

REGISTRY

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Dear Investor

Abacus Hospitality Fund ("Fund")

The purpose of the Fund as set out in the offer document has been accomplished and accordingly Abacus Funds Management Limited ("**AFML**") proposes to wind up the Fund. You currently hold securities in Abacus Hospitality Fund and each security is comprised of a unit in Abacus Hospitality Trust ("**Trust**") and a share in Abacus Hospitality Limited ("**Company**"). Upon the winding up of the Trust or the Company, the unit and share you hold will be unstapled and treated separately.

In September 2018, we announced the sale of the Novotel Twin Waters Hotel (last remaining hotel asset). It was previously expected that the post settlement adjustments would be completed in December 2018. However, this process is ongoing, and the adjustments have not yet been finalised.

In the interim, the Trust will return capital of \$0.70 per unit to all unitholders on 31 January 2019, with the residual net assets of the Trust distributed once the final settlement adjustments and the Trust's costs are finalised which we expect will be no later than 30 June 2019.

Annual taxation statements for the financial year ending 30 June 2019 will be sent to unitholders around August 2019.

We estimate that the net assets to be distributed by the Trust from the winding up will be at least 75c per unit.

Members of the Fund may call a members' meeting to consider the proposed winding up of the Fund and to vote on any extraordinary resolution members propose about the winding up. If such meeting is not called, within 28 days of members receipt of this letter, AFML will proceed with the winding up once all assets of the Fund are realised and all liabilities are paid.

Prior to 30 June 2019 a meeting of members will be convened to appoint a liquidator to the Company to voluntarily wind it up as required under the Corporations Act. It is unlikely that members will receive any distribution from the liquidation of the Company.

If you have any queries in relation to your investment, please do not hesitate to contact our registry on 1300 139 440 or speak to your financial advisor.

Yours faithfully

Abacus Funds Management Limited



Rob Baulderstone
Company Secretary