information about the Register and historic trading information to Frasers which Frasers requires in order to assist Frasers to solicit acceptances under the Takeover Bid;
- (b) provide all necessary directions to the Registry promptly to provide any information that Frasers reasonably requests in relation to the Register, including any sub-register, and, where requested by Frasers, Australand must procure the information to be provided to Frasers in an electronic form as is reasonably requested by Frasers; and
- (c) undertake beneficial securityholder analysis at the request and cost of Frasers, and promptly exercise its powers under section 672A of the Corporations Act if requested to do so by Frasers, acting reasonably.

### **3.4 Appointment of directors**

- (a) As soon as practicable after the Offer becomes unconditional and for so long as Frasers and its Associates together have relevant interests in more than 50% of all the Australand Securities (on a fully diluted basis), Australand must use its best endeavours to allow Frasers to nominate a majority of the members of the Australand Board.
- (b) As soon as practicable after the end of the Offer Period and for so long as Frasers and its Associates together have relevant interests in more than 50% of all the Australand Securities (on a fully diluted basis), Australand must use its best endeavours to:
  - (i) procure that each director of the Australand Board designated by Frasers in writing, and each director of any Subsidiary of Australand designated by Frasers in writing, resigns their office; and
  - (ii) cause the appointment to the Australand Board, and to the boards of each Subsidiary of Australand, of such persons as nominated by Frasers in writing, subject to those persons having provided a consent to act as directors of the relevant company or companies.

### **3.5 Excluded information**

Despite clauses 3.2 and 3.4, neither Frasers nor its Representatives (including any directors appointed by Frasers pursuant to clause 3.4) are entitled to copies of any documents, records, or information, access to Australand's Officers and Advisers, or to be present at meetings of the Australand Board, where the

subject matter relates to Australand's consideration of the Takeover Bid or any Competing Transaction.

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## **4 Australand Performance Rights**

### **4.1 Australand Performance Rights**

The parties acknowledge and agree that upon the Offer becoming unconditional and Frasers and its Associates together having relevant interests in more than 50% of the total issued Australand Securities:

- (a) certain Australand Performance Rights will vest in accordance with the Australand Performance Rights Memorandum; and
- (b) all other Australand Performance Rights, being those not contemplated to vest in accordance with the Australand Performance Rights Memorandum will lapse.

### **4.2 Issue of Australand Securities**

On vesting of an Australand Performance Right in accordance with the Australand Performance Rights Memorandum during the Offer Period, Australand may at its election:

- (a) issue an Australand Security to the relevant Australand Performance Rights holder;
- (b) issue an Australand Security to the Australand Performance Rights Plan Trust; and
- (c) procure that the Australand Performance Rights Plan Trustee transfer an Australand Security to the relevant Australand Performance Rights holder.

### **4.3 Entitlements of Australand Securities**

Any Australand Securities issued under clause 4.2 are to rank equally with all other Australand Securities then on issue, including the entitlement to receive any distributions referred to in clause 8.5 where such Australand Securities are on issue on the relevant record date.

### **4.4 Close of Offers**

If the Offer becomes unconditional and Frasers and its Associates together have relevant interests in more than 50% of the total issued Australand Securities:

- (a) Australand undertakes that it will proceed to implement the actions referred to in clauses 4.1 and 4.2 above as soon as practicable, having regard to the terms of the Australand Performance Rights Plan; and
- (b) Frasers will consider any written request of Australand to not close the Offer before the actions referred to in clauses 4.1 and 4.2 above are implemented and comply with such a request where that request is reasonable, having regard to the terms of the Australand Performance Rights Plan.

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## 5 Financing

- (a) Subject to the Offer becoming unconditional and Frasers and its Associates together having a relevant interest in more than 50% of all the Australand Securities (on a fully diluted basis):
  - (i) the parties agree and acknowledge that it is their current intention that the Issuer exercise its right of redemption in respect of all of the ASSETS as soon as is practicable; and
  - (ii) the parties agree to co-operate and use reasonable endeavours to procure that the Issuer obtains necessary financing to utilise for the purposes of the redemption of ASSETS by the Issuer contemplated by paragraph (b).
- (b) Subject to the Offer becoming unconditional and Frasers and its Associates together having a relevant interest in more than 50% of all the Australand Securities (on a fully diluted basis), the parties agree to co-operate and use reasonable endeavours to establish the Replacement Financing for the purposes of funding any refinancing requirement of the Australand Group that arises as a consequence of the Offer.
- (c) Australand agrees that within one Business Day of the Offer becoming unconditional and Frasers and its Associates together having relevant interests in more than 50% of the total issued Australand Securities (on a fully diluted basis) it will:
  - (i) give a "Change of Control Prepayment Notice" to note holders as contemplated under and in accordance with clause 8.4 of the USPP Agreement; and
  - (ii) offer to prepay the notes issued under the USPP Agreement on the date that is 20 Business Days' after the date of the "Change of Control Prepayment Notice".

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## 6 Recommendation and documentation

### 6.1 Frasers' obligations to prepare documentation

- (a) Frasers will prepare:
  - (i) the Bidder's Statement; and
  - (ii) an acceptance form for the Offer,

in each case consistent with clause 2. The Bidder's Statement must not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and must comply in all material respects with the requirements of the Corporations Act, the Listing Rules, and all relevant regulatory guides, practice notes and other guidelines and requirements of ASIC.

- (b) Frasers agrees to do and to procure its Officers to do the things that are reasonably necessary to prepare the Bidder's Statement, its lodgement with ASIC and despatch to Australand Securityholders in accordance with the Timetable, subject to Australand granting any necessary consents and ASIC granting any necessary modifications.

## **6.2 Australand's obligations to prepare documentation**

- (a) Australand must prepare the Target's Statement in response to the Offer in accordance with the Corporations Act. The Target's Statement must not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides, practice notes and other guidelines and requirements of ASIC.
- (b) Australand agrees to do and to procure its Officers to do the things that are reasonably necessary to prepare the Target's Statement, its lodgement with ASIC and despatch to Australand Securityholders in accordance with the Timetable.

## **6.3 Provision of information**

- (a) Each party agrees that:
  - (i) it will provide to the other information (including Confidential Information on the terms set out in this agreement) that is reasonably required by the other party in order to enable the other party to fulfil its obligations under this agreement, including, but not limited to, the preparation of the Bidder's Statement and Target's Statement;
  - (ii) it will consent to the inclusion of information on it (and the form and context in which it is included) in the other parties' Bidder's Statement or Target's Statement, as applicable.
- (b) Australand must:
  - (i) give Frasers a reasonable opportunity (and, in any event, no less than 2 Business Days) to review an advanced draft of the Target's Statement prior to lodgement of the Target's Statement with ASIC; and
  - (ii) (acting in good faith) consider any comments provided by Frasers or its Representatives.

## **6.4 Early despatch of offers**

Australand agrees that the Bidder's Statement may be despatched to Australand Securityholders on the Offer Date, being a date that is earlier than the date for sending under Item 6 of section 633(1) of the Corporations Act.

## **6.5 Directors' recommendations**

Australand undertakes that each director of the Australand Board:

- (a) will recommend the Offer to Australand Securityholders; and
- (b) will accept the Offer after the Offer becomes open for acceptance in respect of all Australand Securities owned or controlled by that director,

in the absence of a Superior Proposal and subject to the Independent Expert concluding that the Offer is fair and reasonable to Australand Securityholders and the Target's Statement will include statements to this effect.

## **6.6 Timetable**

Each party agrees to use its reasonable endeavours to comply with the Timetable.

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# **7 Announcement of Takeover Bid**

## **7.1 Public announcement of Takeover Bid**

Immediately after signing this agreement, each party must procure the issue of its Announcement.

## **7.2 Required disclosure**

Where a party is required by law or the Listing Rules to make any announcement or make any disclosure relating to a matter the subject of the Takeover Bid, it may do so only after it has given the other party as much notice as reasonably practicable having regard to its disclosure obligations and has consulted with the other party to the extent reasonably practicable having regard to its disclosure obligations.

## **7.3 Competing Transactions**

Where the Australand Board considers that their legal or fiduciary duties require them to make an announcement regarding a Competing Transaction they may do so without prior consultation with or approval of Frasers, provided Australand has first complied with clause 9.5 and 9.6 where necessary.

## **7.4 Other Announcements**

Subject to clauses 7.1, 7.2 and 7.3, no party, may make any public announcement or disclosure in connection with the Takeover Bid (including, where possible, disclosure to a Regulatory Authority) other than in a form approved by the other party (acting reasonably). Each party will use all reasonable endeavours to provide or withhold the approval as soon as practicable.

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# **8 Conduct of business**

## **8.1 Overview**

From the date of this agreement up to the earlier of the end of the Offer Period and the date this agreement is terminated, Australand must:

- (a) conduct its business in the ordinary and proper course and in substantially the same manner as previously conducted; and
- (b) regularly consult with Frasers on the manner of conduct of the business, including on any matters that may have an adverse impact on the integration of the businesses of Frasers and Australand following implementation of the Takeover Bid.

## **8.2 Specific obligations**

Without limiting clause 8.1 and other than with the prior approval of Frasers (which approval must not be unreasonably withheld or delayed) or as required by this agreement, Australand must, during the period contemplated by clause 8.1:



- (a) **(business and assets)** use all reasonable endeavours to maintain the condition of its business and assets in accordance with the ordinary course of its business;
- (b) **(key Officers)** use commercially reasonable endeavours to keep available the services of its key Officers; and
- (c) **(relationships)** use reasonable endeavours to preserve its relationships with customers, suppliers, licensors, licensees, joint venturers and others with whom it has business dealings.

### 8.3 Prohibited actions

Other than with the prior approval of Frasers (which approval must not be unreasonably withheld or delayed) or as required by this agreement, Australand must not, during the period referred to in clause 8.1:

- (a) **(employment agreements)** increase the remuneration of or pay any bonus (including under any existing or proposed employee performance bonus policy or retention bonus policy) other than as provided for in an existing employment contract in place as at the date of this agreement or issue or agree to issue any securities or options (other than the issue of any Australand Securities contemplated by this agreement) to, or otherwise vary the employment agreements with, any of its Officers or employees;
- (b) **(accelerate rights)** except as permitted under clause 8.3(a), accelerate the rights of any of its directors or employees to benefits of any kind;
- (c) **(termination payments)** pay a director or executive a termination payment, other than as provided for in an existing employment contract in place as at the date of this agreement and a copy of which has previously been provided to Frasers;
- (d) **(financial arrangements)** amend in any material respect any arrangement with its financial advisers in respect of the transactions contemplated by this agreement;
- (e) **(distributions)** announce, declare or pay any distributions in excess of the Permitted Distributions;
- (f) **(Prescribed Occurrence)** take any action which would be reasonably expected to give rise to a Prescribed Occurrence; or
- (g) **(agreement)** agree to do any of the matters set out above.

### 8.4 Permitted actions

The restrictions in this clause 8 do not apply to the extent the intention or obligation to carry out, or omit to carry out, the relevant action was fairly disclosed on or before the date of this agreement in the Data Room Materials or to ASX.

### 8.5 Distributions

- (a) Within 2 Business Days after the earlier of:
  - (i) the Offer becoming unconditional; and
  - (ii) the date that falls seven Business Days before 31 December 2014,

Australand will:

- (iii) announce to ASX the Allowed Distribution (which may be franked to any extent determined by Australand) on the basis that:
    - (A) the record date for the Allowed Distribution ("**Allowed Distribution Record Date**") is 5 Business Days after the date on which the Allowed Distribution is announced; and
    - (B) in the case where the Allowed Distribution Record Date is after the date on which the Offer becomes unconditional, payment of the Allowed Distribution is to be made not more than 10 Business Days after the Allowed Distribution Record Date; and
  - (iv) enter into a deed poll in favour of Australand Securityholders receiving the Allowed Distribution, undertaking that for the tax year to 30 June 2015 each of APT, APT4 and APT5 will make total income distributions in respect of that tax year (taking into account the Allowed Distribution to the extent part or all of the Allowed Distribution is made by the relevant trust) of an amount at least equal to their net taxable income for the tax year to 30 June 2015 adjusted by grossing up any capital gains to exclude the effect of the capital gains tax discount.
- (b) Frasers must not process, and must procure that the Frasers Offer Registry does not process, any acceptances of its Offer until after the Allowed Distribution Record Date.
  - (c) If Frasers or any of its Associates acquire Australand Securities under the Takeover Bid on or before the Allowed Distribution Record Date, then the terms of the Offers must provide that Frasers is not entitled to any Allowed Distribution and that any Allowed Distribution paid on those securities is held on trust for the Australand Securityholder from whom they acquired the Australand Security.

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## 9 Exclusivity

### 9.1 No existing discussions

Australand represents and warrants that it has:

- (a) ceased negotiations and/or discussions in respect of any Competing Transaction with any other person; and
- (b) withdrawn any access to any other person to undertake due diligence investigations on Australand Group for the purposes of obtaining, or which may reasonably be expected to lead to, or in respect of, any Competing Transaction.

### 9.2 No-shop

During the Exclusivity Period, Australand must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, negotiations or discussions; or

- (b) communicates any intention to do any of these things,

with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Transaction.

### **9.3 Presentations**

Nothing in clause 9.2 prevents Australand from continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to the Takeover Bid or its business generally.

### **9.4 No due diligence**

Subject to clause 9.7, during the Exclusivity Period, Australand must ensure that neither it nor any of its Representatives solicits or enables any person without the prior written consent of Frasers to undertake due diligence investigations on Australand for the purposes of obtaining, or which may reasonably be expected to lead to, or in respect of any Competing Transaction.

### **9.5 Notification of Competing Transaction**

Subject to clause 9.7, during the Exclusivity Period, Australand must:

- (a) promptly inform Frasers if Australand or any director of the Australand Board receives any approach with respect to any actual or potential Competing Transaction and must disclose to Frasers:
- (i) the fact that the approach has been made;
  - (ii) subject to any obligation of confidentiality, the identity of the relevant person or persons involved and the nature of any Competing Transaction (to the extent known); and
  - (iii) all reasonable details of the Competing Transaction, including details of the value of the Competing Transaction, to allow Frasers to properly exercise its right under clause 9.6; and
- (b) as soon as practicable notify Frasers if Australand proposes to provide confidential information of Australand to any third party in relation to any Competing Transaction, and in any event no later than one Business Day after the Australand Board resolves to consider the proposal,

but nothing in this clause 9.5 limits the obligations of Australand under clauses 9.2 and 9.4.

### **9.6 Frasers' opportunity to match**

If Australand or any of its Representatives is in receipt of a Superior Proposal during the Exclusivity Period, Frasers may (in its sole discretion) either itself match, or procure a Controlled Entity of Frasers to match, that Superior Proposal ("**Matching Offer**"), by giving written notice to Australand of the offer by the date which falls 3 Business Days after:

- (a) the notification under clause 9.5; or
- (b) in the absence of such notification under clause 9.5, the end of the Exclusivity Period.

## 9.7 Exceptions

Clauses 9.4 and 9.5 do not apply to the extent that they restrict Australand or the Australand Board from taking or refusing to take any action with respect to a bona fide Competing Transaction (which was not solicited, invited, encouraged or initiated by Australand in contravention of clause 9.2) provided that:

- (a) the Australand Board has determined:
  - (i) in good faith; and
  - (ii) acting reasonably; and
  - (iii) after consultation with its Advisers,  
  
that failing to respond to that bona fide Competing Transaction would be reasonably likely to constitute a breach of the fiduciary or statutory obligations of the directors of the Australand Board; and
- (b) in the case of clause 9.4:
  - (i) for the purpose of determining whether the Competing Transaction is a Superior Proposal under this clause 9.7(b), the parties agree to ignore the existence of a reasonable condition of satisfactory completion of due diligence;
  - (ii) Frasers has been provided with an opportunity to match a Superior Proposal in accordance with clause 9.6;
  - (iii) due diligence investigations do not commence prior to expiry of the 3 Business Day period referred to in clause 9.6; and
  - (iv) in circumstances where Frasers has matched a Superior Proposal pursuant to clause 9.6, this clause 9.7 would cease to apply to that Competing Transaction.

## 9.8 Equal access to information

If at any time after the date of this agreement Australand provides any information relating to Australand or any of its businesses or operations to any person in connection with or for the purposes of a current or future Competing Transaction, it must promptly provide Frasers with access to, or a copy of, that information.

## 9.9 Compliance with law

This agreement does not impose any obligation on the parties if the performance of that obligation would:

- (a) involve a breach of statutory, fiduciary or other duty of a director of either party;
- (b) otherwise be unlawful; or
- (c) constitute unacceptable circumstances (as declared by the Takeovers Panel or a court).

## 9.10 Legal advice

Australand acknowledges that it has received legal advice on this agreement and the operation of this clause 9.

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## **10 Reimbursement of costs**

### **10.1 Rationale**

Each of Frasers and Australand acknowledges and agrees, for the purposes of this clause 10 as follows:

- (a) Frasers has required the inclusion of clause 10.2, in the absence of which it would not have entered into this agreement or otherwise agreed to implement the Takeover Bid;
- (b) Australand and the Australand Board believe that the Takeover Bid will provide significant benefits to it and its members and that it is reasonable and appropriate that it agrees to the inclusion of clause 10.2, in order to secure Frasers' execution of this agreement and its agreement to implement the Takeover Bid; and
- (c) the amount payable by Australand pursuant to clause 10.2 is an amount to compensate Frasers for the following:
  - (i) reasonable advisory costs (including costs of Advisers other than success fees) relating to the Takeover Bid;
  - (ii) cost of management and directors' time; and
  - (iii) reasonable out-of-pocket expenses relating to the Takeover Bid.

### **10.2 Payment of Compensating Amount by Australand to Frasers**

Australand agrees to pay Frasers a Compensating Amount if, at any time after the making of the announcement referred to in clause 7, any of the following circumstances occur:

- (a) a majority of the directors of the Australand Board recommend a Competing Transaction;
- (b) a Competing Transaction substantially completes on or before 31 March 2015; or
- (c) this agreement is terminated because Australand is in material breach of its terms (other than a material breach of clause 6.5).

### **10.3 Timing of payment**

Australand must pay Frasers the Compensating Amount within 10 Business Days of receipt by Australand of a demand for payment from Frasers. The demand may only be made after the occurrence of an event referred to in clause 10.2.

### **10.4 Exclusive Remedy**

Notwithstanding any other provision under this agreement, where a Compensating Amount becomes payable (or would be payable if a demand was made), neither party can make any claim against the other in relation to an event referred to in clause 10.2 or for any material breach of this agreement other than for payment of the Compensating Amount.

## 10.5 No Payment

If, notwithstanding the occurrence of any of the events referred to in clause 10.2, Frasers ultimately declares the Offer to be unconditional and Frasers and its Associates together have relevant interests in more than 50% of all the Australand Securities (on a fully diluted basis) as a result of the Takeover Bid, Frasers must repay to Australand any amount received by it under this clause 10.

## 10.6 Compliance with law

- (a) Subject to clause 10.6(f), if a Court, arbitral tribunal or the Takeovers Panel determines that any part of the agreement by a party under this clause 10:
- (i) constitutes, or would if performed constitute a breach of the fiduciary or statutory duties of that party's board to that party; or
  - (ii) constitutes, or would, if performed constitute, unacceptable circumstances within the meaning of the Corporations Act; or
  - (iii) is, or would if performed be, unlawful for any other reason,
- then, provided that that party has complied with its other obligations under this clause 10 that party will not be obliged to comply with that part of the agreement (but will be obliged to comply with all other parts of the agreement).
- (b) Subject to clause 10.6(f), if the Takeovers Panel or a Court makes a determination contemplated by clause 10.6(a), in respect of all or any part of a payment made under this clause 10 the party who received the payment must immediately refund all or such applicable part of it.
- (c) Subject to clause 10.6(f), if in such Takeovers Panel proceedings, the Takeovers Panel indicates to Frasers or Australand that in the absence of a written undertaking pursuant to section 201A of the *Australian Securities and Investments Commission Act 2001* (Cwth) it will make a declaration of unacceptable circumstances, each of Frasers and Australand (as the case may be) may give that undertaking on their own behalf and must give reasonable consideration to giving that undertaking if requested by the other party. Where such undertakings are given, this clause 10 will operate in a manner consistent with the terms of such undertakings.
- (d) Subject to clause 10.6(f), neither party must make, nor may it cause or permit to be made, any application to a Court, arbitral tribunal or the Takeovers Panel for or in relation to a determination referred to in clause 10.6(a).
- (e) If any third party makes any application to a Court, arbitral tribunal or the Takeovers Panel for or in relation to a determination referred to in clause 10.6(a), then each party must make submissions in the course of those proceedings supporting to the fullest extent reasonably practicable the position that no such determination should be made.
- (f) Nothing in this clause 10.6 precludes either party from bringing or requires either party to bring appeal or review proceedings in relation to any determination referred to in clause 10.6(a). If either party brings such proceedings:

- (i) the other must make submissions in the course of those proceedings supporting to the fullest extent reasonably practicable the review application made by the first party; and
- (ii) for the purposes of this clause 10 the determination the subject of the appeal or review proceeding will be deemed not to have been made and clause 10.6(a), (b) and (c) will have effect only in relation to any determination made in the appeal or review proceedings.

## **10.7 Australand limitation of liability**

Notwithstanding any other provision of this agreement but subject to clause 10.6:

- (a) the maximum liability of Australand to Frasers under or in connection with this agreement including in respect of any breach of the agreement will be the Compensating Amount referred to in clause 10.2;
- (b) a payment by Australand in accordance with this clause 10 represents the sole and absolute liability of Australand under or in connection with this agreement and no further damages, fees, expenses or reimbursements of any kind will be payable by Australand in connection with this agreement.

## **10.8 Survival**

Any accrued obligations under this clause 10 survive termination of this agreement.

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# **11 Warranties**

## **11.1 Frasers Warranties**

Frasers represents and warrants to Australand that as at the date of this agreement:

- (a) it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Frasers has been properly authorised by all necessary corporate action and Frasers has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;
- (c) (subject to the laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Frasers' constitution or any agreement or deed or writ, order or injunction, rule or regulation to which Frasers or any of its Subsidiaries is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency except for the Regulatory Approvals; and
- (d) it has reasonable grounds to expect that it will be able to fully fund all potential acceptances of the Takeover Bid once the Takeover Bid becomes unconditional.



## 11.2 Frasers indemnity

Frasers agrees with Australand to indemnify Australand and keep Australand indemnified against all claims liabilities and losses which it may suffer or incur by reason of any breach of any of the warranties in clause 11.1.

## 11.3 Australand Warranties

Australand represents and warrants to Frasers as at the date of this agreement that subject to the matters fairly disclosed in the Data Room Materials or by Australand to ASX:

- (a) each member of the Australand Group which is a body corporate is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Australand has been properly authorised by all necessary corporate action and Australand has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;
- (c) (subject to the laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Australand's constitution or any agreement or deed or writ, order or injunction, rule or regulation to which any member of Australand Group is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency except for the Regulatory Approvals;
- (d) so far as it is aware, all information provided by Australand to Frasers in the Data Room and under this agreement, including, but not limited to information provided under clause 6.3, is accurate in all material respects;
- (e) subject to release of the Announcements contemplated by clause 7, it has complied with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act and is not relying on Listing Rule 3.1A to withhold any information from disclosure other than as disclosed in writing to Frasers or its Representatives on or before the date of this agreement;
- (f) Australand Group's accounts are prepared on a consistent basis with past practices (except to the extent that the adoption of AIFRS requires a change to past practices) and in accordance with all relevant accounting standards; and
- (g) Schedule 4 accurately records the total number and details of Australand Securities and Australand Performance Rights on issue as at the date of this agreement. There are no other shares, units, options, notes or other securities of Australand and no rights to be issued such shares, units, options, notes or other securities.

## 11.4 Australand indemnity

Australand agrees with Frasers to indemnify and keep Frasers indemnified against all claims, liabilities and losses which it may suffer or incur by reason of any breach of any of the warranties in clause 11.3.

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## **12 Termination**

### **12.1 Termination rights**

This agreement may be terminated by either party by notice to the other party:

- (a) if the other party is in material breach of this agreement and that breach is not remedied by that other party within 5 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate;
- (b) if Frasers withdraws the Takeover Bid as permitted by the Corporations Act for any reason including non-satisfaction of a Condition;
- (c) if there is a material breach of a representation or warranty contained in clause 11.1 or 11.3 by the other party (as the case may be);
- (d) if a Court or other Regulatory Authority has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Takeover Bid; or
- (e) if the Offers are not made before the End Date.

### **12.2 Termination by Frasers**

This agreement may be terminated by Frasers by notice in writing to Australand if:

- (a) a Superior Proposal is made or publicly announced for Australand by a third party; or
- (b) a majority of the Australand Board does not recommend the Takeover Bid be accepted by Australand Securityholders or having recommended the Takeover Bid, withdraws or adversely modifies its recommendation of the Takeover Bid; or
- (c) any entity comprising Australand becomes Insolvent.

### **12.3 Termination by Australand**

This agreement may be terminated by Australand by notice in writing to Frasers if Australand has notified Frasers of a Superior Proposal or potential Superior Proposal under clause 9.5, and either Frasers does not propose a Matching Offer in accordance with clause 9.6 or Frasers does propose such a Matching Offer but the Australand Board determines that the proposed Matching Offer would provide an outcome which is less favourable to Australand Securityholders than the Superior Proposal.

### **12.4 Effect of termination**

If this agreement is terminated by another party under this clause 12:

- (a) each party will be released from its obligations under this agreement except its obligations under clauses 10, 13, 16 and 17.12;
- (b) each party will retain the rights it has or may have against the other party in respect of any past breach of this agreement; and
- (c) in all other respects, all future obligations of the parties under this agreement will immediately terminate and be of no further force or effect,

including, without limitation, any further obligations in respect of the Takeover Bid.

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## **13 Confidentiality**

### **13.1 Disclosure of Confidential Information**

None of the parties may disclose:

- (a) the Confidential Information to third parties except in accordance with the relevant terms of this agreement; or
- (b) the content of any communications between the parties concerning the Takeover Bid or this agreement,

except as permitted by clause 7.1, 13.2 or, subject to clause 7.2 where relevant, as requested or required by law or by any securities exchange, Regulatory Authority or by any court or after obtaining the other party's prior written consent.

### **13.2 Disclosure to Third Party Recipients**

- (a) Each Recipient may only disclose the Confidential Information to its Third Party Recipients, and must ensure that the Third Party Recipients only use it or disclose it as required in connection with the Takeover Bid, and then only on a confidential basis.
- (b) The Recipient must ensure that any person to whom it discloses the Confidential Information complies with the terms of this clause 13.
- (c) Each Recipient agrees that it is liable for any damage suffered by the Discloser or any of its Representatives which is caused by an act or omission of any Third Party Recipient which, had it been an act or omission of the Recipient, would have breached this clause 13.
- (d) This clause 13 does not give a Recipient or any person to whom it discloses the Confidential Information any right, title or interest in the Confidential Information.

### **13.3 Use of Confidential Information**

- (a) Each Recipient must use the Confidential Information solely for the purpose of:
  - (i) where Frasers is the Recipient – preparing the Bidder's Statement; and
  - (ii) where Australand is the Recipient – preparing the Target's Statement,and for no other purpose.
- (b) The Recipient must not use or exploit the Confidential Information for any other purpose, or allow its Third Party Recipients to do so without the prior written consent of the relevant Discloser.

### 13.4 Protection of Confidential Information

Each Recipient must:

- (a) protect the Confidential Information and keep it within its control, possession or custody and secure from unauthorised persons;
- (b) immediately take all steps to prevent or stop any suspected or actual breach of this agreement;
- (c) comply with any reasonable direction issued by the Discloser from time to time regarding any suspected or actual breach of this agreement; and
- (d) not unreasonably challenge the Discloser's ownership of the Confidential Information.

### 13.5 Notice of breach or compulsory disclosure

- (a) Each Recipient must inform the relevant Discloser as soon as practicable and legally permissible if the Recipient:
  - (i) becomes aware or suspects that there has been a breach of clauses 13; or
  - (ii) is required or requested to disclose the Confidential Information by law, any Regulatory Authority, any securities exchange or by any court ("**Requirement**").
- (b) Before the Recipient makes any disclosure under clause 13.5(a)(ii), it must (to the extent legally permissible):
  - (i) provide the Discloser with prompt written notice of the Requirement to enable the Discloser to challenge the proposed disclosure; and
  - (ii) take any reasonable steps to resist or narrow the scope of the Requirement.

When making any disclosure under clause 13.5(a)(ii), the Recipient must only disclose the minimum Confidential Information which is, in the Recipient's or Representative's reasonable opinion, necessary to comply with the Requirement.

- (c) The Recipient must not, and must procure that its Representatives and Third Party Recipients (and their respective Representatives) do not, do anything which would trigger a Requirement to disclose the Confidential Information, except doing anything in connection with the Takeover Bid.

### 13.6 Return of Confidential Information

- (a) If the Takeover Bid is not pursued, or if the relevant Discloser asks for it earlier, each Recipient must either return the Confidential Information to the Discloser, together with all copies, notes and memoranda relating to it, or the Recipient must destroy the information, and the Recipient must certify that it has been destroyed or returned (as applicable).
- (b) Nothing in this clause 13.6 requires the return or destruction of any board committee papers of a Recipient prepared in connection with the Takeover Bid or where the information is located in a server as a result of the automatic back-up of data in the usual operations of the Recipient.

Notwithstanding the foregoing, each Recipient may retain one copy of the Confidential Information to the extent required to be kept for compliance with any internal document retention or corporate governance policy.

### **13.7 Excluded Information**

A Recipient does not have to treat as confidential, and this clause 13 does not otherwise apply to, the Excluded Information.

### **13.8 Insider trading prohibition**

Each party acknowledges that the Confidential Information may contain material price sensitive information, which is not otherwise publicly available, and each party agrees that they will not deal, or cause another person to deal in any securities to which the Confidential Information relates contrary to Part 7.10, Division 3 of the Corporations Act.

### **13.9 Remedy for breach**

Each party understands that if it breaches its obligations under this clause 13, damages may not be an adequate remedy to the other parties and its Related Bodies Corporate and that the other parties may apply to a court for an order preventing the defaulting party from breaching its obligations and seek any other appropriate remedy, whether in law or equity.

### **13.10 No obligation**

The parties acknowledge and agree that, unless specifically provided for under this agreement, a party may not make a claim for breach of this agreement solely because another party does not make any information (including Confidential Information) available to the other parties.

### **13.11 Employees and business relationships**

- (a) Subject to clause 13.11(b), Frasers must not, and must procure that its Representatives do not, directly or indirectly:
  - (i) for a period starting on the date of this agreement ending on the date 12 months after the date of this agreement, use the Confidential Information to induce or encourage any employee of Australand or its Related Bodies Corporate to leave the employment of Australand or its Related Bodies Corporate; or
  - (ii) use the Confidential Information to interfere with the relationship between Australand or its Related Bodies Corporate and any of their respective customers, employees or suppliers.
- (b) Clause 13.11(a) does not prevent Frasers or a Representative of Frasers from:
  - (i) advertising employment vacancies in any newspaper, website or other publication or through a recruitment agency (except where the advertisement or recruitment agency targets employees of Australand or its Related Bodies Corporate) or interviewing and negotiating with any person responding to that advertisement;
  - (ii) employing any person who seeks employment with Frasers or a Representative of Frasers solely on his or her own initiative; or

- (iii) generally competing with Australand or their Related Bodies Corporate as if the Confidential Information had not been received by Frasers.

### **13.12 Privilege**

Frasers acknowledges that Australand or its Representative may be entitled to claim legal professional privilege in relation to some or all of the Australand Confidential Information, and disclosure of the Australand Confidential Information under this agreement does not constitute a waiver by Australand or its Representative of any rights to legal professional privilege as they relate to that information. Frasers undertakes that it will not claim or contend in proceedings which involve either party that Australand or its Representative waived the protections of legal professional privilege as a result of disclosing Australand Confidential Information.

### **13.13 Termination of confidentiality obligations under Process Agreement**

The terms of this clause 13 supersede and replace the obligations of confidentiality set out in the Process Agreement.

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## **14 Limitation of liability**

### **14.1 APL limitation of liability**

- (a) APL enters into this agreement only in its capacity as responsible entity of APT and in no other capacity. A liability incurred by APL arising under or in connection with this agreement is limited to and can be enforced against APL only to the extent to which it can be satisfied out of the assets of APT out of which APL is actually indemnified for the liability. This limitation of APL's liability applies despite any other provision of this agreement (other than paragraph 14.1(c)) and extends to all liabilities and obligations of APL in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this agreement.
- (b) The parties other than APL may not sue APL in any capacity other than as responsible entity of APT, including seeking the appointment of a receiver, a liquidator, an administrator or any similar person to APL or prove in any liquidation, administration or arrangement of or affecting APL (except in relation to the assets of APT).
- (c) The provisions of this clause 14.1 do not apply to any obligation or liability of APL to the extent that it is not satisfied because under the APT Constitution or by operation of law APL is not indemnified or there is a reduction in the extent of APL's indemnification out of the assets of APT as a result of APL's fraud, negligence or wilful misconduct.
- (d) No act or omission of APL (including any related failure to satisfy its obligations or breach of representation or warranty under this agreement) will be considered fraud, negligence, wilful misconduct of APL for the purpose of paragraph 14.1(c) to the extent to which the act or omission was caused or contributed to by any failure by another person (other than a person whose acts or omissions APL is liable for, as agent, officer, employee, contractor or otherwise) to fulfil its obligations relating to the APT or by any other act or omission of another person (other than a person whose acts or omissions APL is liable for, as agent, officer, employee, contractor or otherwise) regardless of whether or not that act or omission is purported to be done on behalf of APL.

- (e) No receiver or receiver and manager appointed has authority to act on behalf of APL in any way which exposes APL to any personal liability and no act or omission of any such person will be considered fraud, negligence, wilful misconduct or a breach of a representation and warranty as to authority for the purpose of clause 14.1(c). APL's liability is limited in accordance with this clause 14.1.

## 14.2 AIL limitation of liability

- (a) AIL enters into this agreement only in its capacity as responsible entity of APT4 or APT5 and in no other capacity. A liability incurred by AIL arising under or in connection with this agreement is limited to and can be enforced against AIL only to the extent to which it can be satisfied out of the assets of APT4 or APT5 as the case may be out of which AIL is actually indemnified for the liability. This limitation of AIL's liability applies despite any other provision of this agreement (other than paragraph 14.2(c)) and extends to all liabilities and obligations of AIL in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this agreement.
- (b) The parties other than AIL may not sue AIL in any capacity other than as responsible entity of APT4 or APT5, including seeking the appointment of a receiver, a liquidator, an administrator or any similar person to AIL or prove in any liquidation, administration or arrangement of or affecting AIL (except in relation to the assets of APT4 or APT5).
- (c) The provisions of this clause 14.2 do not apply to any obligation or liability of AIL to the extent that it is not satisfied because under the constitution of APT4 or the constitution of APT5 as the case may be or by operation of law AIL is not indemnified or there is a reduction in the extent of AIL's indemnification out of the assets of APT4 or APT5 as the case may be as a result of AIL's fraud, negligence or wilful misconduct.
- (d) No act or omission of AIL (including any related failure to satisfy its obligations or breach of representation or warranty under this agreement) will be considered fraud, negligence, wilful misconduct of AIL for the purpose of paragraph 14.2(c) to the extent to which the act or omission was caused or contributed to by any failure by another person (other than a person whose acts or omissions AIL is liable for, as agent, officer, employee, contractor or otherwise) to fulfil its obligations relating to APT4 or APT5 as the case may be or by any other act or omission of another person (other than a person whose acts or omissions AIL is liable for, as agent, officer, employee, contractor or otherwise) regardless of whether or not that act or omission is purported to be done on behalf of AIL.
- (e) No receiver or receiver and manager appointed has authority to act on behalf of AIL in any way which exposes AIL to any personal liability and no act or omission of any such person will be considered fraud, negligence, wilful misconduct or a breach of a representation and warranty as to authority for the purpose of clause 14.2(c).
- (f) AIL is not obliged to enter into any commitment or obligation under this agreement unless AIL's liability is limited in accordance with this clause 14.2.

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## **15 Notices and other communications**

### **15.1 Form – all communications**

Unless expressly stated otherwise in this agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this agreement must be:

- (a) in writing;
- (b) signed by the sender (if an individual) or an Authorised Officer of the sender; and
- (c) marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

### **15.2 Delivery**

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details;
- (c) sent by fax to the fax number set out or referred to in the Details;
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or fax number, then communications must be to that address or fax number.

### **15.3 When effective**

Communications take effect from the time they are received or taken to be received under clause 15.4 (whichever happens first) unless a later time is specified.

### **15.4 When taken to be received**

Communications are taken to be received:

- (a) if sent by post, 3 days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent.

### **15.5 Receipt outside business hours**

Despite clauses 15.3 and 15.4, if communications are received or taken to be received under clause 15.4 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.



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## **16 Goods and services tax (GST)**

### **16.1 Consideration does not include GST**

The consideration specified in this agreement does not include any amount for GST.

### **16.2 Recovery of GST**

If a supply under this agreement is subject to GST, the recipient must pay to the supplier an additional amount equal to the Amount of the Consideration multiplied by the applicable GST rate.

### **16.3 Time of payment**

The additional amount is payable at the same time as the consideration for the supply is payable or is to be provided. However, the additional amount need not be paid until the supplier gives the recipient a Tax invoice.

### **16.4 Adjustment of additional amount**

If the additional amount differs from the amount of GST payable by the supplier, the parties must adjust the additional amount.

### **16.5 Reimbursement**

If a party is entitled to be reimbursed or indemnified under this agreement, the amount to be reimbursed or indemnified does not include any amount for GST for which the party is entitled to an Input Tax Credit.

### **16.6 Survival**

This clause 16 will survive termination of this agreement.

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## **17 Miscellaneous**

### **17.1 Discretion in exercising rights**

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this agreement expressly states otherwise.

### **17.2 Partial exercising of rights**

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

### **17.3 No liability for loss**

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

### **17.4 Approvals and consents**

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

**17.5 Conflict of interest**

The parties' rights and remedies under this agreement may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

**17.6 Remedies cumulative**

The rights and remedies in this agreement are in addition to other rights and remedies given by law independently of this agreement.

**17.7 Variation and waiver**

A provision of this agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

**17.8 No merger**

The warranties, undertakings and indemnities in this agreement do not merge on completion of any transaction contemplated by this agreement.

**17.9 Indemnities**

The indemnities in this agreement are continuing obligations, independent from the other obligations of the parties under this agreement and continue after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this agreement.

**17.10 Further steps**

Each party agrees, at its own expense, to do anything the other party asks (such as obtaining consents, signing and producing documents and getting documents completed and signed):

- (a) to bind the party and any other person intended to be bound under this agreement; or
- (b) to show whether the party is complying with this agreement.

**17.11 Construction**

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

**17.12 Costs**

The parties agree to pay their own legal and other costs and expenses in connection with the preparation, execution and completion of this agreement and other related documentation except for stamp duty.

**17.13 Stamp duty**

Frasers agrees to pay all stamp duty (including fines and penalties) payable and assessed on this agreement or in respect of a transaction evidenced by this agreement.

#### **17.14 Entire agreement**

This agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

#### **17.15 Assignment**

A party may not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied in each case, without the prior written consent of the other party.

#### **17.16 No representation or reliance**

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this agreement, except for representations or inducements expressly set out in this agreement;
- (b) it does not enter into this agreement in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this agreement; and
- (c) clauses 17.16(a) and 17.16(b) above do not prejudice any rights a party may have in relation to information which had been filed by the other party with ASIC or ASX.

#### **17.17 Governing law**

This agreement is governed by the law in force in the place specified in the Details. Each party submits to the non-exclusive jurisdiction of the courts of that place.

#### **17.18 Counterparts**

This agreement may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

#### **17.19 Knowledge and belief**

Any statement made by a party on the basis of its knowledge, information, belief or awareness, is made on the basis that the party has, in order to establish that the statement is accurate and not misleading in any material respect, made all reasonable enquiries of its officers, managers and employees who could reasonably be expected to have information relevant to matters to which the statement relates.

**EXECUTED** as an agreement.

# Bid Implementation Agreement

## Schedule 1 – Timetable

Date	Event
1 July 2014	Announcement Date
1 July 2014	Lodgement Date Date Frasers lodges Bidder's Statement with ASIC and serves it on Australand and ASX
1 July 2014	Register Date Date set by Frasers pursuant to section 633(3) of the Corporations Act
By 9.30am on 3 July 2014	Australand to provide Frasers with list of members on 3 July 2014 pursuant to section 641 of the Corporations Act
7 July 2014	Offer Date Frasers despatches the Bidder's Statement to Australand Securityholders
On 22 July 2014	Australand lodges Target's Statement with ASIC and serves it on Frasers and ASX
On 22 July 2014	Australand despatches Target's Statement to Australand Securityholders
7 August 2014	Offer Period ends – unless extended in accordance with the Corporations Act

# Bid Implementation Agreement

## Schedule 2 – Conditions to the Offer

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following Conditions:

- (a) **(minimum acceptance)** during, or at the end of, the Offer Period, the number of Australand Securities in which Frasers and its Associates together have relevant interests is more than 50% of all the Australand Securities (on a fully diluted basis);
- (b) **(FIRB approval)** prior to the end of the Offer Period, either:
  - (i) the Treasurer (or his delegate) has provided written advice with or without conditions that there are no objections under Australia's foreign investment policy to the proposed acquisition of Australand Securities under the Offer; or
  - (ii) following notice of the proposed acquisition of Australand Securities under the Offer having been given by Frasers to the Treasurer under the Foreign Acquisitions and Takeovers Act 1975 (Cwlth), the Treasurer has ceased to be empowered to make any order under Part II of that Act because of lapse of time;
- (c) **(conduct of business)** during the period from the date of the Bid Implementation Agreement to the end of the Offer Period (each inclusive), Australand's business and the business of Australand's Subsidiaries (considered in aggregate) is carried on in the ordinary course, except as approved in writing by Frasers;
- (d) **(no change to distribution policy)** between the date of the Bid Implementation Agreement and the end of the Offer Period there is no change to Australand's distribution policy as announced in its release entitled "2014 Operating earnings and distribution guidance" dated 25 March 2014;
- (e) **(no issue of Australand Securities or Australand Performance Rights)** between the date of the Bid Implementation Agreement and the end of the Offer Period:
  - (i) no Australand Security is issued (other than the issue of a Australand Security on vesting of an Australand Performance Right on issue at the date of the Bid Implementation Agreement); and
  - (ii) no Australand Performance Right is granted or issued;
- (f) **(no material change to senior management of Australand)** between the date of the Bid Implementation Agreement and the end of the Offer Period Australand makes no material change to its senior management;
- (g) **(no Prescribed Occurrences)** there not occurring a Prescribed Occurrence between the date of the Bid Implementation Agreement and the end of the Offer Period;

- (h) **(no material acquisitions or disposals)** except for any proposed transaction publicly announced by Australand before the date of the Bid Implementation Agreement or approved by Frasers, none of the following events occurs during the period from the date of the Bid Implementation Agreement to the end of the Offer Period:
- (i) any member of the Australand Group acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount greater than \$70 million (either alone, or in respect of all such acquisitions in aggregate) or makes an announcement in relation to such an acquisition, offer or agreement, other than in the ordinary course of business; and
  - (ii) any member of the Australand Group disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is, greater than \$70 million (either alone, or in respect of all such disposals in aggregate) or makes an announcement in relation to such a disposition, offer or agreement, other than in the ordinary course of business.

Where a member of the Australand Group makes (or offers or agrees to make) an acquisition or disposal (in each case an "**Action**") as a member of a joint venture or partnership, then for the purpose of this Condition the dollar value of the Australand Group member's Action will be determined based on its proportionate interest in the joint venture or partnership which undertakes the Action; and

- (i) **(no restraining orders)** between the date of the Bid Implementation Agreement and the end of the Offer Period:
- (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
  - (ii) no application is made to any Regulatory Authority (other than by Frasers or its Related Bodies Corporate), or action or investigation is announced, threatened or commenced by a Regulatory Authority,

in consequence of, or in connection with, the Offer (other than an application to or a determination, action or investigation by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:

- (iii) restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of Frasers in respect of Australand and the Australand Securities to be acquired under the Offer; or
- (iv) requires the divestiture by Frasers of any Australand Securities, or the divestiture of any assets of Australand Group, Frasers or its Related Bodies Corporate or otherwise.

# Bid Implementation Agreement

## Schedule 3 – Prescribed Occurrences

Prescribed Occurrence means any of the following:

- (a) Australand converts all or any Australand Securities into a larger or smaller number of securities;
- (b) Australand resolves to reduce its capital in any way;
- (c) Australand:
  - (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) Australand or a Subsidiary of Australand issues Australand Securities or grants an option over Australand Securities, or agrees to make such an issue or grant such an option, in each case other than Australand Securities issued or agreed to be issued to a member of the Australand Group or on vesting of an Australand Performance Right on issue at the Announcement Date, or in the ordinary course of business under the Australand Performance Rights Plan;
- (e) Australand or a Subsidiary of Australand issues, or agrees to issue, convertible notes other than to the Australand Group;
- (f) Australand or a Subsidiary of Australand disposes, or agrees to dispose, of the whole, or a substantial part, of the business or property of the Australand Group considered in aggregate;
- (g) Australand or a Subsidiary of Australand grants, or agrees to grant, a security interest in the whole, or a substantial part, of the business or property of the Australand Group considered in aggregate;
- (h) Australand or a Subsidiary of Australand that holds assets of the Australand Group resolves to be wound up;
- (i) a liquidator or provisional liquidator of Australand or a Subsidiary of Australand that holds assets of the Australand Group is appointed;
- (j) a court makes an order for the winding up of Australand or a Subsidiary of Australand that holds assets of the Australand Group;
- (k) an administrator of Australand, or a Subsidiary of Australand that holds assets of the Australand Group, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) Australand or a Subsidiary of Australand executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Australand or a Subsidiary of Australand when considered in aggregate.

# Bid Implementation Agreement

## Schedule 4 – Australand securities

- (a) **Australand Securities:** 578,984,528
- (b) **Australand Performance Rights:**
  - (i) **Australand PRP performance rights:**  
4,232,000
  - (ii) **Australand deferred short term incentive performance rights:**  
190,590
  - (iii) **Australand PRP2 performance rights:**  
508,900



# **Bid Implementation Agreement**

## Schedule 5 – Announcements

### **Frasers Announcements**

1 July 2014

**FRASERS CENTREPOINT LIMITED SIGNS BID IMPLEMENTATION AGREEMENT AND ANNOUNCES TAKEOVER OFFER TO ACQUIRE 100% OF AUSTRALAND PROPERTY GROUP**

Frasers Centrepoint Limited ("FCL") refers to its announcement released on 4 June 2014 in relation to its indicative, non-binding conditional proposal to acquire up to 100% of Australand Property Group ("Australand").

FCL is pleased to announce it has satisfactorily completed its exclusive due diligence process following access granted under the Process Agreement entered into with Australand and it has now signed a binding Bid Implementation Agreement ("BIA") under which it has agreed to make an off-market takeover offer to acquire up to 100% of Australand's stapled securities (each a "Security") for cash consideration of \$4.48 per Australand Security (the "Offer").

The BIA has been attached to this announcement and contains standard deal protections including a break fee together with no shop and no due diligence restrictions and matching rights.

Deutsche Bank and Standard Chartered Bank are the financial advisers to FCL.

**Unanimous Recommendation of Australand Directors**

Australand's Directors have unanimously recommended FCL's Offer subject to there being no superior proposal and the Independent Expert concluding that the Offer is fair and reasonable to Australand securityholders ("Securityholders").

Australand's Directors have also indicated that they will accept the Offer in respect of all the Securities that they own or control subject to the same conditions.

**Summary of Offer**

FCL's Offer will be made by Frasers Amethyst Pte. Ltd. ("FCL Bidder"), a wholly owned subsidiary of FCL. In addition to the Offer price of \$4.48 cash per Security, under the terms of the Offer all Australand Securityholders will be entitled to receive the Allowed Distribution.

The Allowed Distribution will be an amount equal to the pro rata proportion of Australand's second half distribution for 2014 for the period from 1 July 2014 until the Offer becomes unconditional (as a proportion of the entire half year ending 31 December 2014), up to a maximum of 12.75 cents per Security. If the Offer is not unconditional before 31 December 2014, the Allowed Distribution will be 12.75 cents per Security.

The Allowed Distribution Record Date will be announced within two Business Days of the Offer becoming unconditional, or if the Offer is not unconditional before 18 December 2014, within two Business Days of that date.

The Offer will not affect Securityholders' entitlement to Australand's first half distribution for 2014, the Record Date for which was 30 June 2014.

Any distributions in excess of the Allowed Distribution or Australand's first half distribution for 2014 will be deducted from the consideration payable under the Offer.

The consideration offered under the Offer, being \$4.48 cash per Security, represents a:

- 21.7% premium to Australand's forecast 30 June 2014 net tangible asset value per Security as stated in its group update on 30 May 2014;
- 15.2% premium to the closing price of Securities on the ASX on 18 March 2014, the last trading day prior to Stockland Group's announcement that it had acquired a 19.9% strategic stake in Australand;
- 14.6% premium to the VWAP of Securities over the one month period up to 18 March 2014; and
- 3.9% premium to the close price of Securities on the ASX on 3 June 2014, the last trading day before the announcement of FCL's proposal

**Key reasons why Australand Securityholders should accept the Offer**

The reasons why Australand Securityholders should accept the Offer are set out in detail in FCL's Bidder's Statement and include the following:

- The Offer represents a significant premium to Australand's trading price in the period prior to recent corporate activity and the 30 June Net Tangible Asset value per Security;
- The cash offer provides certain value;
- Under the terms of the Offer, all Australand Securityholders will be entitled to the Allowed Distribution;
- The Australand Directors unanimously recommend that Securityholders accept the Offer and intend to accept in respect of all Securities they own or control, in the absence of a superior proposal and subject to the Independent Expert concluding that the Offer is fair and reasonable to Australand Securityholders;
- No superior proposal has emerged in respect of Australand;
- The Offer is subject to limited conditionality; and
- If Securityholders do not accept they may be exposed to a variety of risks.



### **Offer conditions**

The Offer is subject to a limited number of conditions including a minimum acceptance of more than 50% and Foreign Investment Review Board ("FIRB") approval. The Offer conditions are set-out in full in the attachment to this announcement.

FCL has lodged its FIRB application and will update the market on the progress of its application in due course.

FCL has satisfied all of the conditions prescribed by SGX-ST, to waive the requirement for prior approval of FCL shareholders of the Offer, and for FCL shareholders to ratify the Offer after the Offer has been made.

### **Funding**

To fund the transaction, in addition to existing cash reserves, FCL has secured debt financing from Deutsche Bank, Standard Chartered Bank and Sumitomo Mitsui Banking Corporation.

### **Benefits of the transaction to FCL**

The Offer is consistent with FCL's strategy and, if successful, will be a transformational transaction that delivers a number of benefits to FCL, including:

- Substantial increase in FCL Group assets and profits from outside of Singapore
- Improving the sustainability of FCL's earnings through an increase in recurring income
- A quality platform with immediate scale in Australia, a core market
- Ownership of an attractive commercial and industrial portfolio with development capabilities; and
- Enhancing FCL's residential development capabilities in Australia

Mr Lim Ee Seng, Group Chief Executive Officer of FCL said, "The due diligence affirms the rationale and strategic fit for FCL to acquire Australand. FCL had planned on achieving several key strategic objectives over the medium term, including increasing the proportion of overseas earnings and recurring income, as well as enhancing our platform in Australia. This transaction ticks all the boxes and will allow FCL to achieve our targets in a much shorter period of time."

"We have a high regard for the management of Australand and we are very excited for the future potential of the business." Mr Lim added.

### **Timetable:**

FCL Bidder has today lodged its Bidder's Statement with Australand, the Australian Securities and Investments Commission and the ASX.

Australand has consented to the early dispatch by FCL Bidder of its Bidder's Statement and accordingly FCL's Offer is currently scheduled to open on 7 July 2014 and close on 7 August 2014 unless extended.

## **Frasers Centrepoint Limited**

*(INCORPORATED IN THE REPUBLIC OF SINGAPORE)*



### **About Frasers Centrepoint Limited**

Frasers Centrepoint Limited ("FCL") is a full-fledged international real estate company and one of Singapore's top property companies with total assets of approximately S\$11.4 billion as at 31 March 2014.

FCL has three core businesses focused on residential, commercial and hospitality properties spanning over 30 cities across Asia, Australasia, Europe, and the Middle-East. FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Company is also the sponsor of two real estate investment trusts listed on the Main Board of the SGX-ST, Frasers Centrepoint Trust and Frasers Commercial Trust, which are focused on retail, and office and business space properties, respectively.

As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad. For more information on FCL, please visit [www.fraserscentrepoint.com](http://www.fraserscentrepoint.com).

### **About Australand**

Listed on the Australian Securities Exchange, Australand is one of Australia's leading diversified property groups. Australand has been involved in property development for more than 80 years, and its activities span across Australia and property segments. Australand's operations, which include development of residential land, housing and apartments, development of, and investment in income producing commercial and industrial properties, and property management, are located in Sydney, Melbourne, South East Queensland, Adelaide and Perth. For more information on Australand, please visit [www.australand.com.au](http://www.australand.com.au).

**Frasers Centrepoint Limited**  
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)



For further information please contact

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## Appendix A – Offer conditions

### (a) Minimum acceptance

During, or at the end of, the Offer Period, the number of Securities in which FCL Bidder and its Associates together have relevant interests is more than 50% of all the Australand Securities (on a fully diluted basis).

### (b) FIRB approval

Prior to the end of the Offer Period, either:

- (i) the Treasurer (or his delegate) has provided written advice with or without conditions that there are no objections under Australia's foreign investment policy to the proposed acquisition of Securities under the Offer; or
- (ii) following notice of the proposed acquisition of Securities under the Offer having been given by FCL or FCL Bidder to the Treasurer under the FATA, the Treasurer has ceased to be empowered to make any order under Part II of the FATA because of lapse of time.

### (c) Conduct of business

During the period from the date of the Bid Implementation Agreement to the end of the Offer Period (each inclusive), Australand's business and the business of Australand's Subsidiaries (considered in aggregate) is carried on in the ordinary course, except as approved in writing by FCL

### (d) No change to distribution policy

Between the date of the Bid Implementation Agreement and the end of the Offer Period there is no change to Australand's distribution policy as announced in its release entitled "2014 Operating earnings and distribution guidance" dated 25 March 2014.

### (e) No issue of Securities or Australand Performance Rights

Between the date of the Bid Implementation Agreement and the end of the Offer Period:

- (i) no Security is issued (other than the issue of a Security on vesting of an Australand Performance Right on issue at the date of the Bid Implementation Agreement); and
- (ii) no Australand Performance Right is granted or issued.

### (f) No material change to senior management of Australand

Between the date of the Bid Implementation Agreement and the end of the Offer Period Australand makes no material change to its senior management.

### (g) No Prescribed Occurrences

Between the date of the Bid Implementation Agreement and the end of the Offer Period, except as contemplated by the Bid Implementation Agreement, none of the following events occur:

- (i) Australand converts all or any Securities into a larger or smaller number of securities;
- (ii) Australand resolves to reduce its capital in any way;
- (iii) Australand:
  - (A) enters into a buy-back agreement; or

- (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) Australand or a Subsidiary of Australand issues Securities or grants an option over Securities, or agrees to make such an issue or grant such an option, in each case other than Securities issued or agreed to be issued to a member of Australand or on vesting of an Australand Performance Right on issue at the Announcement Date, or in the ordinary course of business under the Australand Performance Rights Plan;
  - (v) Australand or a Subsidiary of Australand issues, or agrees to issue, convertible notes other than to a member of Australand;
  - (vi) Australand or a Subsidiary of Australand disposes, or agrees to dispose, of the whole, or a substantial part, of the business or property of Australand considered in aggregate;
  - (vii) Australand or a Subsidiary of Australand grants, or agrees to grant, a security interest in the whole, or a substantial part, of the business or property of Australand considered in aggregate;
  - (viii) Australand or a Subsidiary of Australand that holds assets of Australand resolves to be wound up;
  - (ix) a liquidator or provisional liquidator of Australand or a Subsidiary of Australand that holds assets of Australand is appointed;
  - (x) a court makes an order for the winding up of Australand or a Subsidiary of Australand that holds assets of Australand;
  - (xi) an administrator of Australand, or a Subsidiary of Australand that holds assets of Australand, is appointed under section 436A, 436B or 436C of the Corporations Act;
  - (xii) Australand or a Subsidiary of Australand executes a deed of company arrangement; or
  - (xiii) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Australand or a Subsidiary of Australand when considered in aggregate.

**(h) No material acquisitions or disposals**

Except for any proposed transaction publicly announced by Australand before the date of the Bid Implementation Agreement or approved by FCL or FCL Bidder, none of the following events occurs during the period from the date of the Bid Implementation Agreement to the end of the Offer Period:

- (i) any member of the Australand Group acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount greater than \$70 million (either alone, or in respect of all such acquisitions in aggregate) or makes an announcement in relation to such an acquisition, offer or agreement, other than in the ordinary course of business; and
- (ii) any member of the Australand Group disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is greater than \$70 million (either alone, or in respect of all such disposals in aggregate) or makes an announcement in relation to such a disposition, offer or agreement, other than in the ordinary course of business.



Where a member of Australand makes (or offers or agrees to make) an acquisition or disposal (in each case an "Action") as a member of a joint venture or partnership, then for the purpose of this Defeating Condition the dollar value of the Australand member's Action will be determined based on its proportionate interest in the joint venture or partnership which undertakes the Action.

**(i) No restraining orders**

Between the date of the Bid Implementation Agreement and the end of the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
- (ii) no application is made to any Regulatory Authority (other than by FCL, FCL Bidder or its Related Bodies Corporate), or action or investigation is announced, threatened or commenced by a Regulatory Authority,  
in consequence of, or in connection with, the Offer (other than an application to or a determination, action or investigation by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:
  - (iii) restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of FCL Bidder in respect of Australand and the Securities to be acquired under the Offer; or
  - (iv) requires the divestiture by FCL Bidder of any Securities, or the divestiture of any assets of Australand, FCL, FCL Bidder or its Related Bodies Corporate or otherwise.

## Appendix B – Bid Implementation Agreement

(j) [to attach copy of final executed BIA]

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**FRASERS CENTREPOINT LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 196300440G)

## **BID IMPLEMENTATION AGREEMENT RELATING TO THE ACQUISITION OF AUSTRALAND PROPERTY GROUP**

### **1. INTRODUCTION**

The Board of Directors of Frasers Centrepoint Limited ("**FCL**" or the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcements issued on 4 June 2014, 10 June 2014 and 11 June 2014 in connection with the proposal to acquire Australand Property Group, ("**Australand**") and wishes to announce the following:

- (a) the Company has satisfactorily completed its exclusive due diligence process on Australand;
- (b) the Company has entered into a binding Bid Implementation Agreement (the "**BIA**") today with Australand, which is a stapled group comprising:
  - (i) Australand Holdings Limited (ABN 12 008 443 696) ("**AHL**");
  - (ii) Australand Property Limited (ABN 90 105 462 137, AFS Licence No. 231130) ("**APL**") in its capacity as responsible entity of Australand Property Trust (ARSN 106 680 424); and
  - (iii) Australand Investments Limited (ABN 12 086 673 092, AFS Licence No. 228837) ("**AIL**") in its capacity as responsible entity of Australand Property Trust No.4 (ARSN 108 254 413) and Australand Property Trust No.5 (ARSN 108 254 771),

pursuant to which the Company has agreed to acquire up to 100% of the issued stapled securities of Australand (the "**Australand Securities**" and each an "**Australand Security**") via an off-market takeover offer (the "**Offer**") for cash consideration (the "**Proposed Acquisition**"); and

- (c) FCL has today announced the Offer for all the Australand Securities (the "**Offer Announcement**"), which will be made by Frasers Amethyst Pte. Ltd. (a wholly-owned subsidiary of FCL) (the "**Offeror**"). A copy of the Offer Announcement, attaching a copy of the BIA, is attached to this Announcement. The Offeror has lodged a bidder's statement containing the Offer (the "**Bidder's Statement**") with Australand, the Australian Securities and Investments Commission and the Australian Securities Exchange ("**ASX**"), a copy of which may be found on the ASX website ([www.asx.com.au](http://www.asx.com.au)).

Unless indicated otherwise, translations of amounts in A\$ into S\$ in this announcement have been made on the basis of A\$1 : S\$1.1786 as at 27 June 2014.

## 2. **INFORMATION ON AUSTRALAND**

Listed on the ASX, Australand is one of Australia's leading diversified property groups. Australand has been involved in property development for more than 80 years, and its activities span across Australia and property segments. Australand's operations, which include development of residential land, housing and apartments, development of, and investment in income producing commercial and industrial properties, and property management, are located in Sydney, Melbourne, South East Queensland, Adelaide and Perth.

Based on the audited consolidated financial statements of Australand for the year ended 31 December 2013, announced by Australand on the ASX on 17 March 2014, the book value / net tangible asset ("**NTA**") value of the Australand Securities was A\$2.1 billion (approximately S\$2.4 billion). Based on the weighted average price of the Australand Securities on the ASX of A\$4.44 on 30 June 2014 (being the last market day on which the Australand Securities were traded on the ASX prior to the date of this Announcement), the latest available open market value of the Australand Securities is A\$2.6 billion (approximately S\$3.1 billion).

## 3. **SALIENT TERMS OF THE OFFER AND THE BIA**

### 3.1 **Consideration**

- (a) The Offer will be made for all the Australand Securities at A\$4.48 per Australand Security (the "**Offer Price**"). Assuming full acceptance of the Offer, the aggregate consideration payable for all the Australand Securities (the "**Aggregate Consideration**") is approximately A\$2.6 billion<sup>1</sup> (approximately S\$3.1 billion).
- (b) Australand's expected distribution for the half year ending 31 December 2014 is 12.75 Australian cents per Australand Security. Under the terms of the Offer, holders of the Australand Securities (the "**Australand Securityholders**") will be entitled to receive the Allowed Distribution. The Offer will not affect the entitlement of the Australand Securityholders to Australand's first half distribution for 2014, the record date for which was 30 June 2014.

For the purpose of this paragraph 3.1(b):

- (i) "**Allowed Distribution**" means a distribution to be paid to the Australand Securityholders on the Australand register of members on the Allowed Distribution Record Date. The Allowed Distribution will be an amount equal to (A) the proportion of Australand's expected second half distribution for 2014 (being 12.75 Australian cents per Australand Security) that is referable to the period from 1 July 2014 until the Offer becomes unconditional (as a proportion of the entire half year ending 31 December 2014 and calculated on a *pro-rata* basis), up to a maximum of 12.75 Australian cents per Australand Security, or (B) if the Offer is not unconditional before 31 December 2014, 12.75 Australian cents per Australand Security; and

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<sup>1</sup> This is calculated based on the number of Australand's issued stapled securities being 578,984,528 as at the date of this Announcement.



- (ii) **"Allowed Distribution Record Date"** means the record date for the Allowed Distribution as determined by the boards of directors of AHL, APL and AIL (the **"Australand Board"**), which date will (A) be announced at the time of announcement of the Allowed Distribution, within two (2) business days of the Offer becoming unconditional, or if the Offer is not unconditional before 18 December 2014, within two (2) business days of that date, and (B) fall on the date that is five (5) business days after it is announced.
- (c) Any distributions in excess of the Allowed Distribution or Australand's first half distribution for 2014 will be deducted from the consideration payable under the Offer.
- (d) The Aggregate Consideration was arrived at taking into account, *inter alia*, the earnings, financial position, market price and management experience as well as the prospects of Australand in the property sector in Australia.
- (e) The Aggregate Consideration will be fully satisfied in cash and is proposed to be funded by a combination of internal and external funding arrangements that have been put in place by FCL. For more details on the method of financing the Proposed Acquisition, please refer to paragraph 5 below.
- (f) The consideration payable under the Offer will be paid in full to the Australand Securityholders who accept the Offer by the later of (i) 15 business days after the date that the Offer becomes unconditional, and (ii) 10 business days after the date that the Offer is accepted thereafter.

### 3.2 Offer Period

The Offer is currently scheduled to open on 7 July 2014 and close at 7.00 pm (Sydney time) on 7 August 2014 (the **"Offer Period"**), unless extended by the Offeror at its discretion or automatically, in each case in accordance with the Corporations Act 2001 (Cwth) of Australia (the **"Corporations Act"**).

### 3.3 Minimum Acceptance, FIRB Approval and Other Conditions

The Proposed Acquisition is subject, *inter alia*, to certain defeating conditions (the **"Conditions"**) having been fulfilled (or waived by FCL in its sole discretion).

In particular, completion of the Proposed Acquisition is conditional on a minimum acceptance of the Offer being reached. During, or at the end of, the Offer Period, the number of Australand Securities in which the Offeror and its Associates (as defined in Division 2 of Part 1.2 of the Corporations Act) together have relevant interests must be more than 50% of all the Australand Securities (on a fully diluted basis).

The Proposed Acquisition is further subject to the condition that prior to the end of the Offer Period, either (a) the Treasurer of the Commonwealth of Australia (the **"Treasurer"**) (or his delegate) must have provided written advice with or without conditions that there are no objections under Australia's foreign investment policy to the Proposed Acquisition or (b) following notice of the Proposed Acquisition having been given by FCL or the Offeror to the Treasurer under the Foreign Acquisitions and Takeovers Act 1975 (Cwth) of Australia (**"FATA"**), the Treasurer should have ceased to be empowered to make any order under Part II of the FATA because of the lapse of time.

FCL has lodged its application to the Foreign Investment Review Board (**"FIRB"**) and will update the market on the progress of its application in due course.

The Conditions are set out in full in Appendix A to the Offer Announcement. Within three (3) business days of the specific two (2) Conditions described above in this paragraph 3.3 both being satisfied, the Offeror will waive all defeating Conditions (other than any defeating Condition in respect of which the Offeror has publicly announced a breach or suspected breach before that time).

#### 3.4 Termination:

The BIA may be terminated in the following circumstances:

- (a) by either FCL or Australand by notice to the other party if:
  - (i) the other party is in material breach of the BIA and that breach is not remedied by that other party within five (5) business days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate;
  - (ii) FCL withdraws the Offer as permitted by the Corporations Act for any reason including non-satisfaction of a Condition;
  - (iii) there is a material breach of a representation or warranty contained in Clause 11.1 or 11.3 of the BIA by the other party (as the case may be);
  - (iv) a court or other Regulatory Authority (as defined in the BIA) has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Offer; or
  - (v) the Offer is not made:
    - (A) before the earliest of:
      - (1) the date of termination of the BIA in accordance with its terms;
      - (2) the end of the Offer Period or any earlier date on which the Offer lapses or is withdrawn; and
      - (3) 15 August 2014; or
    - (B) such later date as may be agreed by the parties;
- (b) by FCL by notice in writing to Australand if:
  - (i) a Superior Proposal (as defined in the BIA) is made or publicly announced for Australand by a third party; or
  - (ii) a majority of the Australand Board does not recommend that the Offer be accepted by the Australand Securityholders or having recommended the Offer, withdraws or adversely modifies its recommendation of the Offer; or
  - (iii) any entity comprising Australand becomes insolvent; and
- (c) by Australand by notice in writing to FCL if Australand has notified FCL of a Superior Proposal or potential Superior Proposal under Clause 9.5 of the BIA, and either FCL does not propose a matching offer in accordance with Clause 9.6 of the BIA or FCL does propose such a matching offer but the Australand Board determines that the

proposed matching offer would provide an outcome which is less favourable to the Australand Securityholders than the Superior Proposal.

- 3.5 Further information on the terms of the Offer and the BIA can be found in the Offer Announcement and the BIA attached thereto.

#### **4. RATIONALE FOR THE PROPOSED ACQUISITION**

4.1 FCL is a full-fledged international real estate company and one of Singapore's top property companies with total assets of approximately S\$11.4 billion as at 31 March 2014. FCL has three (3) core businesses focused on residential, commercial and hospitality properties spanning over 30 cities across Asia, Australasia, Europe, and the Middle-East. FCL is also the sponsor of two (2) real estate investment trusts listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), Frasers Centrepoint Trust and Frasers Commercial Trust, which are focused on retail, and office and business space properties, respectively.

4.2 As stated in paragraph 2 above, Australand is one of Australia's leading diversified property groups with activities that span across Australia and property segments. The Proposed Acquisition, if implemented, is in line with FCL's strategy and it is expected that the Proposed Acquisition will be a transformational transaction that delivers significant benefits to FCL, including:

- (a) substantial increase in Group assets and profits outside of Singapore;
- (b) improving the sustainability of FCL's earnings through an increase in recurring income;
- (c) a quality platform with immediate scale in Australia, a core market;
- (d) ownership of an attractive commercial and industrial portfolio with development capabilities; and
- (e) enhancing FCL's residential development capabilities in Australia.

4.3 FCL is of the view that the Proposed Acquisition helps fulfil its vision of providing solutions to all real estate needs globally.

#### **5. THE OFFEROR AND FINANCING THE PROPOSED ACQUISITION**

5.1 The Offeror is a special purpose vehicle incorporated in Singapore and formed by FCL specifically to make the Offer.

##### **5.2 External Loan Facility**

For the purpose of financing the Proposed Acquisition, the Offeror and FCL have entered into a facility agreement with, *inter alia*, Standard Chartered Bank, Deutsche Bank and Sumitomo Mitsui Banking Corporation (the "**Lenders**"), pursuant to which the Lenders have agreed to provide the loan facilities to the Offeror (the "**Loan Facility Agreement**"). Subject to the terms of the Loan Facility Agreement, the Offeror will be able to borrow an amount to be applied towards payment of the consideration payable under the Offer and meeting the Offeror's associated transaction costs.

### 5.3 Internal Funding Arrangements of the Offeror

FCL has irrevocably and unconditionally undertaken to provide the Offeror with an amount that is equal to the amount by which the Aggregate Consideration and associated transaction costs exceed the facilities under the Loan Facility Agreement. Such funds will be sourced from FCL's existing cash resources (namely, cash or cash equivalents) and contributed to the Offeror by equity subscription and/or debt. FCL has confirmed that funds of an amount greater than the amount by which the Aggregate Consideration and associated transaction costs exceed the facilities under the Loan Facility Agreement are immediately available and not subject to security interests or rights of set off and are not required for other arrangements.

Under the terms of the internal funding arrangements, FCL is obliged to advance funds on request by the Offeror to enable the Offeror to satisfy its payment obligations to the Australand Securityholders under the Offer as well as to meet transaction costs.

## 6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

6.1 For illustrative purposes only, the financial effects of the Proposed Acquisition on FCL as set out below are prepared based on the Group's consolidated audited financial statements for the financial year ended 30 September 2013 ("**FY2013**") and subject to the following key assumptions:

- (a) the effect of the Proposed Acquisition on the Group's net asset value ("**NAV**") per FCL share ("**Share**") and NTA per Share for FY2013 are based on the assumption that the Proposed Acquisition had been effected at the end of FY2013;
- (b) the effect of the Proposed Acquisition on the Group's earnings per Share ("**EPS**") for FY2013 is based on the assumption that the Proposed Acquisition had been effected at the beginning of FY2013; and
- (c) the effect of the Proposed Acquisition is based on Australand's audited financial statements for the year ended 31 December 2013.

6.2 The financial effects as set out below are theoretical in nature and are therefore not necessarily indicative of the future financial position and earnings of FCL or the Group.

*The financial effects as set out below are based on an exchange rate of A\$1: S\$1.174 as at 31 December 2013.*

(a) EPS

	Before the Proposed Acquisition	Pre-Proposed Acquisition (Post Company's Listing) <sup>(1)</sup>	Post-Proposed Acquisition (Post Company's Listing) <sup>(1)</sup>
Profit after tax and non-controlling interests (before fair value change and exceptional items) (S\$'000,000)	401	401	424
No. of issued	753,292	2,889,813	2,889,813



Shares ('000)			
EPS (before fair value change and exceptional items) (Singapore cents)	53.2	13.9	14.7

Note:

- (1) Post Company's Listing assumes that (i) the NAV of the Group was adjusted for the capitalisation events as disclosed in the Introductory Document of FCL and the announcement released by FCL on 8 January 2014, and (ii) the number of Shares in issue has increased from 753,291,782 Shares to 2,889,812,572 Shares.

(b) NAV per Share

	Before the Proposed Acquisition	Pre-Proposed Acquisition (Post Company's Listing) <sup>(1)</sup>	Post-Proposed Acquisition (Post Company's Listing) <sup>(1)</sup>
NAV (S\$'000,000)	5,451 <sup>(2)</sup>	6,121	6,018 <sup>(3)</sup>
No. of issued Shares ('000)	753,292	2,889,813	2,889,813
NAV per Share (S\$)	6.80	2.12	2.08

Notes:

- (1) Post Company's Listing assumes that (i) the NAV of the Group was adjusted for the capitalisation events as disclosed in the Introductory Document of FCL and the announcement released by FCL on 8 January 2014, and (ii) the number of Shares in issue has increased from 753,291,782 Shares to 2,889,812,572 Shares.
- (2) This figure takes into account the redeemable preference shares of S\$330,000,000 as at the end of FY2013.
- (3) The NAV of the Group has been adjusted for the transaction costs of the Proposed Acquisition.

(c) NTA per Share

	Before the Proposed Acquisition	Pre-Proposed Acquisition (Post Company's Listing) <sup>(1)</sup>	Post-Proposed Acquisition (Post Company's Listing) <sup>(1)</sup>
NTA (S\$'000,000)	5,384 <sup>(2)</sup>	6,054	5,212 <sup>(3)</sup>
No. of issued Shares ('000)	753,292	2,889,813	2,889,813
NTA per Share (S\$)	6.71	2.09	1.80

Notes:

- (1) Post Company's Listing assumes that (i) the NTA of the Group was adjusted for the capitalisation events as disclosed in the Introductory Document of FCL and the announcement released by FCL on 8 January 2014, and (ii) the number of Shares in issue has increased from 753,291,782 Shares to 2,889,812,572 Shares.
- (2) This figure takes into account the redeemable preference shares of S\$330,000,000 as at the end of FY2013.
- (3) The NTA of the Group has been adjusted for the transaction costs and provisional intangibles arising from the Proposed Acquisition.

## **7. RELATIVE FIGURES OF THE PROPOSED ACQUISITION UNDER CHAPTER 10 OF THE LISTING MANUAL**

7.1 Based on FCL's latest announced unaudited consolidated financial statements and dividend announcement for the second quarter ended 31 March 2014, the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the "**Listing Manual**") are as follows:

<b>Rule 1006</b>	<b>Relative Figure</b>
(a) The net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not applicable
(b) The net profits attributable to the assets to be acquired, being the sum of S\$37.2 million, compared with the Group's net profits of S\$308.0 million. <sup>(1)</sup>	12.1%
(c) The aggregate value of the consideration to be given, compared with FCL's market capitalisation of approximately S\$5.4 billion (calculated based on the weighted average price of S\$1.86 per Share and 2,889,812,572 Shares (excluding treasury shares)) as at 30 June 2014 being the market day immediately preceding the date of the BIA.	56.8%
(d) The number of equity securities issued by FCL as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue.	Not applicable

Note:

- (1) The net profits attributable to the assets to be acquired are derived from Australand's net profits for FY2013 after deducting its net profits for the half year ended 30 June 2013, based on Australand's audited full year and half year results for FY2013 as released on ASX. The net profits of the Group reflected here are for the six (6) months ended 31 March 2014.

7.2 In view of the foregoing, the Proposed Acquisition constitutes a major transaction under Chapter 10 of the Listing Manual.

## **8. SHAREHOLDERS' APPROVAL OF THE PROPOSED ACQUISITION – SGX WAIVER**

- 8.1 As the Proposed Acquisition is a major transaction under Chapter 10 of the Listing Manual, FCL will be convening an extraordinary general meeting of its shareholders (the "**FCL Shareholders**") to seek retroactive approval for the Proposed Acquisition.
- 8.2 As announced by FCL on 10 June 2014 (the "**Waiver Announcement**"), FCL had applied for, and obtained, a conditional waiver (the "**Waiver**") from the SGX-ST from strict compliance with the requirements of Rule 1014 of the Listing Manual and that FCL may instead seek the FCL Shareholders' ratification in a general meeting for the Proposed Acquisition after the Offer is made. Please refer to the Waiver Announcement for the grounds in support of the said application.
- 8.3 In satisfaction of the conditions of the Waiver as set out in the Waiver Announcement:
- (a) FCL has
    - (i) obtained the unanimous approval of the Offer from the Directors following the receipt of the Waiver; and
    - (ii) submitted a written undertaking to the SGX-ST that it will seek the FCL Shareholders' ratification of the Offer at an extraordinary general meeting (the "**EGM**"); and
  - (b) TCC Assets Ltd has provided a written undertaking to FCL (i) to vote in favour of approving the Offer at the EGM to be convened, and (ii) not to dispose of its equity stake in FCL before and up to the date of the EGM.

## **9. DIRECTORS AND CONTROLLING SHAREHOLDERS**

- 9.1 No person is proposed to be appointed to the board of FCL in connection with the Offer, and hence no director's service contract is proposed to be entered into by FCL with any person in connection with the Offer.
- 9.2 None of the Directors or the controlling shareholders of FCL has any interest, direct or indirect, in the Proposed Acquisition other than in their capacity as directors or shareholders of FCL.

## **10. DOCUMENTS FOR INSPECTION**

A copy of the BIA will be made available for inspection at the registered office of FCL at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958 during normal business hours for a period of three (3) months from the date of this Announcement. A copy of the BIA is also attached to the Offer Announcement.

## **11. FURTHER DETAILS**

A circular to the FCL Shareholders, together with a notice of the EGM, to seek the FCL Shareholders' ratification of the Offer will be despatched in due course.

### **BY ORDER OF THE BOARD**

Piya Treruanchada

Company Secretary  
1 July 2014

*The admission and listing of Frasers Centrepoint Limited on the Singapore Exchange Securities Trading Limited (the "Listing") was sponsored by DBS Bank Ltd. as the Sole Issue Manager. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. were the Joint Financial Advisers for the Listing. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. assume no responsibility for the contents of this announcement.*

DRAFT

**PRESS RELEASE**

*For Immediate Release*

**Frasers Centrepoint Signs Bid Implementation Agreement and Announces Takeover Offer for 100% of Australand Property Group**

- **Completed due diligence affirms rationale and strategic fit of Australand**
- **All-cash conditional offer of A\$4.48<sup>1</sup> per stapled security for 100% of Australand**
- **Transformational transaction and catalyst for Frasers Centrepoint to deepen its roots and accelerate its growth in Australia**

**Singapore, 1 July 2014** – Frasers Centrepoint Limited (“FCL” or the “Group”) has completed its exclusive due diligence and has signed a binding Bid Implementation Agreement to make an off-market takeover offer (“Offer”) to acquire up to 100% of the issued stapled securities of Australand Property Group (“Australand”) for cash consideration of A\$4.48<sup>1</sup> per stapled security.

The Offer values Australand at approximately A\$2.6 billion<sup>2</sup> (approximately S\$3.1 billion).

The Offer is subject to limited conditions including a minimum acceptance of more than 50% and approval from Australia’s Foreign Investment Review Board. The Bid Implementation Agreement contains standard deal protection provisions including a break fee together with no shop and no due diligence restrictions and matching rights.

The Offer is currently scheduled to open on 7 July 2014 and close on 7 August 2014 unless extended.

Deutsche Bank and Standard Chartered Bank are the financial advisers to FCL.

**Unanimous Recommendation of the Board of Australand**

Australand’s Directors have unanimously recommended the Offer and intend to accept the Offer in respect of all the stapled securities that they own or control, subject to there being no superior proposal and the independent expert concluding that the Offer is fair and reasonable to Australand security holders.

**Affirmation of Rationale and Strategic Fit**

Mr Lim Ee Seng, Group Chief Executive Officer of FCL said, “The due diligence affirms the rationale and strategic fit for FCL to acquire Australand. FCL had planned on achieving several key strategic objectives over the medium term, including increasing the proportion of overseas earnings and recurring income, as well as enhancing our platform in Australia. This transaction ticks all the boxes and will allow FCL to achieve our targets in a much shorter period of time.”

“We have a high regard for the management of Australand and we are very excited for the future potential of the business.” Mr Lim added.

<sup>1</sup> Australand security holders will be entitled to the Allowed Distribution. Please see the Bidder’s Statement in relation to the Offer for further details

<sup>2</sup> Based on the Offer Price of A\$4.48 per stapled security and Australand’s issued stapled securities of 578,984,528

*The admission and listing of Frasers Centrepoint Limited on the Singapore Exchange Securities Trading Limited (the “Listing”) was sponsored by DBS Bank Ltd. as the Sole Issue Manager. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. were the Joint Financial Advisers for the Listing. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. assume no responsibility for the contents of this announcement.*

**PRESS RELEASE**

*For Immediate Release*

**Rationale and Benefits of the Transaction to FCL**

The Offer is consistent with FCL's strategy and represents a transformational transaction that delivers significant benefits to FCL, including:

- *Substantial increase in FCL Group assets and profits from outside of Singapore*

Australia is a core market for the Group, which is experiencing robust demand across multiple sectors including residential and industrial. The transaction is expected to be EPS<sup>3</sup> accretive and will increase the Group's assets by 48% and Attributable Profit<sup>3</sup> by 6%. Post transaction, overseas markets are expected to contribute 35% of Group PBIT and represent 57% of Group total assets.

- *Improving the sustainability of FCL's earnings through an increase in recurring income*

The sustainability of FCL earnings is expected to improve significantly with more than doubling of PBIT from recurring income streams. As a result, the Group will have increased ability and further flexibility to make strategic capital allocation decisions.

- *A quality platform with immediate scale in Australia, a core market*

Australand is one of Australia's leading real estate companies with a strong management team and a well-diversified portfolio of assets across Australia. As at 31 December 2013, Australand had total assets of A\$3.8 billion<sup>4</sup> (approximately S\$4.5 billion) including a portfolio of 68 investment properties valued at A\$2.4 billion<sup>4</sup> (approximately S\$2.8 billion). For financial year 2013, Australand achieved operating profit after tax of A\$148 million<sup>4</sup> (approximately S\$174 million).

- *Ownership of an attractive commercial and industrial portfolio with development capabilities*

Post transaction, FCL will gain ownership of an attractive commercial and industrial portfolio with significant development capabilities. As at 31 December 2013, Australand's commercial and industrial portfolio had an occupancy rate of 94.9%<sup>4</sup>, WALE<sup>5</sup> of 5.3 years<sup>4</sup> and an average capitalisation rate of 7.98%<sup>4</sup>. Australand also owns one of the largest industrial land bank in Australia with 255 hectares<sup>4</sup> and an end value of A\$1.8 billion<sup>4</sup> (approximately S\$2.1 billion) for its commercial and industrial portfolio.

- *Enhancing FCL's residential development capabilities in Australia*

The Group will enhance its residential capability in Australia through the acquisition of Australand. As at 31 December 2013, Australand had 41 pipeline projects with an end value of A\$7.5 billion<sup>4</sup> (approximately S\$8.8 billion) diversified across land sub division, housing & medium density and high density segments.

<sup>3</sup> Before fair value adjustments of investment properties and exceptional items

<sup>4</sup> Figures quoted from Australand's 2013 annual report

<sup>5</sup> Weighted average lease expiry



**PRESS RELEASE**

*For Immediate Release*

**Funding**

To fund the transaction, in addition to existing cash reserves, FCL has secured debt financing from Deutsche Bank, Standard Chartered Bank and Sumitomo Mitsui Banking Corporation.

**SGX-ST Waiver**

FCL has obtained and satisfied all conditions of the conditional waiver from the SGX-ST to seek FCL shareholders ("Shareholders") ratification of the Offer in a general meeting after the Offer is made including an undertaking by TCC Assets Ltd. to vote in favour of approving the Offer at the EGM.

A circular to the Shareholders, together with a notice of the EGM, to seek Shareholders' ratification of the Offer will be despatched in due course.

Unless indicated otherwise, translation of amounts in A\$ into S\$ has been made at the rate of A\$1 = S\$1.1786 as at 27 June 2014.

- END -

**About Frasers Centrepoint Limited**

Frasers Centrepoint Limited ("FCL") is a full-fledged international real estate company and one of Singapore's top property companies with total assets of approximately S\$11.4 billion as at 31 March 2014. FCL has three core businesses focused on residential, commercial and hospitality properties spanning over 30 cities across Asia, Australasia, Europe, and the Middle-East.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company is also the sponsor of two real estate investment trusts listed on the Main Board of the SGX-ST, Frasers Centrepoint Trust and Frasers Commercial Trust, which are focused on retail, and office and business space properties, respectively.

As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit [www.fraserscentrepoint.com](http://www.fraserscentrepoint.com).

**About Australand**

Listed on the Australian Securities Exchange, Australand is one of Australia's leading diversified property groups. Australand has been involved in property development for more than 80 years, and its activities span across Australia and property segments. Australand's operations, which include development of residential land, housing and apartments, development of, and investment in income producing commercial and industrial properties, and property management, are located in Sydney, Melbourne, South East Queensland, Adelaide and Perth.

For more information on Australand, please visit [www.australand.com.au](http://www.australand.com.au).

For media queries, please contact:



**PRESS RELEASE**

*For Immediate Release*

**Frasers Centrepoint Limited**

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DRAFT



## Australand Announcement

# ASX announcement

ASX code: ALZ / AAZPB



1 Homebush Bay Drive  
Building C, Level 3  
Rhodes NSW 2138

02 9767 2000

PO Box 3307  
Rhodes NSW 2138

[australand.com.au](http://australand.com.au)

1 July 2014

## Australand Property Group enters into a Bid Implementation Agreement with Frasers Centrepoint Limited

Australand Property Group ("**Australand**") has entered into a Bid Implementation Agreement ("**BIA**") with Singapore-listed Frasers Centrepoint Limited ("**Frasers**") under which a wholly owned subsidiary of Frasers will make an off-market takeover offer to acquire all of Australand's stapled securities for cash consideration of \$4.48 per stapled security (the "**Offer**").

The execution of the BIA follows Australand's entry into a Process Agreement with Frasers, which was announced to the ASX on 4 June 2014. Under that Process Agreement, Frasers was granted a period of exclusivity to conduct due diligence which it has now completed.

The terms of the Offer are consistent with those announced in the Process Agreement and have been summarised in this announcement.

### Summary of the Offer

Australand securityholders will be offered cash consideration of \$4.48 per stapled security (the "**Offer Price**"). This represents a premium of:

- 22% to Australand's estimated net tangible assets per stapled security at 30 June 2014<sup>1</sup>;
- 15% to Australand's volume weighted average price for the three months to 18 March 2014 of \$3.88, being the day prior to Stockland announcing its 19.9% interest in Australand; and
- 15% to Australand's close price on 18 March 2014 of \$3.89.

In addition, Australand securityholders will be entitled to a distribution (the "**Allowed Distribution**") which represents the expected second half 2014 distribution of 12.75 cents per stapled security<sup>2</sup> pro-rated for the period from 1 July 2014 until the earlier of the Offer becoming unconditional and 31 December 2014. This equates to approximately 2.1 cents per stapled security per month.

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1. As announced to the ASX on 30 May 2014.

2. Australand announced to the ASX on 30 May 2014 that it expects to distribute 25.5 cents per stapled security for the 2014 full year.

Australand securityholders on the register at 5.00pm (EST) on 30 June 2014 will also remain eligible to receive the payment of the 2014 first half distribution of 12.75 cents per stapled security (the "**Half Year Distribution**") without reducing the Offer Price. This distribution is expected to be paid on 6 August 2014.

Both the Allowed Distribution and Half Year Distribution are amounts that will be paid in addition to the Offer Price. To the extent any other Australand distributions are paid, the Offer Price will be reduced by a corresponding amount.

### **Conditions of the Offer**

The Offer will be conditional on the following terms:

- A minimum acceptance condition of more than 50% (on a fully diluted basis);
- Foreign Investment Review Board ("**FIRB**") approval;
- Australand continuing to conduct its business in the ordinary course;
- No changes to Australand's distribution policy;
- No further issuance of Australand stapled securities or performance rights (other than the issuance of Australand stapled securities on the vesting of performance rights already on issue);
- No material change by Australand to its senior management team; and
- No prescribed occurrences, material acquisitions or disposals or regulatory actions.

In the event that both the minimum acceptance and FIRB approval conditions are satisfied, Frasers has agreed to waive all other conditions within three business days, other than any condition in respect of which it has publicly announced a breach or suspected breach before that time.

### **Australand Directors' Recommendation**

After carefully considering the Offer, the Australand directors unanimously recommend the Offer, in the absence of a superior proposal and subject to an independent expert opinion concluding the Offer is fair and reasonable to Australand securityholders.

In addition, each of the Australand directors intends to accept the Offer (after it becomes open for acceptance) in respect of all Australand securities owned or controlled by that director, in the absence of a superior proposal and subject to an independent expert opinion concluding the Offer is fair and reasonable to Australand securityholders.

Australand's Chairman, Mr Paul Isherwood said, "Australand's entry into a Bid Implementation Agreement with Frasers is a significant milestone in the process of presenting Australand securityholders with a compelling offer that is capable of acceptance."

### **Overview of the BIA**

The BIA sets out the manner in which Australand and Frasers have agreed to co-operate with each other in relation to the Offer.

The BIA extends Frasers' exclusivity until the end of the Offer period and also provides for a number of customary deal protections in favour of Frasers (including a break fee of 1.0% of the aggregate value of the Offers) in certain circumstances and subject to appropriate exceptions.

If a superior proposal emerges, Australand has the right to terminate the BIA subject to Frasers' matching rights. Other circumstances in which the BIA may be terminated are set out in clause 12 of the BIA.

A copy of the BIA is attached to this announcement.

## **ASSETS hybrid securities**

In the event the Offer becomes unconditional and Frasers and its associates have a relevant interest in more than 50% of Australand stapled securities (on a fully diluted basis), Australand and Frasers currently intend that the issuer of the ASSETS will exercise its right to redeem all the ASSETS at face value (\$100 per security) as soon as practicable.

## **Timetable and other matters**

A summary of the indicative timetable Australand and Frasers have agreed to work towards is set out below.

1 July 2014	Frasers lodges its Bidder's Statement with ASIC and serves it on Australand and the ASX
7 July 2014	Frasers despatches its Bidder's Statement to Australand securityholders
21 July 2014	Australand releases its 2014 first half results to the ASX
22 July 2014	Australand lodges its Target's Statement with ASIC, serves it on Frasers and the ASX and despatches it to Australand securityholders
7 August 2014	Offer period ends (unless extended in accordance with the Corporations Act)

Australand securityholders are not required to take any action until they receive Frasers' Bidder's Statement. The Target's Statement to be released to Australand securityholders will include further details of the Offer, the Australand directors' recommendation, the Independent Expert's report and the options available to Australand securityholders.

Australand will continue to keep securityholders informed of the progress of the Offer in accordance with its continuous disclosure obligations.

Australand is being advised by Fort Street Advisers, Macquarie Capital (Australia) Limited and King & Wood Mallesons.

## **Issued by**

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Group Company Secretary  
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E [bbooker@australand.com.au](mailto:bbooker@australand.com.au)

## **Investor enquiries**

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Chief Financial Officer  
T +61 2 9767 2000  
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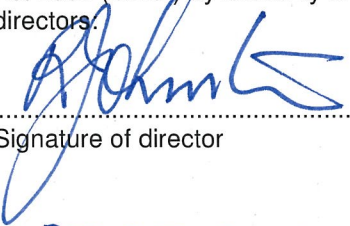
Narelle Checchin  
Investor Relations Manager  
T +61 2 9767 2108  
E [nchecchin@australand.com.au](mailto:nchecchin@australand.com.au)

# Bid Implementation Agreement

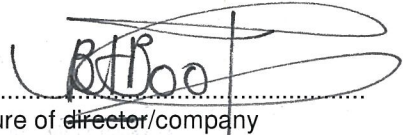
## Signing page

DATED: 1 JULY 2014.

EXECUTED by AUSTRALAND  
HOLDINGS LIMITED in accordance  
with section 127(1) of the Corporations  
Act 2001 (Cwlth) by authority of its  
directors.

  
.....  
Signature of director

ROBERT JOHNSTON  
.....  
Name of director (block letters)

  
.....  
Signature of ~~director~~/company  
secretary\*

\*delete whichever is not applicable

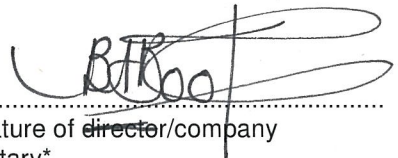
BEVERLEY BOOKER  
.....  
Name of ~~director~~/company secretary\*  
(block letters)

\*delete whichever is not applicable

EXECUTED by AUSTRALAND  
PROPERTY LIMITED as responsible  
entity of Australand Property Trust  
(ARSN 106 680 424) in accordance  
with section 127(1) of the Corporations  
Act 2001 (Cwlth) by authority of its  
directors:

  
.....  
Signature of director

ROBERT JOHNSTON  
.....  
Name of director (block letters)

  
.....  
Signature of ~~director~~/company  
secretary\*

\*delete whichever is not applicable

BEVERLEY BOOKER  
.....  
Name of ~~director~~/company secretary\*  
(block letters)

\*delete whichever is not applicable

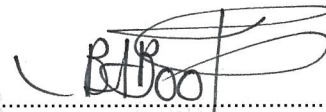
EXECUTED by AUSTRALAND  
INVESTMENTS LIMITED as  
responsible entity of Australand  
Property Trust No.4 (ARSN 108 254  
413) in accordance with section 127(1)  
of the Corporations Act 2001 (Cwlth) by  
authority of its directors:



Signature of director

ROBERT JOHNSTON

Name of director (block letters)



Signature of ~~director~~/company  
secretary\*

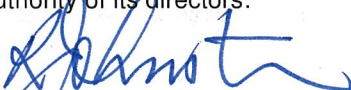
\*delete whichever is not applicable

BEVERLEY BOOKER

Name of ~~director~~/company secretary\*  
(block letters)

\*delete whichever is not applicable


EXECUTED by AUSTRALAND  
INVESTMENTS LIMITED as  
responsible entity of Australand  
Property Trust No.5 (ARSN 108 254  
771) in accordance with section 127(1)  
of the Corporations Act 2001 (Cwlth) by  
authority of its directors:



Signature of director

ROBERT JOHNSTON

Name of director (block letters)



Signature of ~~director~~/company  
secretary\*

\*delete whichever is not applicable

BEVERLEY BOOKER

Name of ~~director~~/company secretary\*  
(block letters)

\*delete whichever is not applicable

EXECUTED by **Chia Khong Shoong**



For and on behalf of  
**FRASERS CENTREPOINT LIMITED**

In the presence of

Chief Financial Officer  
Title



Witness

Lim Swee Kian Susan  
Deputy Group Legal Manager

