

PRODUCT GUIDE



PENGANA EMERGING COMPANIES FUND

ARSN 111 894 510 APIR PER0270AU

ISSUED BY PENGANA CAPITAL LIMITED

ABN 30 103 800 568 AFSL 226566

**PREPARATION
DATE:**

1 OCTOBER 2021

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This Pengana Emerging Companies Fund Product Guide ('Guide') provides additional information about topics under the prescribed sections of the Pengana Emerging Companies Fund Product Disclosure Statement dated 1 October 2021 ('PDS'). The information in this Guide forms part of the PDS. Words defined in the PDS have the same meaning in this Guide.

This Guide and the PDS contain important information you should consider before making an investment decision in relation to the Pengana Emerging Companies Fund ('Fund'). The information provided in this Guide and the PDS is general information only and does not take into account your personal financial situation, needs or objectives. We recommend you obtain financial advice for your own personal circumstances before making any investment decision.

These documents are available from www.pengana.com or you can request a copy free of charge by calling us or your investor directed portfolio service, master trust or wrap operator (collectively referred to as an 'IDPS' in this Guide and the PDS). The content in these documents may change from time to time.

Pengana Capital Limited is a subsidiary of Pengana Capital Group Limited ('PCG'). No company in the PCG Group of companies nor any other party, guarantees the capital value, payment of income or performance of the Fund. An investment in the Fund does not represent a deposit with or liability of the PCG Group and is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

1. HOW THE FUND WORKS

OPENING AN ACCOUNT

To invest directly in the Fund you must have received the PDS (electronically or otherwise) within Australia or New Zealand.

SELLING RESTRICTIONS

As at the date of the PDS, no action has been taken to register or qualify the units or offer or otherwise permit the public offering of the units outside Australia or New Zealand. If you come into possession of the PDS outside Australia or New Zealand you should seek advice on and observe any such restrictions imposed by local law. Any failure to

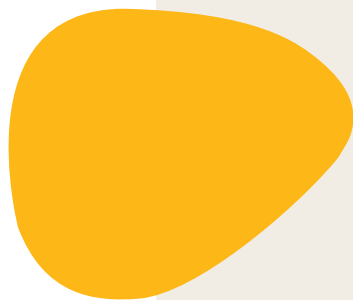
comply with such restrictions may violate securities laws in that jurisdiction.

The PDS does not constitute an offer or invitation in any jurisdiction in which it would be unlawful to make such an offer or invitation.

We reserve the right to make an offer of units to any institutional investor outside Australia or New Zealand where to do so would not be in breach of the securities law requirements of that jurisdiction.

DISCRETION TO ACCEPT OR REFUSE APPLICATIONS AND WITHDRAWALS

We have the discretion to accept or refuse any initial investment, any additional contribution, or any withdrawal without explanation.



HOW THE FUND INVESTS

THE FUND INVESTS PRINCIPALLY IN SMALL AND MID CAP LISTED AUSTRALIAN EQUITIES

MINIMUM BALANCE

You need to maintain a minimum balance of \$10,000. We may, however, accept lower amounts at our discretion. We may redeem your unit holding if your account balance falls below \$10,000.

UNIT PRICING POLICY

If you would like to find out more about our unit pricing philosophy and how we will exercise any discretions in relation to unit pricing, you can obtain a copy of our Unit Pricing Policy from www.pengana.com or by calling Client Services on +61 2 8524 9900.

If there is a unit pricing error that substantially impacts the Fund's performance, an adjustment may be made. This will generally involve reprocessing affected transactions using the corrected unit price. The value of your investment could be increased or decreased as a result.

WE MAY SUSPEND APPLICATIONS

We may suspend applications if we believe it is in the best interests of unit holders as a whole to do so or if it is not possible to calculate an application price due to circumstances outside our control, e.g. market disruption.

Any applications received during a period of suspension will receive the price applicable to the Business Day immediately following the end of the suspension period.

WE MAY DEDUCT AMOUNTS OR REDEEM UNITS IN CERTAIN CIRCUMSTANCES

We may deduct from a withdrawal payment any amount owed under the constitution, including taxes.

We may also redeem some or all of an investor's unitholding in the Fund to satisfy any such amounts or if we form the opinion that the unitholding is prejudicial to the interests of other investors.

BANK ACCOUNTS

No payments will be made to third party bank accounts.

TRANSFERS

You may be able to transfer all or some of your unitholding to another eligible investor. Please contact us for more information.

TRANSACTING ON YOUR ACCOUNT

We can only process transaction requests when we receive all required information. Neither Pengana nor BNP will be responsible for any loss arising from unauthorised or fraudulent requests.

Application money will be held in trust in our applications account until processed. If we are unable to process your application within 14 days of receipt we will return your money to you. Any interest earned on your application money will not be paid to you – rather it will become an asset of the Fund.

INCOME DISTRIBUTIONS

Our policy is to distribute the net income of the Fund (via half yearly distributions) to investors each financial year.

The Fund's investments may generate capital gains or losses that may result in net capital gains being distributed from time to time.

While distributions are being determined, unit prices will not be released. Once the distribution is finalised the unit prices will then be released. All transaction requests received during this period will be processed after the distribution is finalised using the final unit prices applicable to the day requests are received.

If we agree to reinvest the distributions on your behalf, additional units will be issued to you at the unit price applicable at the distribution calculation date. Buy spreads do not currently apply to the issue of these units. You will still be liable to pay any tax payable in respect of distributions which are reinvested.

In certain circumstances we may choose to allocate undistributed income and any net realised capital gains to withdrawing investors based on a pro rata allocation with reference to the number of units being redeemed. This would only be utilised to ensure a fair and reasonable allocation of any undistributed income and net realised capital gains amongst investors.

If you wish to change your distribution instructions, we will need to receive these instructions at least 5 Business Days before the relevant distribution date.

UNITHOLDERS' LIABILITY

The Fund's constitution limits unitholders' liability to the value of their investment in the Fund. However, we cannot give an absolute assurance that your liability to the Fund or any creditor of the Fund is limited in all circumstances, as the issue has not been finally determined by a superior court.

TERM AND TERMINATION OF THE FUND

The Fund will terminate on 30 October 2084 unless the law or constitution requires that the Fund is terminated earlier, or the Responsible Entity determines that the Fund be terminated earlier.

APPOINTING AN AUTHORISED REPRESENTATIVE

If you wish to appoint someone else to operate your investment on your behalf, the following conditions apply:

- Your authorised representative can do everything you can do with your investment except appoint another authorised representative and change the bank account for payment of distributions or withdrawal proceeds.
- To cancel your authorised representative you must give us seven Business Days' written notice.

- If Pengana determines the circumstances require, Pengana may cancel an appointment by giving you 10 Business Days' written notice. If an appointment is cancelled, Pengana and BNP are not obliged to act on the instructions of the authorised representative. If the instructions are varied, Pengana and BNP will only act in accordance with the varied instructions.
- You release and indemnify Pengana and BNP (including for the purposes of this section, each of their respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, permitted delegates and sub-delegates) from and against all liability which may be suffered by you or by us or brought against us or BNP in respect of any acts or omissions of your authorised representative, whether authorised by you or not.
- Any instructions of your authorised representative to Pengana or BNP, which are followed by Pengana or BNP (as applicable), shall be a complete satisfaction of Pengana or BNP's obligations (as applicable), notwithstanding any fact or circumstance, including whether such instructions are authorised by you or not. If the authorised representative's instructions are followed by Pengana or BNP (as applicable), you and any person claiming through or under you shall have no claim against Pengana or BNP (as applicable) in relation to the instructions.

Withdrawal payments will only be made payable to the investor and directed to the account nominated on the investor's Initial Application Form (as updated by the investor from time to time). We will not accept a change of bank account notified by the authorised representative.

To appoint an authorised representative, please complete the relevant sections in the Initial Application Form.

PRIVACY

If you are investing via an IDPS, please be aware that neither Pengana nor BNP nor any of their respective subsidiaries, affiliates, agents, permitted delegates and sub-delegates (together the "Entities") collect or hold personal information in connection with your investment in the Fund.

If you are investing directly in the Fund, by signing an application form, you agree to the Entities collecting, holding and using your personal information to process your application, to manage the products and

services provided, for the Entities to perform their business activities and functions and to send you educational and marketing material about our other products and services (you may contact us at any time to ask us not to send this information). Without this information, it may be impossible to process your application or provide an appropriate level of service. Your personal information will not be shared, sold, rented or disclosed other than as described in Pengana's and BNP's privacy policies.

In order for the Entities to perform their roles and for the purposes described above your personal information may be provided to recipients located in India, Hong Kong, Singapore, New Zealand, France, United Kingdom, Luxembourg, Poland, Portugal and the United States of America – although it is not reasonably practicable to list all of the countries to which your personal information may be provided from time to time.

In most cases we collect your personal information directly from you although we may also collect your personal information from third parties such as a financial planner including where information is missing from the application form that you send us.

The Entities may disclose your personal information to:

- employees, related bodies corporate, contractors or service providers including, without limitation, custodians, registry providers, web hosting providers, IT systems administrators, mailing houses, printing companies, payment processors, data entry service providers, electronic network administrators, debt collectors, and professional advisors such as accountants, solicitors, business advisors and consultants;
- suppliers and other third parties with whom we have commercial relationships, for business, marketing, and related purposes;
- a governmental or regulatory body (such as ASIC, ATO, AUSTRAC, the United States of America Securities and Exchange Commission and Inland Revenue Service or any other regulator or law enforcement agency located in Australia or elsewhere);
- any organisation where required to by a court order or under law; and
- any organisation for any authorised purpose with your express consent. For example, to your financial adviser or administrator or another person nominated by you.

Pengana's and BNP's privacy policies contain information about (i) how you may access your personal information that is held by the Entity and seek the correction of such information and (ii) how you may complain about a breach of the Privacy Act and how your complaint will be dealt with. You can contact Pengana to make such a request or complaint or to arrange for a copy of Pengana's and BNP's privacy policies to be provided (Pengana's privacy policy is available at www.pengana.com).

ANTI-MONEY LAUNDERING

We are required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and as such we may need to collect information from you or anyone acting on your behalf, to comply with our obligations. Your application can be refused (and your funds returned without interest) if the verification information that is required is not received within two weeks of receiving your original application. Investors can find further information on the anti-money laundering requirements in the Initial Application Form.

2. HOW WE INVEST YOUR MONEY

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE CONSIDERATIONS

Pengana's decisions about the selection, retention or realisation of investments in the Fund are primarily based on economic factors. However Pengana believes that companies with a strong focus on environmental, social, and governance practises prove to be the best long-term investments. Pengana incorporates environmental, social and corporate governance considerations into its assessment of non-financial factors through the application of a Qualitative Scoring Matrix. This matrix seeks to formalise the assessment of ESG factors alongside other non-financial factors such as management strength and track record.

3. FEES AND COSTS

THE FEES AND COSTS OUTLINED IN THE PDS AND THIS GUIDE ARE FOR THE FUND ONLY.

If you are investing in the Fund via an IDPS, you will need to consider the fees and other costs of the IDPS when calculating the total cost of your investment.

This section shows the fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund's assets as a whole.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves into or out of the Fund		
ESTABLISHMENT FEE The fee to open your investment	Nil	There is no establishment fee.
CONTRIBUTION FEE The fee on each amount contributed to your investment	Nil	There is no contribution fee.
WITHDRAWAL FEE The fee on each amount you take out of your investment	Nil	There is no withdrawal fee.
TERMINATION FEE The fee to close your investment.	Nil	There is no termination fee.
Management Costs ^{1,2}		
The fees and costs for managing your investment. Management costs do not include buy/sell spreads.	Total management costs consist of a management fee and a performance fee. - management fee of 1.3340% p.a. (including GST net of RITC) - performance fee of 20.5% (including GST net of RITC) of any return of the Class greater than the return of the Index after deduction of the management fee and adjusted for applications, redemptions and distributions to investors - estimated indirect costs of 0% pa (including GST net of RITC)	The management fee is a per annum fee, charged against the NAV per unit. It is calculated and accrued daily and payable monthly in arrears by the Fund. The fee is paid directly from the Fund and reflected in the unit price. All fees and expenses of the Fund (excluding transactional and operational costs, the Buy Sell spread, performance fees, indirect costs and abnormal expenses such as the cost of holding an investor meeting) are paid from the management fee. The performance fee is calculated and accrued daily. The performance fee at the end of the half year is the sum of the daily performance fees accrued during the half year. The performance fee is payable half yearly as at 30 June and 31 December each year. The fee is paid directly from the Fund and reflected in the unit price. Depending on the return of the Class in relation to the Index, the daily accrual may be a positive or negative amount. The performance fee is not payable unless the return of the Fund is positive for that half year period. If no performance fee is payable to Pengana at the end of a half year period, then the accrued performance fee, positive or negative, will be carried forward into the next half year period and form part of the performance fee for that half year. This means that negative performance by the Class must be made up before a performance fee is payable. These fees may be negotiated with wholesale clients.
Service Fees		
INVESTMENT SWITCHING FEE The fee for changing investment options	Nil	There is no investment switching fee.

¹ See 'Additional explanation of fees and costs' below and in the PDSs for further details.

² The management costs are quoted inclusive of the Goods and Services Tax ('GST') and net of any reduced input tax credits ('RITC') at the prescribed rates.

ADDITIONAL EXPLANATION OF FEES AND COSTS

You should read all of the information about fees and costs, as it is important to understand their impact on your investment in the Fund.

INDIRECT COSTS

In general, indirect costs are any amounts that directly or indirectly reduce the returns on the units that is paid from, or the amount or value of, the income or assets of the Fund (including any underlying investment of the Fund). The amount of indirect costs set out in the fees and costs table are calculated and incorporate estimated amounts with reference to the relevant costs incurred in the financial year ended 30 June 2021. Indirect costs may differ from the amount set out in the table. Details of any future changes to indirect costs will be provided on Pengana's website at www.pengana.com.au where they are not materially adverse to investors.

Indirect costs are deducted from the returns on investors' investment in the Fund or the Fund's assets as a whole. They are reflected in the unit price of the Fund and are not an additional cost to you.

REIMBURSABLE EXPENSES

We are entitled to be reimbursed from the Fund for all costs and expenses incurred in acting as Responsible Entity or in relation to the administration and management of the Fund. The expenses may include, but are not limited to, audit fees, PDS preparation and printing costs, and custodian and registry services. However, for the life of the PDS Pengana has determined that the management fee will cover all fees and expenses of the Fund excluding transactional and operational costs, indirect costs, performance fees and abnormal expenses (such as the cost of holding an investor meeting).

TRANSACTIONAL AND OPERATIONAL COSTS

Transactional and operational costs are a broad category of costs incurred by the Fund that relate to managing the assets of the Fund including buying and selling Fund investments. Some of these costs are brokerage, settlement costs, settlement charges, clearing costs.

For the financial year ending 30 June 2021, we estimate the Fund's transactional and operational costs to be approximately 0.154% p.a. based on the average Fund value through the financial year. The buy/sell spread of 0.30%

generated 0.091% as a proportion of the average Fund value.

The net transactional and operational costs not recovered through the buy/sell spread were accordingly estimated to be approximately 0.063% p.a.

Transactional and operational costs may vary as the turnover in the underlying assets may change substantially as investment and market conditions change, which may affect the level of transactional and operational costs not recovered in the buy-sell spread. Further, there are highly variable drivers upon which such transactional and operational costs are dependent.

BUY-SELL SPREAD

Sometimes, transactional costs are incurred by the Fund because investors buy or sell units in the Fund and so the Fund may buy and sell investments to meet those investor transactions. We increase the cost at which we sell units in the Fund and decrease the amount which we pay on a withdrawal to recover these costs from investors. The amount of the increase or decrease of the cost of units is called a 'buy-sell spread'. The purpose of applying a buy-sell spread is to ensure that the existing investors in the Fund are not affected by the transactional costs associated with other investors buying or selling units in the Fund. The buy-sell spread is an additional cost to you when you buy or sell units in the Fund. The amount of the buy-sell spread is not a fee paid to us and it is retained in the Fund to cover the actual transactional costs as they are incurred. As at the date of this PDS, the buy spread and the sell spread for applications and withdrawals are 0.30% of the value of the application or withdrawal amount. These spreads may change from time to time without notice, depending on the nature of the costs and the volume and types of assets being purchased or sold. The current buy/sell spreads applicable for this Fund can be found on our website at www.pengana.com.au.

Based on a buy spread of 0.30%, an investment of \$50,000 will incur a transaction cost of \$150. Based on a sell spread of 0.30%, a withdrawal of \$50,000 would also incur a transaction cost of \$150. This cost will be charged through adjusting the unit price by the spread and paid to the Fund, not to Pengana.

PAYMENTS TO IDPS OPERATORS

These are commercial payments made by the Responsible Entity to IDPS operators. If you invest via an IDPS these payments may be rebated to you or may be retained by the IDPS operator.

How and when these payments are made vary between the Responsible Entity and IDPS operators. They are paid by the Responsible Entity out of the management costs that it receives from the Fund and are not additional costs to you.

MANAGEMENT FEE AND PERFORMANCE FEE MAY BE NEGOTIATED WITH DIRECT WHOLESALE CLIENTS

Wholesale clients who invest directly in the Fund may be able to negotiate a rebate of part or all of the management fee and / or performance fee by contacting Pengana. We suggest that you consult your tax adviser in regard to the tax treatment of any fee rebates.

DOLLAR FEE EXAMPLES OF PERFORMANCE FEES FOR THE FUND#

The below examples assume a \$50,000 balance is maintained throughout the period with no contributions or withdrawals.

Notes on examples:

1. The performance fee is calculated and accrued daily and payable at the end of each fiscal half year period.
2. The examples assume that there is no negative accrued performance fee at the beginning of the period (for more information please see section 6 of the PDS which describes the performance fee accrual).

PERFORMANCE FEE	INDEX RETURN	CALCULATION	AMOUNT	HOW AND WHEN PAID
For the performance fee period: <ul style="list-style-type: none"> the half yearly Class net performance (after the management fees have been deducted) was +5% 	For the half year period the Index return was +10%	The Class return is below the Index, no performance fee amount is payable. The performance fee is \$50,000 x 20.5% x (5%-10%)	-\$512.50	A performance fee amount will not be charged and the negative accrued performance fee amount will be carried forward into the next performance fee period.
For the performance fee period: <ul style="list-style-type: none"> the half yearly Class net performance (after the management fees have been deducted) was -5.0% 	For the half year period the Index return was -10%	The Class return is negative but above the Index, no performance fee amount is payable. The performance fee is \$50,000 x 20.5% x (-5% - -10%)	+\$512.50	A performance fee amount will not be charged and the positive accrued performance fee amount will be carried forward into the next performance fee period.
For the performance fee period: <ul style="list-style-type: none"> the half yearly Class net performance (after the management fees have been deducted) was +10% 	For the half year period the Index return was +5%	The Class return is positive and above the Index, a performance fee amount is payable. The performance fee is \$50,000 x 20.5% x (10% - 5%)	+\$512.50	The performance fee amount is payable in arrears at the end of the performance fee period.

These examples are illustrative only and do not represent any actual, past or future performance of the Fund. They are not a forecast of the expected investment return for the Fund and do not include any tax payable on the investment return. The actual performance fee will vary, depending on the Class' actual return. Pengana does not provide any assurance that the Fund will achieve the performance used in the examples and Investors should not rely on this in deciding whether to invest in the Fund. Further, this calculation is actually performed daily and the performance fee is an aggregate of the daily amounts. We have presented in this more simplified manner to help understanding.

4. TAXATION CONSIDERATIONS

US FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA")

Pengana Pengana may be required under Australian tax legislation to request investors to provide additional information in order to comply with US FATCA compliance obligations. FATCA is a US tax law that requires Foreign Financial Institutions (FFIs) to comply with a number of additional compliance obligations in order to ensure that 30% FATCA withholding tax is not deducted from certain US sourced income, gross proceeds from the sale of securities giving rise to such income and 'pass thru' payments.

OECD COMMON REPORTING STANDARD

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (known as Common Reporting Standard or CRS) requires certain financial institutions to report information regarding certain financial accounts to their local tax authority and also requires certain due diligence procedures to be followed. Generally speaking, the Responsible Entity of the Fund will be required to report information under the CRS. We may therefore request that investors and prospective investors provide certain information in order to comply with the requirements. A jurisdiction that has signed the CRS Multilateral Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Multilateral Competent Authority Agreement. Australia is a signatory of the CRS Multilateral Competent Authority Agreement and the Australian Government has enacted legislation to give effect to the CRS.

5. KEEPING YOU INFORMED

If you invest directly into the Fund, we provide you with the information set out in the table below. You can obtain information on your account and update your details by contacting our Client Services team (see contact details below).

If you invest via an IDPS you can obtain information on your investment in the Fund by contacting your IDPS operator.

INFORMATION PROVIDED TO DIRECT INVESTORS

TRANSACTION CONFIRMATION	Confirms any investment, or withdrawal you make on your account.
ANNUAL TRANSACTION STATEMENT	Provides a summary of your transactions and investment details for the year.
DISTRIBUTION STATEMENT	Provides details of the distributions paid on your account.
ANNUAL TAXATION STATEMENT	Provides details of the income and capital gains paid on your account for the financial year.
CONSTITUTION	
ANNUAL AUDITED FINANCIAL STATEMENT	
PERFORMANCE HISTORY	This information is available to you without charge on request by contacting us.
UNIT PRICING POLICY	
DERIVATIVES POLICY	
PRIVACY POLICY	
PRODUCT DISCLOSURE STATEMENT UPDATES	You can obtain a copy of the latest PDS on request by contacting Client Service on +61 2 8524 9900 or visit the website www.pengana.com . The PDS can be updated or replaced from time to time.

6. CONTACT DETAILS

RESPONSIBLE ENTITY

Pengana Capital Limited
GPO Box 5409
Sydney NSW 2001

W: pengana.com

T: +61 2 8524 9900

F: +61 2 8524 9901

E: clientservice@pengana.com

Registered Office

Suite 236, Level 1, 60 Martin Place
Sydney NSW 2000

ADMINISTRATOR AND CUSTODIAN

BNP Paribas
Level 6
60 Castlereagh Street
Sydney NSW 2000

T: +61 2 9222 0000

F: +61 2 9006 9080

FOR APPLICATIONS AND WITHDRAWALS

Pengana Capital Ltd
GPO Box 804
Melbourne VIC 3001

For additional applications & withdrawals only

E: transact@pengana.com

IMPORTANT INFORMATION FOR NEW ZEALAND INVESTORS IN THE PENGANA EMERGING COMPANIES FUND

This Important Information for New Zealand Investors in the Pengana Emerging Companies Fund (Fund) must be read together with the current Australian Product Disclosure Statement and Product Guide relating to the Fund. Words defined in the Product Disclosure Statement or Product Guide have the same meaning in this document.

WARNING STATEMENT FOR NEW ZEALAND INVESTORS IN THE PENGANA EMERGING COMPANIES FUND

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

DISTRIBUTION REINVESTMENT SCHEME

Units in the Fund allotted under the distribution reinvestment scheme will be allotted in accordance with the current Australian Product Disclosure Statement, Product Guide and the Constitution for the Fund.

Within 30 days of the day on which the units in the Fund are allotted to a person under the distribution reinvestment scheme, the person will be sent a statement of the amount of the distribution and the number of securities that have been allotted to that person.

Pengana may suspend the distribution reinvestment scheme at any time including for the purpose of controlling the size of the Fund and protecting investors' interests.

The distribution reinvestment scheme contains provisions requiring that:

- a) at the time the price of the specified financial products is set, the issuer has no information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the financial products if the information were publicly available;

- b) the right to acquire, or require the issuer to issue, specified financial products is offered to all holders of financial products of the issuer of the same class, other than product holders who are resident outside Australia or New Zealand and who are excluded by the issuer to avoid a risk of breaching the laws of the relevant overseas country;
- c) every product holder to whom the right is offered is given a reasonable opportunity to accept it;
- d) the specified financial products issued to a product holder are issued on the terms disclosed to the holder; and
- e) the specified financial products issued to a product holder are subject to the same rights as the financial products issued to all holders of financial products of the same class who agree to receive the financial products.

The following documents are available from Pengana, on request and free of charge:

- the most recent annual report of the Fund (if any);
- the most recent financial statements of the Fund (if any), including the auditor's report in respect of those financial statements (if any); and
- the current Australian Product Disclosure Statement and Product Guide relating to the Fund.

These documents may be obtained by electronic means at www.pengana.com.

WITHDRAWALS BY NEW ZEALAND INVESTORS

Withdrawals from the Fund are normally effected by way of redemption. However, in the case of New Zealand Investors, Pengana may at its discretion alternatively effect a withdrawal by a buy-back of units.