

NZX RELEASE
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NPT ADDS 10% TO AUGUSTA'S ASSETS UNDER MANAGEMENT

Augusta Capital Limited (“**Augusta**”) confirms that 96.71% of voting NPT (NZX: NPT) shareholders today supported Augusta’s proposal to externalise the management of NPT assets to Augusta Funds Management Limited, a wholly-owned subsidiary of Augusta Capital Limited (NZX: AUG). As a result, the agreement to acquire NPT’s management agreement is now unconditional with settlement of the acquisition (including payment of the \$4.5 million purchase price) to occur next Monday, 26 March 2018. Augusta will be responsible for the management of NPT from that date.

The outcome of today’s vote will deliver an approximate 10% increase in Augusta’s total assets under management to \$1.85 billion – representing total growth in assets under management of approximately \$1.56 billion since 2013. This figure will further increase to \$1.90 billion on the establishment of the Augusta Industrial Fund.

Augusta Capital Managing Director, Mark Francis, says: “This outcome is further evidence of a widely telegraphed strategy to establish a diversified foundation of revenue – comprising both yield and growth characteristics for our shareholders.

“We’re on a runway to create New Zealand’s most diverse real estate based fund manager. In 2018/19 we expect to close in on a significant milestone of \$2 billion assets under management,” says Mr Francis.

NPT – Next Steps

Augusta’s immediate plan for NPT is to address gap between NPT’s current share price and its Net Tangible Assets.

“The immediate focus is two-fold – to address under-performing assets within its portfolio, and pursue acquisition opportunities that are consistent with a broad framework to own quality assets in the right locations that have value add opportunities.”

Key terms of the NPT Management Agreement

- Augusta will pay NPT a one-off payment to NPT of \$4.5 million.
- The management fees payable to Augusta comprise a base fee of 0.5% up to \$500m of assets under management, and 0.4% on assets under management over \$500m.
- The management agreement may be discontinued after a minimum period of five years, under certain circumstances. Discontinuance would require shareholder approval and the payment of a fee calculated by an agreed formula, outlined in the management agreement.

-ENDS-

For further information please contact:

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