

Overview of Investment Opportunity

AltX Funds Management Pty Ltd (ACN 113 502 604, AFSL 291314) (the “Trustee”) has established the AltX Debt Opportunities Fund (the “Fund”) and has appointed Assetline Capital Pty Ltd (ACN 160 443 443) (the “Manager”) as the Investment Manager of the Fund

The Fund will take exposure to a diversified portfolio of 3 month – 36 month Loans to Australian companies which are **secured by registered 1st mortgages** over Australian real-estate (“Underlying Loans”) and **guaranteed by the Company Borrower and their Directors** (“Fund Portfolio”)

1st mortgage loans offer investors **security, a steady, predictable income stream** and **low correlation to equity and debt markets**:

- o **Security** – each loan is backed by a registered 1st mortgage over a tangible real estate asset
- o **Income** – the borrower pays monthly interest on the loan, providing a stable and predictable income stream
- o **Low Correlation to other Asset Classes** – the performance of 1st mortgage investments is based on the performance of a specific borrower and backed by specific collateral, so operates independently of equity and debt markets

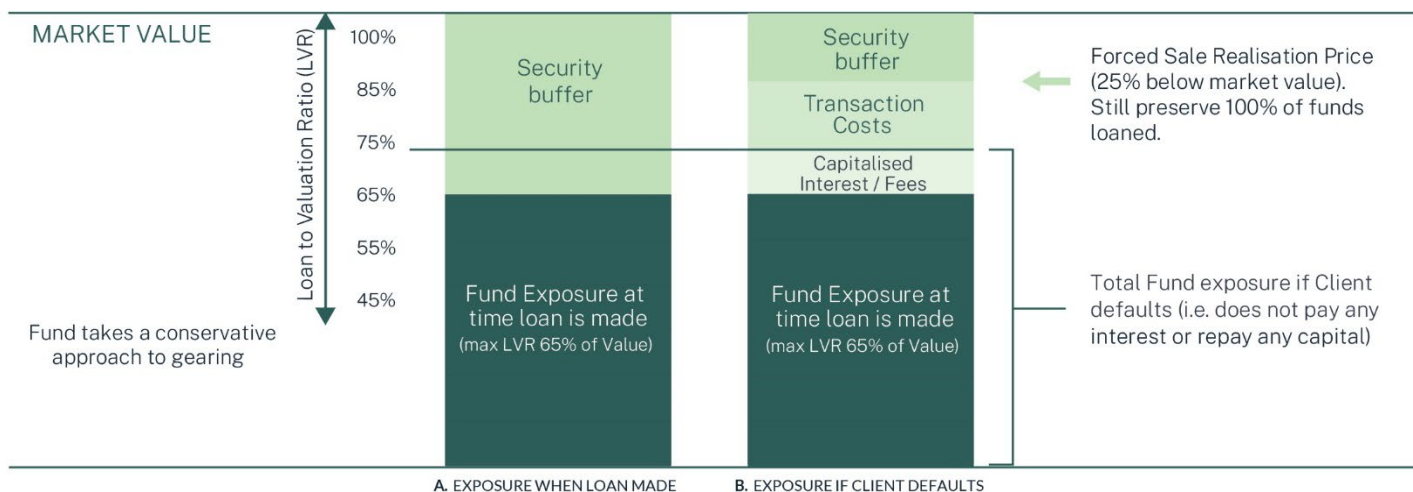
The Trustee is targeting to raise A\$40,000,000 to invest in the Fund Portfolio

The Fund is available to wholesale investors as approved by the Trustee / Manager

The Fund aims to pay Unitholders distributions of 7.25% per annum net of all fees, payable monthly in arrears

EXPOSURE TO THE MOST SENIOR PART OF THE CAPITAL STRUCTURE

CAPITALISED INTEREST SCENARIO – 65% LVR AT MATURITY (RESIDENTIAL SECURITY)*



* Example scenario. Refer to Information Memorandum for full Fund details.

Fund Highlights

1. **Diversified Fund** – Fund aims to invest in a portfolio of loans diversified by property type and geography
2. **Sponsor Alignment** – Assetline Group investing in the Fund and bearing establishment and ongoing Fund costs
3. **1st Mortgage Security** – Exposure to the most senior part of the capital structure mitigates potential for capital loss
4. **Conservative Loan to Value Ratio** – Maximum exposure of any individual position not to exceed 70% (residential security, metro plus locations)
5. **Experienced Investment Manager** – established 2012, significant experience in 1st mortgage origination, management and servicing
6. **Short Duration Loans** – Maximum loan term 36 months

The Assetline Group

- Established 2012, headquartered in Sydney, Australia
- Holder of Australian Financial Services Licence (AFSL) and Australian Credit License (ACL)
- Dedicated 1st mortgage loan origination, funding and management
- Originated and managed in excess of 1,000 loans secured by registered 1st mortgages
- 100% track record of capital protection for 3rd party investors
- Significant expertise in loan origination, loan servicing, loan management and loan recovery

Key Fund Terms

Structure	Australian Wholesale Unit Trust
Unit Price	\$1.00
Minimum Investment	A\$100,000
Applications Close	1st close: 31 December 2021; 2nd close: 31 January 2022; Final Close: 28 February 2022
Drawdown	At each close
Fund Term	24 Months, with run-off thereafter as Underlying Loans repay
Income Distributions	Monthly
Capital Distributions	Pro-rata as Underlying Loans repay at the end of the Fund Term
Reporting	Monthly Distribution Statement, Annual Tax Statement
Investor Eligibility	Wholesale investors only
Role of Investment Manager	Loan origination, valuation (where applicable), legal and commercial transaction due diligence, loan servicing, ongoing monitoring of Underlying Loans and investor reporting
Fees	Investment Manager Fee - 0.25% p.a. of the assets of the Fund

Investment Guidelines*

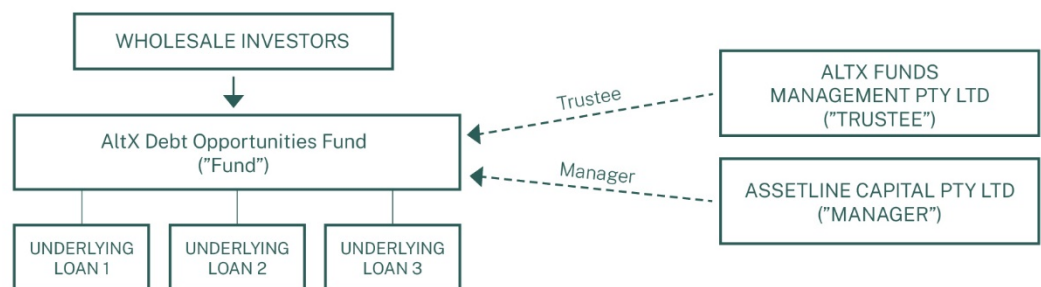
Underlying Loans

- Must be made to companies or the monies advanced must be predominantly for business purposes
- Must be secured by First Registered Mortgages over property in Australia
- Must be supported by Directors' Guarantees by the borrowing entity and a PPSR charge over the borrowing entity, a related entity or both
- Minimum Term 3 months, Maximum Term 36 months
- Maximum LVR's: Residential - 70%; Commercial & Industrial - 65%; Vacant land - 55%

Portfolio

- Fund assets not invested in Underlying Loans must be held in cash in a major Australian bank
- No individual Underlying Loan exposure may exceed 20% of the assets of the Fund
- The Fund may only provide funding for Underlying Loans where 3rd party investors participate on the same commercial terms

Fund Structure*



* Refer to Investment Memorandum for detailed Fund Structure and Investment Guidelines

Disclaimer

This document has been prepared by AltX Funds Management Pty Ltd (ACN 113 502 604, AFSL No. 291314) (AltX) to provide general information in relation to the AltX Debt Opportunities Fund (Fund). It does not take into account the investment objectives, financial situation or particular needs of any person. Prospective investors should seek professional advice and consider the information memorandum, trust deed, and other constituent documents of the Fund before making any investment decision. This document does not constitute an offer, invitation or recommendation to apply for the issue, sale or purchase of securities or interests of any kind. None of AltX, the manager of the Fund or their associates, directors, officers, employees, partners and consultants (Assetline Entities) make any representation or warranty, express or implied, as to the accuracy, reliability, currency or completeness of, or accept any responsibility for errors or omissions in, this document. Any forecasts and projections are illustrative only and are not an indication of possible future returns. Past performance is not indicative of future results. The information contained in this document is strictly confidential.

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