



Australian Securities Exchange - Company Announcements Platform

Centuria Capital Limited

Stapling Proposal

**NOTICE OF PROPOSED ADJOURNMENT OF
EXTRAORDINARY GENERAL MEETING**

Sydney, 26 September 2016

Notice is hereby given that it is intended that the Extraordinary General Meeting (EGM) scheduled to be held on Tuesday, 27 September 2016 at 10:00am be adjourned until:

New time for EGM: Monday, 10 October 2016 at 10:00am.

Location unchanged: The Hobart Room
Sofitel Sydney Wentworth
61-101 Phillip Street,
Sydney NSW 2000

Please refer to attached documentation for detailed information on the proposed adjournment.

- Ends -

For more information or to arrange an interview, please contact:

John McBain
CEO

Centuria Capital Limited
Phone: 02 8923 8910
Email: john.mcbain@centuria.com.au

Shalome Ruiter
Investor Relations Manager

Centuria Property Funds Limited
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About Us

Centuria Capital "CNI" is an ASX-listed specialist investment manager with \$1.9 billion in funds under management. We offer a range of investment opportunities including listed and unlisted property funds as well as tax-effective investment bonds. Our drive, allied with our indepth knowledge of these sectors and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.

Any forward looking statements included in this announcement involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, CNI and its directors. In particular, they speak only as of the date of this announcement, they assume the success of CNI's business strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties, risks and other factors. Actual future events may vary materially from forward looking statements and assumptions on which those statements are based. Other than as required by law, although they believe there is a reasonable basis for the forward looking statements, neither CNI nor its directors, officers, employees or any related body corporate, gives any representation, assurance or guarantee (express or implied) as to the accuracy or completeness of any forward looking statement or that the occurrence of any event, result, performance or achievement will actually occur. Recipients are cautioned not to place undue reliance on such forward looking statements.

Dear Centuria Shareholder,

Stapling Proposal

Recently you will have received an Explanatory Memorandum concerning a proposal to staple your shares in Centuria to units in a new Centuria fund (**Centuria Capital Fund**).

I am writing to you to let you know that it is proposed that the Extraordinary General Meeting (**EGM**) to be held on 27 September 2016 at 10.00 am (Sydney time) will be **adjourned to a new date and time**.

The proposed details for the adjourned meeting are:

New time for EGM: 10.00am on 10 October 2016

Location unchanged: The Hobart Room, Sofitel Sydney Wentworth, 61-101 Phillip Street, Sydney NSW 2000

By way of background, you would have noted in the Explanatory Memorandum that Centuria had applied for a class ruling from the ATO on the treatment of the Centuria unit distribution. We are pleased to advise that the class ruling process is now in its final stages.

We have altered our initial proposal that the distribution of Centuria Capital Fund units to Centuria Shareholders would be made by way of a return of capital only.

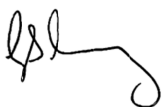
It has now been deemed appropriate that the distribution of units will be made partly as a return of capital (as to approximately 75%) and partly as a franked dividend (as to approximately 25%). This will have tax implications for the Centuria Shareholders as described in the attached information. Accordingly, in order to let all shareholders properly consider the current proposal we propose to adjourn the EGM as detailed above.

We recommend that you seek taxation advice if you are in any doubt about how the Stapling Proposal will affect your taxation position.

The recommendation of your Centuria Directors remains unchanged and they unanimously recommend that you vote in favour of all Resolutions and that you support the Stapling Proposal.

Please contact the Stapling Proposal Information Line on 1300 641 605 (callers in Australia) or +61 2 3 9415 4130 (callers outside Australia) between 8.30 am and 5.00 pm (Sydney time) with any questions in relation to the Stapling Proposal.

Yours sincerely,



Garry Charny
Chairman - Centuria Capital Limited

CENTURIA CAPITAL LIMITED
ACN 095 454 336

**NOTICE OF PROPOSED ADJOURNMENT OF
EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that it is intended that the extraordinary general meeting (**EGM**) of Centuria Capital Limited (**Company**) scheduled to be held at 10.00am on 27 September 2016 will be adjourned (**Adjourned EGM**) until:

New time for EGM: 10.00am on 10 October 2016

Location unchanged: the Hobart Room, Sofitel Sydney Wentworth, 61-101
Phillip Street, Sydney NSW 2000

The adjournment is being proposed to provide the Centuria Shareholders time to consider the additional information in this Notice in relation to a variation to the Stapling Proposal.

SUMMARY

It was initially proposed that the distribution under the Stapling Proposal of Centuria Capital Fund units (**Centuria Unit Distribution**) to Centuria Shareholders would be made by way of a return of capital only. It is now proposed that the Centuria Unit Distribution will be made partly as a return of capital and, as to the balance, as a franked dividend. This will have tax implications for the Centuria Shareholders as described below.

It is proposed that the Chairman will open the EGM at 10.00am on 27 September 2016 only for the purpose of formally adjourning the EGM until 10.00am on 10 October 2016. The business described in the notice of meeting convening the EGM and dated 26 August 2016 (**Original Notice**) will then be transacted at the Adjourned EGM.

BACKGROUND

The Company convened the EGM by the Original Notice for the purposes of considering the Stapling Proposal.

The Stapling Proposal is a proposal to create the Centuria Capital Group by stapling shares in the Company (**Centuria Shares**) to units in the Centuria Capital Fund (**Centuria Units**).

The Original Notice was accompanied by an Explanatory Memorandum (**Original EM**) which included information on the Stapling Proposal. This Notice should be read with, but it amends and updates, the Original Notice and the Original EM. To the extent of any inconsistency this Notice will prevail over the Original Notice and the Original EM.

Terms defined in the Original EM have the same meaning when used in this Notice.

VARIATION TO THE STAPLING PROPOSAL

The Stapling Proposal described in the Original EM is being varied.

It was initially proposed that the Centuria Unit Distribution would be made by way of a return of capital only. It is now proposed that the Centuria Unit Distribution will be made partly as a return of capital and as to the balance as a franked dividend declared by the Centuria Directors (**Franked Dividend**). The change to the Stapling Proposal will have tax implications for the Company's shareholders as detailed below.

The Centuria Unit Distribution per Centuria Share of \$0.680562 will be made up of the following:

- \$0.172696 per Centuria Share will be paid as a fully franked dividend (**Dividend Component**); and
- \$0.507866 per Centuria Share will be paid as a return of capital (**Capital Return Component**).

REVISED TIMETABLE

Taking into account the adjournment of the EGM, the proposed amended timetable for the Stapling Proposal is as follows:

Date	Day	Action
26 September	Monday	Centuria announces: change to the Stapling Proposal and proposed adjournment of the EGM
27 September	Tuesday	EGM opened and adjourned until 10 October
10 October	Monday	EGM recommences and vote on Stapling Proposal Announce result to ASX
12 October	Wednesday	Centuria Shares quoted on an "ex" basis Deferred settlement trading commences
13 October	Thursday	Record date for Capital Reduction and Franked Dividend
17 October	Monday	Effective date of Stapling Proposal Centuria Units distributed in specie to Centuria Shareholders to effect Capital Reduction and payment of Franked Dividend Cleansing notice lodged
18 October	Tuesday	Commencement of normal trading

The above timetable assumes that Resolutions 1, 2 and 3 are passed.

All dates are indicative only. Any changes to the above timetable will be announced through ASX and notified on Centuria's website at <http://www.centuria.com.au/>. Centuria reserves the right to vary the dates and times set out above subject to the Corporations Act and other applicable laws.

AMENDMENT TO RESOLUTION 2

It is proposed that Resolution 2 be amended as shown in mark-up below:

"That, for the purposes of Part 2J.1 of the Corporations Act 2001 (Cth), and for all other purposes, approval is given for the capital of the Company to be reduced by, and the payment of a franked dividend by, the Company distributing in specie to each registered holder of fully paid ordinary shares in the Company as at 7.00pm on 30 September 13 October 2016 (or such other time and date which the Company declares by an announcement to ASX Limited to be the record date) ~~one by way of a return of capital 74.6245% of, and by way of franked dividend 25.3755% of, a unit in the Centuria Capital Fund for each fully paid ordinary share in the Company held by the holder.~~"

DECLARATION OF FRANKED DIVIDEND

Under the Company Constitution, the Centuria Directors are empowered to declare dividends and to pay them by making an in specie transfer of units held by Centuria. The Franked

Dividend will be paid by Centuria making an in specie distribution of Centuria Units (that is, Centuria will transfer Centuria Units directly to Centuria Shareholders). Before the distribution is made, the Centuria Units will be held by Centuria and after the distribution is made, the Centuria Shareholders will themselves directly hold the Centuria Units (which will be stapled to the Centuria Shares).

The Centuria Directors have, subject to Resolutions 1, 2 and 3 being passed, declared that Centuria pay the Franked Dividend to Centuria Shareholders to be made as an in specie distribution of Centuria Units.

SUMMARY OF TAX CONSIDERATIONS

THIS SUMMARY IS NOT TO BE READ IN ISOLATION OR ON A STAND ALONE BASIS

This summary is to be read with and, as a supplement to, the tax considerations outlined in Section 9 of the Original EM. Sections 9.2 and 9.3 of the Original EM should be disregarded and the comments below read in replacement.

General

The following comments are provided on the same basis and on the same assumptions, as set out in the Section 9.1 of the Original EM.

It is recommended that all Centuria Shareholders consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.

Centuria Unit Distribution

The Centuria Unit Distribution is to be treated as partly a franked dividend and partly a return of capital for tax purposes.

In respect of the total value of the Centuria Unit Distribution per Centuria Share of \$0.680562:

- **(Dividend Component)** \$0.172696 per Centuria Share will be paid as a fully franked dividend for tax purposes; and
- **(Capital Return Component)** \$0.507866 per Centuria Share will be paid as a return of capital for tax purposes.

Payment of the Dividend Component and the Capital Return Component will be made by the in specie distribution of Centuria Units.

The first element of the cost base of a Centuria Unit received should be equal to the market value of that Centuria Unit, being the amount of the total value of the Centuria Unit Distribution per Centuria Share of \$0.680562.

Dividend Component

The Dividend Component should be included in Centuria Shareholders' assessable income in the income year in which the dividend is received.

As the Dividend Component is to be fully franked, Centuria Shareholders should also include the franking credit of \$0.074012 per share in their assessable income. Centuria Shareholders

should be entitled to a corresponding tax offset against their tax payable for the relevant income year.

In order for Centuria Shareholders to qualify for franking credits and the corresponding tax offset, they must satisfy the “holding period” rules which require they have held their Centuria Shares “at risk” for a period not less than 45 days within the relevant “qualification period” being from the date the Centuria Shares were acquired until the 45th day after the Record Date (not including the date of acquisition and the date of disposal of the Centuria Shares). The “holding period” rules will not apply to Centuria Shareholders who are individuals who are entitled to tax offsets (for all franked distributions received by the particular Centuria Shareholder in the relevant income year) of not greater than \$5,000 for the relevant income year.

Centuria Shareholders who are individuals or complying superannuation funds should be entitled to a refund to the extent the tax offset exceeds their income tax liability for the relevant income year.

Centuria Shareholders who are companies should be entitled to credit franking credits to their franking account.

Capital Return Component

Centuria Shareholders’ cost base in each of their Centuria Shares will be reduced by the lesser of that cost base or the Capital Return Component on that Centuria Share.

If the value of the Capital Return Component is greater than a Centuria Shareholder’s cost base per Centuria Share, they should make a capital gain equal to the excess. The capital gain may be reduced by 50% for resident individuals and trusts and 33% for resident complying superannuation funds where that Centuria Share has been held for at least 12 months.

Class ruling

The Company has applied for a class ruling for the benefit of Centuria Shareholders. The class ruling requests the Australian Taxation Office to confirm the income tax treatment outlined in this Notice in respect of the Capital Return Component and the cost base of a Centuria Unit received and the tax treatment outlined in Section 9.6 of the Original EM.

IMPORTANT NOTES

This Notice should be read in conjunction with the Original Notice and the Original EM.

The date persons holding Centuria Shares will be taken to be Centuria Shareholders for the purposes of determining voting entitlements at the Adjourned EGM will be 10.00 am (Australian Eastern Standard Time) on 8 October 2016.

Centuria Shareholders may vote by attending the Adjourned EGM in person, by proxy or (in the case of corporations) by authorised representative.

A new proxy form and a reply paid envelope are enclosed with this Notice.

If you have already lodged a proxy form and you do not want to change the way in which your proxy is directed to vote, you do not need to lodge a new proxy form. A validly completed proxy form submitted for the EGM will continue to operate for the Adjourned EGM.

If you have already lodged a proxy form but want to change the way you directed your proxy to vote, or you have not previously lodged a proxy form for the EGM but wish to do so now, you should use the new proxy form accompanying this Notice.

The deadline for the submission of proxy forms for the Adjourned EGM will be extended from 10.00 am (Australian Eastern Standard Time) on 25 September 2016 to 10.00 am (Australian Eastern Standard Time) on 8 October 2016.

If you plan to attend the Adjourned EGM, we ask that you arrive at the venue at least 30 minutes prior to the time designated for the Adjourned EGM so that we may check the number of your Centuria Shares and register your attendance.

Under clause 38.1 of the Company Constitution, the Chairman of the Centuria Board (Mr Garry Charny) is to be the Chairman of the Adjourned EGM. Failing him, another person appointed by the Centuria Board of Directors will act as Chairman of the Adjourned EGM.

If you have any questions regarding this Notice or the Stapling Proposal, please call the Stapling Proposal Information Line on 1300 641 605 (callers in Australia) or +61 3 9415 4130 (callers outside Australia) between 8.30 am and 5.00 pm (Sydney time) on Business Days.

By order of the Centuria Capital Limited Board of Directors:



James Lonie
Company Secretary
23 September 2016



Centuria Capital Limited
ABN 22 095 454 336

CNI

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the notice of meeting online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 10.00 am (Sydney Time) on Saturday, 8 October 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Lodgement of a Proxy

The proxy form may be lodged with Computershare (details above). A reply paid envelope is included with the Notice of Meeting and this Proxy Form.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Centuria Capital Limited hereby appoint



the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Centuria Capital Limited to be held at the Hobart Room, Sofitel Sydney Wentworth, 61-101 Phillip Street, Sydney NSW 2000 on Monday, 10 October 2016 at 10.00 am (Sydney Time) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Amendment to Company constitution	☐	☐	☐
Resolution 2 Capital reduction	☐	☐	☐
Resolution 3 Stapling Proposal, Property Investments Transfer and Stapling Deed	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

C N I

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Computershare +