



LONGLEAD
CAPITAL PARTNERS

**LONGLEAD PAN-ASIAN
ABSOLUTE RETURN FUND
INFORMATION MEMORANDUM**

23 NOVEMBER 2020

Longlead Capital 6 Battery Road #40-02B, Singapore 049909

IMPORTANT INFORMATION

Issue of information memorandum

This Information Memorandum (IM) is dated 23 November 2020 and is issued by Longlead Capital Partners Pte. Ltd. ARBN 611 034 765 (**Investment Manager** or **Longlead**) with the consent of Evolution Trustees Limited ABN 29 611 839 519 AFSL 486 217 (**Trustee**), the trustee for Longlead Pan-Asian Absolute Return Fund ABN 30 227 608 372 (**Fund**).

The Investment Manager is regulated by the Monetary Authority of Singapore under Singapore laws, which differ from Australian laws. The Investment Manager does not hold an Australian Financial Services Licence (AFSL) and is exempt from the requirement to hold an AFSL under the Corporations (Repeal and Transitional) Instrument 2016/396 as extended by ASIC Corporations (Amendment) Instrument 2020/200 (which grants transitional continuation relief to foreign financial service providers relying on ASIC Class Order 03/1102 in respect of the financial services it provides).

This IM contains general information for prospective Investors about the Fund.

The Trustee has appointed the Investment Manager as the investment manager of the Fund.

No disclosure required

This IM is intended to provide potential Investors with general information only and does not constitute a product disclosure statement or any other disclosure document under the Corporations Act 2001 (Cth) (**Act**). This IM has not been, and is not required to be, lodged with the Australian Securities and Investments Commission (**ASIC**) or any other government body or regulator.

An investment in Class G units in the Fund (**Units**) is only available for persons who qualify as wholesale clients under section 761G(7) or section 761GA of the Act (**Wholesale Clients**). The Trustee will not issue Units in the Fund to a person unless it is satisfied the person is a Wholesale Client. Accordingly, each recipient of this IM represents and warrants that it is a 'Wholesale Client' for the purposes of the Act and confirm they have read and agree to the information contained in this IM including this Important Information section.

Foreign jurisdictions

This IM does not constitute, and may not be used for the purpose of, an offer, invitation or solicitation in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, invitation or solicitation. The Trustee and the Investment Manager do not represent that this IM may be lawfully offered in compliance with any applicable legislation or other requirements in any jurisdiction outside Australia or assume any responsibility for facilitating any such distribution or offering.

In particular, Units have not been and will not be registered under the US Securities Act or the securities laws of any state of the United States (**US**) and may not be offered, sold, delivered or transferred in the United States or to, or for the account of, any 'US Person' (as defined in Regulation S under the US Securities Act). Neither this IM nor any Application Form or other material relating to Units may be distributed in the United States.

An investment in Units in the Fund may be made available to select persons in other jurisdictions as determined by the Trustee and the Investment Manager (in their joint discretion). Investors from jurisdictions other than Australia must be aware that this IM is issued in compliance with Australian legal and regulatory requirements and may not address the regulatory requirements in other jurisdictions. Accordingly, Investors outside of Australia should seek their own legal advice regarding the suitability of the investment for their particular circumstances.

No obligation

The Trustee may, in its absolute discretion, reject an application for Units, in whole or in part, and may by notice to a person reduce that person's commitment specified in their Application Form, each without giving a reason.

No cooling-off

No cooling-off regime applies to the offer contained in this IM.

No responsibility for contents of document

To the maximum extent permitted by law, neither the Trustee, the Investment Manager nor any of their respective associates, related parties, directors, officers, employees, advisers (including financial, accounting and legal advisers) or representatives make any recommendation in relation to the Fund or investment in its Units, or make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this IM or any accompanying, previous or subsequent material or presentation except as expressly stated otherwise.

This IM does not purport to contain all the information that a prospective Investor may require in evaluating a possible investment in the Fund. This IM must be read in conjunction with the Fund's Trust Deed and Management Agreement, a copy of which is available (free of charge) by contacting the Trustee on (02) 8866 5150. To the extent there are any inconsistencies between the Trust Deed and this IM, the Trust Deed will prevail.

Forward looking statements

This IM includes forward looking statements that may contain the words 'believe', 'intend', 'estimate', 'expect', 'seek' and words of similar meaning. All statements other than statements of historical facts included in this IM are forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. These forward looking statements are current only as at the date of this IM. Accordingly, there can be no assurance, and the Trustee and Investment Manager do not warrant or guarantee, that such statements, estimates or projections will be realised.

Neither the Investment Manager nor the Trustee has an intention to update or revise forward-looking statements, or in the future to publish prospective financial information, regardless of whether new information, future events or any other factors affect the information contained in this IM, except where required by law.

Independent advice

Prospective Investors are not to construe the contents of this IM as tax, legal or investment advice. The information contained in this IM is for general information only and does not take into account any Investor's objectives, financial situations or needs. An investment in the Fund may not be appropriate for all persons or entities.

Each recipient of this IM agrees and acknowledges that they must rely on its own independent investigations and enquiries with respect to making any decision to invest in the Fund and, as this IM is for general information only (and may be out of date), does not rely on the information set out in this IM in making an investment decision.

Further, each recipient of this IM agrees they should obtain appropriate independent professional advice from a financial adviser, accountant or other professional adviser to obtain legal, investment and tax advice in determining whether to invest in the Fund.

No guarantee

An investment in the Fund is subject to investment risk, including the loss of income and capital invested. Neither the Trustee, the Investment Manager nor any of their directors, officers, employees, advisers or representatives, in any way, guarantee the rate of return or performance of the Fund, the meeting of the objectives of the Fund, nor do they guarantee repayment of committed capital. Section 6 of this IM contains a summary of the key risks of an investment in the Fund.

Trustee limitation of liability

Except in certain circumstances (including fraud, negligence or default by the Trustee), the Trustee enters into transactions for the Fund in its capacity as trustee of the Fund only, not in its own capacity, and its liability in relation to those transactions is limited to the assets of the Fund.

Disclosure of interests

The Investment Manager and its related entities (and the Trustee's related entities) may also acquire Units in the Fund on the same terms and with the same rights as other Investors in the Fund.

Certain risks

Investments made by the Fund are speculative and are subject to investment and other risks, including loss of principal invested. Prospective Investors should carefully consider the key risk factors set out in Section 6 of this IM in light of their personal circumstances.

Updated information

The information contained in this IM can change, and the IM may be updated or replaced from time to time. The Investment Manager or the Trustee may not always update or replace this IM to reflect the changed information. Updated information (if available) may be obtained by going to the Investment Manager's website www.longleadcp.com or calling the Investment Manager on +(65) 6805 9391.

No Liability

To the maximum extent permitted by law, the Trustee, the Investment Manager and their associates, related parties, directors, officers, employees, advisers (including financial, accounting and legal advisers) and representatives bear no liability for any loss or damage, howsoever arising and whether foreseeable or not, which results from any person acting in reliance in whole or in part on any information in this IM, or any information provided or made available in connection with any further enquiries.

Confidentiality

This IM is confidential. Each recipient of this IM agrees to keep its contents confidential and not to copy, supply, disseminate or disclose any information in relation to its content without the Trustee's prior written consent (other than to their advisers, provided they also maintain such confidentiality).

Glossary

Certain capitalised words and expressions used in this IM are defined in the Glossary. All references to dollar amounts in this IM are to Australian Dollars (AUD), unless otherwise stated.

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1 FUND DIRECTORY

TRUSTEE

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2 KEY INVESTMENT FEATURES

The table below is only a summary of the key features of an investment in Class G units in the Fund (which are referred to as **Units** in this IM). It is not intended to be exhaustive. The information in this IM is qualified by reference to the Fund's Trust Deed, the Management Agreement and the Application Form.

Fund Name	Longlead Pan-Asian Absolute Return Fund (ABN 30 227 608 372)
Trustee	Evolution Trustees Limited (ABN 29 611 839 519, AFSL 486 217)
Investment Manager	<p>Longlead Capital Partners Pte. Ltd. (ARBN 611 034 765)</p> <p>Evolution Trustees Limited in its capacity as trustee of the Fund has appointed Longlead Capital Partners Pte. Ltd. to act as the investment manager of the Fund in accordance with the terms of the Management Agreement.</p>
Investment Objective	<p>The Fund aims to access a long/short investment strategy which seeks to achieve medium to long term capital appreciation and generate positive absolute returns with a low correlation to major stock market indices by seeking long and short exposure to the stocks of companies located in Asia, Australia and other global markets that are deemed appropriate.</p> <p>The recommended investment horizon in the Fund is at least three years in order for the underlying portfolio to seek to deliver the investment objective.</p>
Investment Strategy	<p>The Fund will invest substantially all of its assets, to the extent not retained in cash or cash equivalents, in Class G Participating Shares of the Longlead Absolute Return Feeder Fund Ltd (the Feeder Fund), an exempted company incorporated with limited liability in the Cayman Islands, which will in turn invest substantially all of its assets in Longlead Absolute Return Master Fund Ltd (the Master Fund), an exempted company incorporated with limited liability in the Cayman Islands, which predominantly deploys a long/short investment strategy based on fundamental, bottom up stock selection procedures and employs risk management techniques designed to manage portfolio risk.</p> <p>The Master Fund's primary areas of focus are Asia and Australia. Without limiting the investment strategy of the Fund, it is intended that the Master Fund may also invest in securities issued by companies that are:</p> <ul style="list-style-type: none"> i. located or headquartered in or derive a significant portion of their revenue from other markets globally including Europe and the United States; and ii. located outside Asia and Australia <p>where the Investment Manager believes it has an edge in identifying and understanding significant factors affecting those businesses.</p> <p>The Master Fund may also use derivatives to manage risk, invest in initial public offerings listed on any securities exchange and from time to time may invest a portion of Master Fund's capital in private companies prior to an initial public offering (IPO) in the form of pre-IPO investments.</p> <p>The Master Fund has the flexibility to invest (by taking both long and short positions) in a wide range of investment instruments including, but not limited to, all types of equity, debt and hybrid securities, foreign exchange, options, warrants, futures and financial derivatives.</p>

2 KEY INVESTMENT FEATURES

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Leverage

The Fund does not intend to use leverage. However, the Master Fund (and therefore indirectly, the Fund) may employ leverage including, without limitation, through borrowing cash, securities and other instruments and by entering into derivative transactions with a variety of counterparties.

The Master Fund may use leverage for investment purposes.

The typical leverage of the Master Fund is expected to be no more than 300% of the Net Asset Value of the Master Fund. In this regard, leverage is measured by the Investment Manager as the aggregate gross market value of all long and short positions (including, for clarity, cash equity plus underlying market value of equity total return swaps) held divided by the Master Fund's Net Asset Value.

The Master Fund may effect borrowings for the purposes of satisfying redemption requests or paying expenses, if required.

Investment Restrictions

The Master Fund (and indirectly, the Fund) has the following investment restrictions:

- i. **Gross exposure limit:** Maximum gross exposure of the Master Fund (measured as the aggregate market values of long and short positions) of 300% of the Master Fund's Net Asset Value measured on a dollar basis;
- ii. **Net exposure limit:** Maximum net exposure of the Master Fund (measured as the aggregate market value of long positions less the aggregate market value of short positions) of +/-100% of the Master Fund's Net Asset Value measured on a dollar basis; and
- iii. **Single stock position size limit** of no more than +/- 15% of the Master Fund's Net Asset Value measured on a dollar basis.

These restrictions apply at the time the investment is made and will not be treated as exceeded if exceeded because of movements in the relative value of investments of the Master Fund after their acquisition or the exercise of rights arising in respect of such investments. The Investment Manager (which is also the manager of the Master Fund) is responsible for monitoring the aforesaid investment restrictions.

The restrictions set out above are only an indication of the limits within which the investments of the Master Fund will be managed. Longlead (in its capacity as the manager of the Master Fund) has the discretion to exceed these restrictions without the consent of or notification to the shareholders of the Master Fund if it considers the investment objectives of the Master Fund are better achieved in doing so. If any of the investment restrictions set out above are significantly exceeded, Longlead (in its capacity as the manager of the Master Fund) may (but shall not be obliged to) take such steps to bring the investments of the Master Fund within or close to the stated restrictions over such period of time as it may consider appropriate considering all the circumstances but shall not be under any further liability as a result of exceeding the restrictions.

2 KEY INVESTMENT FEATURES

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Foreign Exchange Hedging	<p>Noting that:</p> <ul style="list-style-type: none"> i. investments made into the Fund are made in Australian dollars; ii. the Fund will invest substantially all of its assets, to the extent not retained in cash or cash equivalents, in Class G Participating Shares of the Feeder Fund which will in turn invest substantially all of its assets in the Master Fund; and iii. the Feeder Fund and the Master Fund use the US dollar as the functional currency, <p>Longlead (in its capacity as the manager of the Master Fund) will utilise foreign exchange hedging to manage the Australian/US dollar currency exposure at the Master Fund level.</p> <p>For further information, please refer to Section 5 of the IM.</p>
Recommended Investment Timeframe	<p>At least three (3) years</p>
Eligible Investors	<p>Only investors who are Wholesale Clients (as defined below) who meet the prescribed financial, eligibility and suitability criteria established by the Trustee may subscribe for and hold Units in the Fund.</p> <p>The Trustee has, and may exercise, the right to, on the recommendation of the Investment Manager, require the compulsory withdrawal of any Unit issued or otherwise acquired in contravention of this IM. In addition, the Trustee has the right to require the compulsory withdrawal of all Units held by a Holder who is not or who ceases to be a Wholesale Client.</p> <p>The Trustee reserves the right to reject any Application Form, in whole or in part, for any reason or no reason, in its sole discretion.</p>
Initial Minimum Investment	<p>A\$100,000</p>
Subsequent Minimum Investment	<p>A\$20,000</p>
Initial Unit Price.	<p>A\$1.00</p>
Minimum Balance	<p>A\$100,000</p>
Minimum Redemption Amount	<p>A\$20,000, subject to the Minimum Balance referred to above</p>
Income Distribution	<p>Investors agree that by investing into the Fund, any distribution made by the Fund will be dealt with by way of distribution reinvestment (unless determined otherwise by the Trustee). That is, income earned by the Fund is reinvested and reflected in the value of the Units.</p> <p>However, this does not preclude the Trustee from making distributions at any time in the future if, in consultation with the Investment Manager, it considers it appropriate taking into account such factors as the Trustee may in its discretion determine from time to time. If a distribution is made, it will be paid in accordance with the Trust Deed and the applicable laws of Australia.</p>

2 KEY INVESTMENT FEATURES

Management Fee	2.0% per annum of the Net Asset Value (which is payable as an expense of the Fund).
Performance Fee	The Performance Fee will be charged on a 'whole of fund basis' equal to 20% of the Unit Return in the relevant calculation period and subject to the applicable High Water Mark for such calculation period. The Performance Fee is also payable in respect of a Unit when it is redeemed. The Performance Fee is payable as an expense of the Fund.
Notice Period	Sixty (60) calendar days
Applications and Redemptions	Monthly. However, redemptions are subject to the Notice Period referred to above.
Expenses	Refer to Section 7 of this IM.
Risks	Refer to Section 6 of this IM

Unless otherwise stated, all amounts, fees and costs quoted in this IM are exclusive of GST.

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ABOUT LONGLEAD CAPITAL PARTNERS PTE. LTD. AND THE FUND

Longlead Capital Partners Pte. Ltd. (**Investment Manager or Longlead**) was founded in 2014 by Timothy Campbell and Andrew West as a specialist Pan-Asian equity long/short fund manager. Longlead's objective is to provide investors with access to the universe of investment opportunities linked to the Pan-Asian region's continued transformation and development, and by doing so deliver attractive risk-adjusted returns over the medium term.

To deliver this objective, Longlead employs:

- an experienced senior team with key members each individually having over 10 years' experience analysing and investing directly in Pan-Asian equities;
- on the ground infrastructure across Singapore (HQ) and Australia to conduct localised research and investment specific to each market;
- a well-defined, fundamental, bottom up approach to identification and assessment of investment opportunities in the region that has a track record of attractive risk adjusted returns; and
- integrated risk management procedures designed for the Pan-Asian market environment, to manage portfolio risk and improve the quality of returns.

3.1 AWARDS

Longlead has been nominated for several awards, including for best Asian Hedge Fund at the Eurekahedge Global Hedge Fund Awards in 2019, and for best Arbitrage & Market Neutral Fund and best Asia including Japan Fund at the 2020 HFM AsiaHedge Awards.

3.2 LONGLEAD'S INVESTMENT APPROACH

The Pan-Asian region is comprised of many economies that collectively continue to deliver long term, structural growth exceeding the global average. Within these economies exists a dynamic universe of companies that are also constantly evolving. This characteristic of Pan-Asia generates a differentiated opportunity set that the Longlead Pan-Asian Absolute Return Fund seeks to provide access to.

Longlead believes that Pan-Asian equity markets are attractive for long/short equity investing for reasons including the following:

- Many Pan-Asian region economies such as China are at an earlier stage of development than Western developed economies, which can lead to opportunities

to identify companies with structurally higher levels of earnings growth or that are less discovered by the global investment community.

- Certain new business models that have proven successful in global developed markets are still being launched or may be at an earlier stage of development in Pan-Asia. The lack of familiarity with such business models by local investors can provide opportunities to leverage the team's global knowledge to identify attractive investments in new companies as they appear.
- There is often a wide dispersion between the growth rates and underlying conditions of the different economies and industries that comprise the Pan-Asian region. This can lead to divergence in share price performance between listed companies that suits long/short equity investing.
- There is traditionally greater retail investor participation in many Pan-Asian region equity markets such as China and Taiwan, which can lead to periods of mispricing of stocks as a source of opportunity.

The Investment Manager employs a well-defined investment approach comprised of the following elements:

INVESTMENT PHILOSOPHY

Longlead invests in a wide variety of situations across Pan-Asia and other global equity markets, where it believes markets have mispriced a company either by undervaluing it (long position) or overvaluing it (short position).

In forming the view that such an opportunity exists, Longlead's investment philosophy in Pan-Asia emphasises the notion that a stock is often most mispriced at the point in time in which the company's operating environment materially changes. At these times, the investment community may still be holding expectations about a company that have become out of date and can take time to identify, analyse, understand and react to the impact of the changes that are occurring. In the Investment Manager's view, a specific research process focused on early identification of changing conditions therefore, provides the opportunity to move ahead of the market when the share price opportunity is theoretically greatest.

INVESTMENT PROCESS

Longlead implements this philosophy by applying a forward looking process unique to the firm, which it refers to as taking a 'long lead' in analysing companies and their share prices.

3 ABOUT LONGLEAD CAPITAL PARTNERS PTE. LTD. AND THE FUND

The following diagram depicts the steps in Longlead’s investment process from idea generation, through fundamental analysis and modelling, to valuation and understanding the catalysts that are expected to move the share price over the likely investment horizon:



3 ABOUT LONGLEAD CAPITAL PARTNERS PTE. LTD. AND THE FUND

IDEA GENERATION FOCUSED ON EARLY IDENTIFICATION OF CHANGING OPERATING CONDITIONS:

Longlead's investment process places emphasis on early identification of changing operating conditions as a starting point for new investment ideas. This objective is pursued by the investment team through meeting with companies regularly to build a detailed understanding of on-the-ground business opportunities and conditions across companies, countries and sectors. That familiarity and continuity with each company's environment in turn assists the team in identifying when a company's opportunity set starts to materially improve or deteriorate. Examples of changes that can lead to investment opportunities include but are not limited to the following:

- **Inflection points in the business or industry cycle.** Examples include acceleration or deceleration of companies or industries.
- **Changes to the competitive environment or the structure of an industry, that can disrupt industry margins such as the entry or exit of a competitor.**
- **Changes to regulations that affect a company in the way it conducts business.** Such changes can impact a company's earnings or growth rate either positively or negatively.
- **Changes to long term management teams that result in a shift in strategy or turnaround of a previously underperforming business.**
- **Changes to the structure of a company that materially improves or disrupts returns.** For example, demergers or large acquisitions.

When material 'change' events are identified by Longlead, the remaining three steps of the process are undertaken by the team to build out a comprehensive investment thesis and size the opportunity. These include the following process:

- **Understanding the implications:** Longlead seeks to analyse or model the impact of the change that has been identified on a company's revenue and earnings forecasts, balance sheet and cashflows. In doing this, Longlead may undertake its own financial modelling or may utilise and sensitise forecast models from other sources. Longlead may also seek to understand the difference between the identified scenario and what the consensus is expecting on the stock to determine materiality.
- **Valuing the opportunity:** Longlead utilises many approaches to value companies but always undertakes a forward looking approach to identify how the market is likely to shift its perspective on valuation as the changing operation conditions unfold.
- **Identification of catalysts:** Longlead seeks to align the sizing of the opportunity where possible to potential events that would move the share price in its favour. This may include anticipation of earnings upgrades or downgrades, capital management events, acquisitions, likely broker recommendation changes, divestments, and management changes amongst other things.

In employing the investment process, Longlead utilises infrastructure, processes and techniques that include such elements as the following:

- **On the ground teams:** Longlead's investment teams are located on the ground in Singapore and Australia with local language capabilities in order to be close to the opportunity set, be within the day to day information flow of Pan-Asian markets and to enable identification of opportunities and risks early. The team is experienced in understanding the local nuances and regulations applicable to each Pan-Asian market in order to operate and invest across the region.
- **Fundamental, bottom-up investment style:** Longlead's investment ideas are generated from a starting point of analysing and understanding the real operating conditions individual companies are navigating and how those conditions are changing – either positively or negatively. While not a pre-requisite for every investment, an important part of this process is meeting with companies across all sectors and countries on a regular basis and allowing the companies themselves, rather than sell-side opinions, to inform the team's factual understanding of the current environment and where it is headed. This is a process we term 'bottom up' investing.
- **Understanding and mapping supply chains to identify undiscovered opportunities:** With companies in Pan-Asia central to the supply chains of many global industries, information on conditions being experienced by these companies can provide unique insight (or 'read throughs') on how other companies are likely performing. Longlead's investment team continually 'maps' these interconnections between companies at all levels in order to develop a multi-dimensional understanding of the supply chains through Pan-Asia. This aids early identification of new and potentially undiscovered opportunities.

3 ABOUT LONGLEAD CAPITAL PARTNERS PTE. LTD. AND THE FUND

3.3 THE LONGLEAD PAN-ASIAN ABSOLUTE RETURN FUND

INVESTMENT STRATEGY AND OBJECTIVE

The Longlead Pan-Asian Absolute Return Fund (the **Fund**) will invest substantially all of its assets, to the extent not retained in cash or cash equivalents, in Class G Participating Shares of the Longlead Absolute Return Feeder Fund Ltd (the **Feeder Fund**), an exempted company incorporated with limited liability in the Cayman Islands, which will in turn invest substantially all of its assets in Longlead Absolute Return Master Fund Ltd (the **Master Fund**), an exempted company incorporated with limited liability in the Cayman Islands, which predominantly deploys a long/short investment strategy primarily focused on the Pan-Asian region based on fundamental, bottom up stock selection procedures and employs risk management techniques designed to manage portfolio risk.

The Fund aims to access a long/short investment strategy that seeks to achieve medium to long term capital appreciation and generate positive absolute returns with a low correlation to major stock market indices by seeking long and short exposure to the stocks of companies located in Asia, Australia and other global markets that are deemed appropriate.

The recommended investment horizon in the Fund is at least three years in order for the underlying portfolio to seek to deliver the investment objective.

PRIMARY MARKETS

Longlead (in its capacity as the manager of the Master Fund) will primarily invest the Master Fund's capital in Pan-Asian region equity markets with the seven major markets for the strategy being China, Hong Kong, Taiwan, Australia, Japan, Korea and Singapore. Exposures in these markets typically contribute the majority of the Master Fund's gross equity exposure.

Longlead (in its capacity as the manager of the Master Fund) may also invest in other global equity markets where it perceives attractive opportunities to exist, particularly where insights on such companies are derived from the team's research in the Pan-Asian region. Examples of such markets can include but are not limited to markets in South East Asia, North America or Europe. These regions typically comprise a smaller portion of the Master Fund's gross equity exposures.

INVESTMENT INSTRUMENTS

Along with listed global equities and cash, the Master Fund may from time to time have exposure to the following financial instruments:

- listed futures contracts (predominately related to listed equities, funds and indices);
- listed options (predominately on listed equities, funds or indices);
- foreign exchange and derivatives on foreign exchange. Please also refer to separate section on Foreign Exchange Hedging in Section 5 of the IM; and
- unlisted equities. In regard to this, please note that the Master Fund may invest in pre-IPO situations.

PORTFOLIO CONSTRUCTION

The investment portfolio in which the Master Fund invests generally exhibits a balance between a concentrated core exposure to the ideas that Longlead believes offer the best opportunity at any time, and the benefits of diversification through holding a portfolio of securities representing a range of investment ideas, country exposures and sector exposures.

- **Concentrated core/Single stock limit:** Longlead (in its capacity as the manager of the Master Fund) may invest up to 15% of the Master Fund's capital in individual stocks (long or short). Within this limit, Longlead can therefore expose the Master Fund to a relatively concentrated core exposure of what Longlead believes to be the best ideas in order to enhance returns. Indicatively, the top 20 longs or top 20 shorts in the portfolio may at times contribute approximately 75% or more of total long or short side exposures although this is a guide and may be higher or lower than this at any time. A concentration of core equity exposures, while designed to enhance returns can also increase risk in the Master Fund.

This single stock limit is applied as a guide on single stock exposures and may be exceeded for periods of time at Longlead's discretion. Such instances may include but are not limited to market movements in security prices, or other specific market situations. If this limit is exceeded for any reason, Longlead (in its capacity as the manager of the Master Fund) will act to bring such exposures back within the limit in a reasonable time having regard to all relevant considerations.

3 ABOUT LONGLEAD CAPITAL PARTNERS PTE. LTD. AND THE FUND

USE OF GEARING

The Master Fund may use gearing (leverage) in accordance with the investment strategy for the purposes of both investment and hedging. Investors should be aware that such gearing can enhance returns but also entails risk which has the potential to increase losses from the strategy. There are two types of gearing the Master Fund may employ:

- **Gross exposure** (that is, summation of both long and short exposures divided by the Master Fund's Net Asset Value): The Master Fund limits gross exposure to a maximum of 300% of the Net Asset Value of the Master Fund. The typical indicative range of gross exposure under many normal market conditions is 150% to 250% however it can be higher or lower than this range at any time at the discretion of Longlead (in its capacity as the manager of the Master Fund). The 300% limit can be exceeded by the Master Fund. However, if such a situation occurs, Longlead (in its capacity as the manager of the Master Fund) may (but shall not be obliged to) take such steps to bring the investments of the Master Fund within or close to the above stated restrictions over such period of time as it may consider appropriate considering all the circumstances but shall not be under any further liability as a result of exceeding the restrictions.
- **Net exposure** (that is, the net of long exposures minus short exposures divided by the Master Fund's Net Asset Value): Net exposure may range between upper and lower limits of +100% (net long) to -100% (net short) with a typical indicative range of +70% to -20%. This indicative range is a guide only and net exposure may be higher or lower than this at any time at the discretion of Longlead (in its capacity as the manager of the Master Fund). The upper and lower limits of +100% and -100% can be exceeded by the Master Fund. However, if such a situation occurs, Longlead (in its capacity as the manager of the Master Fund) may (but shall not be obliged to) take such steps to bring the investments of the Master Fund within or close to the above stated restrictions over such period of time as it may consider appropriate considering all the circumstances but shall not be under any further liability as a result of exceeding the restrictions.

USE OF SHORTING

As a long/short equity strategy, the Master Fund engages in short selling of securities with the objective of either profiting from a fall in value of the underlying company which it believes is mispriced or to hedge risks in the portfolio. The Master Fund typically borrows such securities from its prime broker(s) and sells the borrowed securities on market at the market price, with the intention of 'covering' or buying back the short sold securities at a later time. Borrowing securities for short selling purposes attracts a cost payable to the prime broker(s) (securities lender).

RISK MANAGEMENT

Integrated risk management processes are employed by Longlead (in its capacity as the manager of the Master Fund) in managing the underlying portfolio of the Master Fund with the objective of managing risks and enhancing the quality of returns. These can include but are not limited to:

- **Single stock shorting:** Apart from short selling stocks to enhance returns, short selling can also be undertaken to hedge the portfolio against equity market movements or reduce specific risks in the portfolio;
- **Tail risk hedging:** the potential use, at the discretion of the Chief Investment Officer of Longlead (in its capacity as the manager of the Master Fund), of derivatives that are designed to partially protect a portfolio in the event of market wide sell off events;
- **Gross and net exposure management:** Longlead (in its capacity as the manager of the Master Fund) actively adjusts the levels of gross exposure (the sum of both longs and shorts) and net exposure (the net of longs minus shorts) to align Longlead's assessment of portfolio risk with the opportunities afforded by market conditions. Longlead (in its capacity as the manager of the Master Fund) can also act to reduce gross and or net exposure to reduce risks in the portfolio when market conditions are seen as less conducive to generating positive returns or when a drawdown event is being experienced by the Master Fund.

3 ABOUT LONGLEAD CAPITAL PARTNERS PTE. LTD. AND THE FUND

3.4 CORPORATE AND REGULATORY

Longlead is a Singapore based asset manager and holds a capital markets services licence issued by the Monetary Authority of Singapore to provide fund management services (under Singapore laws, which differ from Australian laws).

Longlead does not hold an AFSL and is exempt from the requirement to hold an AFSL under the Corporations (Repeal and Transitional) Instrument 2016/396 as extended by ASIC Corporations (Amendment) Instrument 2020/200 (which grants transitional continuation relief to foreign financial service providers relying on ASIC Class Order 03/1102 in respect of the financial services it provides).

Longlead envisages applying for the foreign AFSL before 31 March 2022.

As at the date of this IM, Longlead has put in place a professional indemnity insurance. Longlead may from time to time if it considers appropriate in its discretion, put in place or procure to be put in place, such professional indemnity insurance covering such customary risks on such terms and conditions as Longlead deems appropriate.

3.5 TIMOTHY ELLIS CAMPBELL

Timothy Ellis Campbell is a director and co-founder of Longlead. Timothy has more than 20 years' experience in finance and investment management. Prior to setting up Longlead, Timothy was the Asian Portfolio Manager at Regal Funds Management from February 2010 to January 2014, and was responsible for running the Asian portfolio and day to day operations of Regal's Singapore based investment team. From July 2008 to January 2010, Timothy was the Chief Executive Officer of Narrama Capital in Sydney and was responsible for Narrama's global long/short portfolio. From 2005 to 2008, Timothy was a Portfolio Manager at Ellerston Capital in Sydney responsible for running a global long/short portfolio within the Ellerston flagship product, which had more than US\$3bn at its peak. From 1999 to 2005 Timothy was a Director of Corporate Finance at Tiedemann Securities/ E*Trade in London. Timothy then worked as an Institutional Sales trader at ETRADE Institutional in New York.

In his various roles, Timothy has accumulated extensive experience in Finance and Investment Management. He holds a Bachelor of Commerce (Accounting and Finance) from the University of Melbourne, is a Qualified Chartered Accountant (Australia) and a member of the Securities Institute of Australia.

3.6 ANDREW COLIN WEST

Andrew Colin West is a director and co-founder of Longlead and has more than 19 years' experience in finance and investment management. Before setting up Longlead, Andrew was the Deputy Portfolio Manager for Fundamental Strategies at Regal Funds Management from March 2008 to February 2014. He held responsibilities for portfolio management, stock research and for marketing the firm and its fundamental strategy. Prior to that, Andrew was one of the founding members of ANZ Private Equity in Australia from January 2001 to February 2008. He held the role of Associate Director and was responsible for growing the direct unlisted equity investment business of ANZ Bank. From January 1997 to September 2000, Andrew was an analyst at the Securities Industry Research Centre of Asia-Pacific, working on combined academic and industry focused research while completing his PhD.

Andrew holds a Bachelor of Commerce (First Class Honours) and a PhD in Finance from the University of Sydney.

4 OPERATING DETAILS OF THE FUND

The Fund is an open-ended Australian wholesale unregistered managed investment scheme taking the form of a unit trust and is governed by the Trust Deed.

This IM relates to Class G units in the Fund. Potential Investors must apply for such Units by completing and signing the Application Form and providing it to the Trustee. The Trustee may, in its absolute discretion, reject an application for Units, in whole or in part, and may by notice to a person reduce that person's commitment specified in their Application Form, each without giving a reason.

The Fund will invest all or substantially all of its assets, to the extent not retained in cash or cash equivalents, in Class G Participating Shares of the Feeder Fund, which will in turn invest substantially all of its assets in the Master Fund. For further information relating to the Feeder Fund and the Master Fund please see Section 5 of this IM.

4.1 INVESTING IN THE FUND

Applications to invest in the Fund are made by way of the application form provided by the Administrator. Completed application form with the relevant supporting documents are to be provided to the Administrator by 5:00pm (Sydney time) and at least five (5) business days before the relevant Transaction Day. A Transaction Day occurs on the first Business Day of each month. However, in accordance with the Trust Deed, the Trustee may accept such applications in its absolute discretion.

4.2 INITIAL MINIMUM INVESTMENT

The Initial Minimum Investment in the Fund is A\$100,000. The Trustee from time to time, with the approval of the Investment Manager, may determine and may vary this current Initial Minimum Investment for the Units.

4.3 SUBSEQUENT INVESTMENT

The Subsequent Minimum Investment in the Fund is A\$20,000. The Trustee from time to time, with the approval of the Investment Manager, may determine and may vary this current Subsequent Minimum Investment for the Units.

4.4 MINIMUM BALANCE

The Minimum Balance in the Fund is A\$100,000. The Trustee from time to time, with the approval of the Investment Manager, may determine and may vary this current Minimum Balance for the Units.

4.5 UNIT PRICES

The Initial Unit Price is A\$1.00.

For subsequent issues of Units, the Application Price is equal to the Net Asset Value at the relevant Transaction Day (plus any Application Transaction Costs) divided by the number of Units on issue at the relevant Transaction Day.

Unit prices are normally determined on the first Business Day of each month.

Unit prices will fluctuate with changes in the value of the investments held by the Fund. Assets of the Fund are valued in accordance with the Fund's Trust Deed and is, generally, based on the market value, the net fair value, or other value appropriate to the nature of the assets of the Fund and the nature of the Fund from time to time.

4.6 UNITS IN THE FUND

Each Unit confers an equal and undivided beneficial interest in the Fund. All Units have equal rights, entitlements and liabilities from the date of issue. A Unit does not confer an interest in any particular asset of the Fund.

When you invest in the Fund, you are allocated a number of units in the Fund. Each Unit represents a share in the Net Asset Value of the Fund. As a result, each Unit has a dollar value. The Unit price will vary as the Net Asset Value rises or falls.

When you make an investment in the Fund, we will allocate Units to you based on the Application Price for the relevant Transaction Day, which is the first Business Day of each month. When you redeem, we will redeem your Units based on the Redemption Price for the relevant Transaction Day.

The Fund may issue different Classes of units from time to time. As at the date of this IM, there are no other Classes of units in the Fund.

Units issued under this IM comprise Class G Units and, subject to the 'New Issues Rule' (see Section 9 of this IM) may comprise of Unrestricted Units and Restricted Units.

In regard to the New Issues Rule (which is further described in Section 9 of the IM), the Trustee may designate separate Classes of Unrestricted Units and separate Classes of Restricted Units to facilitate the identification of Investors who are eligible to invest in new issues in initial public offerings as defined in the New Issues Rule.

4 OPERATING DETAILS OF THE FUND

4.7 UNIT REDEMPTION

Generally, you can redeem some or all of your Units by giving the Trustee written notice of your redemption request by 5:00pm (Sydney time) and by providing the written notice at least sixty (60) calendar days before the relevant Transaction Day. A Transaction Day occurs on the first Business Day of each month. However, in accordance with the Trust Deed, the Trustee may accept such redemption requests in its absolute discretion.

The Minimum Redemption Amount is A\$20,000, subject to the Minimum Balance. The Trustee may from time to time determine or vary the Minimum Redemption Amount.

Redemptions will generally be paid to you within twenty-one (21) calendar days of the relevant Transaction Day.

The Redemption Price is equal to the Net Asset Value as at the relevant Transaction Day (less any Redemption Transaction Costs) divided by the number of Units on issue at that relevant Transaction Day.

The redemption proceeds will equal the number of Units being redeemed by an Investor multiplied by the applicable Redemption Price.

There may be circumstances where your ability to redeem on request from the Fund within the usual period is restricted pursuant to the Trust Deed. Redemption of Units or the payment of the proceeds of redemptions may be suspended for up to 365 days if:

- i. it is impracticable to calculate the Net Asset Value, for example because of:
 - an inability to value asset(s) of the Fund;
 - closure of, or trading restrictions or suspensions on any stock, commodities, futures or securities exchange or over-the-counter market on which any significant portion of the investments of the Fund is listed, quoted, traded or dealt; or
 - an emergency or other state of affairs or a declaration of a moratorium in a country where the Fund invests (or the Fund has exposure to through any derivative in which the Fund invests); or
- ii. the operator of the Fund's investments suspends, delays or restricts the redemption, issue or payment of redemption proceeds (as applicable), or is unable to provide a withdrawal price; or
- iii. the Trustee receives redemption requests of an aggregate value that in its reasonable estimate exceeds 5% (by value) of all Fund assets; or

- iv. there have been, or the Trustee anticipates that there will be, redemption requests in respect of Units that involve realising a significant amount of the Fund assets and the Trustee considers that if those redemption requests are all met immediately, Investors who continue to hold Units may bear a disproportionate burden of capital gains tax or other expenses, or the meeting of those redemption requests would otherwise be to the existing Investors' disadvantage including by way of a material diminution in the value of the Fund assets or departure from the investment strategy of the Fund; or
- v. the Trustee reasonably considers it is in the interests of the Investors; or
- vi. it is otherwise legally permitted.

In addition, the Trustee may in its absolute discretion at its election, upon a minimum of three (3) days' notice to an Investor, declare a redemption date on a day other than the Transaction Day and redeem all or a portion of Units held by such Investor in its absolute discretion including in situations where:

- i. the Trustee believes that the Units are held in breach of the prohibitions contained in the Trust Deed;
- ii. the Trustee determines that the Fund is uneconomical to operate; or
- iii. the Investor is a registered holder of Units below or having an aggregate Net Asset Value of less than, the Initial Minimum Investment.

4.8 DISTRIBUTIONS

Distributions will be calculated on a pro rata basis, by reference to the number of Units held by an Investor. Distributions from the Fund may comprise income and/or capital as determined by the Trustee, in consultation with the Investment Manager, under the Trust Deed. The amount of distributions will vary from period to period and there may be periods in which no distribution is made. Distributions received by Investors are generally assessable and can be made up of both income and capital components.

Investors agree that by investing into the Fund, any distribution made by the Fund will be dealt with by way of distribution reinvestment (unless otherwise determined by the Trustee). That is, income earned by the Fund is reinvested and reflected in the value of the Units.

However, this does not preclude the Trustee from making distributions at any time in the future if, in consultation with the Investment Manager, it considers it appropriate

4 OPERATING DETAILS OF THE FUND

taking into account such factors as the Trustee may in its discretion determine from time to time. If a distribution is made, it will be paid in accordance with the Trust Deed and the applicable laws of Australia.

4.9 REPORTING

A copy of the audited annual report and accounts of the Fund is available upon request after six (6) months from the end of the period to which such report and accounts related.

The Fund's financial statements are prepared in accordance with Australian Accounting Standards (**AASB**) and will be audited by the Fund's auditors.

The Administrator will make available to Investors, monthly statements which include information relating to the Net Asset Value, as soon as reasonably practicable after the end of each month.

The Investment Manager will make available monthly reports after the end of each month.

4.10 KEY MAN EVENT

In the event of the death or incapacity of Mr. Timothy Ellis Campbell and Mr. Andrew Colin West or in the event that Mr. Timothy Ellis Campbell and Mr. Andrew Colin West resign from or otherwise cease to devote substantially all their business time to the affairs of the Investment Manager (such event, a **Key Man Event**), the Fund will notify all its Investors promptly of such an occurrence. If a Key Man Event occurs, any Investor shall be entitled to submit its redemption request within thirty (30) calendar days of the date of such notice to redeem its Units in the Fund on the next available dealing day for redemption (being, the first Business Day of the calendar month to follow immediately thereafter).

The Feeder Fund, in which the Fund invests in, has the same Key Man Event provision. It is anticipated that in the event of the occurrence of the Key Man Event, the Investment Manager will begin to take reasonable steps to realise investments in the Master Fund's portfolio for cash as soon as practicable after redemption requests in the Fund, Feeder Fund and any other feeder fund(s) of the Master Fund have been received. Redemption requests following a Key Man Event are likely to require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realisable value of the Master Fund's assets.

4.11 VALUATIONS

The Net Asset Value of the Fund means the total value of all assets (that is all investments, rights and income) of the Fund less all liabilities of the Fund as determined by the Trustee in accordance with the Trust Deed. Assets of the Fund are valued in accordance with the Fund's Trust Deed and is, generally, based on the market value, the net fair value, or other value appropriate to the nature of the assets of the Fund and the nature of the Fund from time to time.

The Trustee does not have any special expertise in valuing assets. Accordingly, the Trustee relies upon the Administrator and/or third party service provider(s) to value the assets of the Fund. The Administrator and/or third party service provider(s) engaged to assist to perform valuations may determine the most appropriate method of valuing the assets of the Fund. There is no assurance that the calculation of the Net Asset Value will reflect the actual realised value of assets of the Fund. The Administrator and/or third party service provider(s) engaged to provide the valuation with respect to the Fund's assets may make such modifications to the means of calculating the Net Asset Value as it may from time to time consider reasonable to ensure that such changes accord with good accounting practice. Situations involving uncertainties as to the valuation of investments may have an adverse effect on the Fund's net assets if the valuation performed with respect to the Fund's assets should prove incorrect. Valuations may also be suspended where the Fund's assets cannot be valued or would yield a valuation which would be, in the opinion of the Investment Manager, to the detriment of the Investors.

The NAV per Unit is the Net Asset Value of the Class of Units divided by the number of Units in that Class as at that Valuation Day (rounded to six decimal places). This is used to determine the Application Price and Redemption Price for Units. The Investment Manager has delegated the calculation of the Net Asset Value to the Administrator.

In respect to the Fund, the Investment Manager intends to utilise unit accounting, on a whole of fund basis.

Fund expenses (including the Management Fee and Performance Fee) will ordinarily be allocated pro rata across all Units regardless of the Class to which they comprise except where an expense is disproportionately or (only) referable to a certain Class. The Fund may from time to time issue additional Units (including in separate Classes) to new or existing Investors.

4 OPERATING DETAILS OF THE FUND

Although it is not intended that the Fund will invest in illiquid investments in the ordinary course of the Fund's investment strategy, it is anticipated that if an investment becomes illiquid, such illiquid investment will be valued by the Administrator or such third party valuer(s) as may be appointed from time to time and with input or recommendation by the Investment Manager. It is anticipated that the valuation methodology for such illiquid investments will take into account factors such as the size of the position and materiality of the adjustment to the net asset valuation and the duration of the suspension and likely timeframe of resolution the suspension will be lifted. Investors should note that such factors are subject to change from time to time depending on the Administrator's and/or such third party valuer(s)' assessment of the nature of the circumstances giving rise to the illiquidity, general market conditions and input from the Investment Manager from time to time.

4.12 TERMINATION

The Trustee, with prior consent of the Investment Manager, may at any time terminate the Trust by providing written notice to the Investors. The Investors may at any time terminate the Trust in accordance with the relevant provisions of the Trust Deed and (where applicable) the Act.

Upon termination, the issue and redemption of Units ceases and any right that an Investor may have to have a redemption request processed is extinguished.

From the termination date, the Trust must (i) realise all the assets of the Trust; (ii) pay, discharge or provide for all the liabilities of the Trust and expenses of the termination; and (iii) distribute the net proceeds among the Investors pro rate to the number of Units held on the termination date.

The Trustee, with the approval of the Investment Manager (not to be unreasonably withheld), may postpone realising the assets of the Trust and is not responsible for any resulting loss unless caused by its fraud, negligence or breach of trust.

5 MASTER-FEEDER STRUCTURE

The Fund will invest substantially all of its assets, to the extent not retained in cash or cash equivalents, in Class G Participating Shares of the Feeder Fund, which will in turn invest substantially all of its assets in the Master Fund. The Feeder Fund and Master Fund are part of a master-feeder fund structure.

5.1 FEES

The Class G Participating Shares of the Feeder Fund does not have a management fee or performance fee payable to Longlead (in its capacity as the manager of the Feeder Fund). For the avoidance of doubt, the Management Fee and Performance Fee payable to the Investment Manager by the Fund are listed in Section 7.

5.2 REDEMPTION

The ability of the Fund to redeem its investments in the Feeder Fund depends on the redemption limitations imposed by the Feeder Fund and/or Master Fund, specifically the directors of the Feeder Fund and/or Master Fund may, at their absolute discretion, postpone redemptions if:

- i. in respect of participating shares in the Master Fund, requests for redemptions of the Master Fund which, if aggregated with redemptions and/or with withdrawal requests made in relation to any other investors in the Master Fund, would, if all such redemption and withdrawal requests were carried out in full, result in the aggregate redemption of more than twenty-five percent (25%) (or such other percentage as the directors of the Master Fund may determine) of all participating shares in the Master Fund on issue, in which case, the redemption requests in relation to those participating shares of the Master Fund may be postponed rateably and pro rata amongst the shareholders of such participating shares such that redemptions cover not more than 25% (or such other percentage as the directors of the Master Fund may determine) of all the participating shares of the Master Fund on issue; and/or
- ii. notwithstanding the provisions of (i) above, the directors of the Master Fund reasonably determines that the Master Fund is unable to realise part or all of the assets of the Master Fund in time to satisfy all the redemptions due to the Master Fund's or the Feeder Fund's exercise of its right of compulsory redemption.

In the event of (i) or (ii) above, the directors of the Master Fund may then reduce all but not some of the redemption requests in relation to participating shares pro rata so that they cover no more than the corresponding participating shares in the Master Fund issued that can be redeemed at the relevant dealing day.

Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Master Fund to postpone redemption requests will be treated as if the request had been made (without priority) in respect of the next dealing day for redemptions and all following dealing days for redemptions (in relation to which the Master Fund has the same power to further postpone such redemption requests) until the original request has been satisfied in full, provided that any such redemption requests shall be satisfied by no later than the fourth dealing day for redemptions following the applicable redemption request.

Any unsatisfied portion of any redemption request will continue to be at risk in the Master Fund's business.

5.3 SPECIAL INVESTMENTS

In the event that any investment of the Master Fund becomes illiquid or restricted or lacks a readily assessable market value or which the directors of the Master Fund determine in their discretion, on the recommendations of Longlead (in its capacity as the manager of the Master Fund), should be held until the resolution of a special event or circumstance (**Special Investment**), the directors of the Master Fund, in consultation with Longlead (in its capacity as the manager of the Master Fund), may designate such investment as a Special Investment. Upon such determination, the Trustee may issue a new class of Units (**Special Investment Units**), in consultation with the Investment Manager, representing the investment of the Master Fund in Special Investments if the Trustee determines that such Units are necessary in order to avoid exposing the Fund to a significant liquidity burden.

Whenever a Special Investment is designated, a portion of the Class G Units in the Fund at such time will be converted (by way of compulsory redemption and subsequent subscription) into a new class of Special Investment Units representing a pro rata interest in the Special Investment, based on each Investor's relative ownership of Class G Units. A new class of Special Investment Units will be issued to the Investors of the Fund in respect of each Special Investment at the subscription price to be determined by the Trustee in its discretion, in consultation with the Investment Manager.

5 MASTER-FEEDER STRUCTURE

In regard to the conversion of the Class G Units to Special Investment Units (as referred to in the paragraph above):

- i. a corresponding Application Form will be deemed to have been executed by the relevant Investor and provided to the Trustee in regard to the issuance of the Special Investment Units; and
- ii. the Trustee (in consultation with the Investment Manager) may elect to waive the Minimum Redemption Amount, Initial Minimum Investment, Minimum Balance and Subsequent Minimum Investment requirements (as relevant) in order to issue the relevant Special Investment Units to the Investors.

The Special Investment Units are not redeemable at the option of the Investors and an Investor will continue to participate in such Special Investments until the investment is sold or liquidated, even if such Investor no longer holds any Class G Units (which was originally converted into Special Investment Units).

Special Investment Units are allocated only to those Investors holding Class G Units at the time such Special Investment is designated.

At the sole discretion of the Trustee (in consultation with the Investment Manager), special Transaction Days for applications and special Transaction Days for redemptions may be introduced to facilitate conversion between Class G Units and Special Investment Units or for any reason deemed appropriate by the Trustee (in consultation with the Investment Manager) from time to time.

The Trustee may hold a portion of the cash proceeds (if any) arising from the compulsory redemption of the Class G Units which is payable to an Investor and which are not required for subscription to Special Investment Units in reserve and use the reserved amount to pay the ongoing fees, allocations and expenses with respect to the Investor's interest in the Special Investment. In the event that any reserved amounts remain at the time of the occurrence of a realisation event relating to the Special Investment Units, the Fund shall pay the remaining unused reserved amounts (without interest) to the relevant Investors.

The Management Fee in respect of the Special Investment Units is equal to the Management Fee applicable to the relevant Class G Units (which were converted into Special Investment Units), calculated and accrued daily and is payable monthly in arrears from the assets of the Fund at the last Business Day of each calendar month. At the option of the Trustee, in consultation with the Investment Manager, the payment of such fees may be deferred until the occurrence of a realisation event.

The Performance Fee in respect of Special Investment Units will be calculated based on the appreciation in the Net Asset Value of such Special Investment Units as calculated upon the occurrence of a realisation event.

Upon a realisation of a particular Special Investment or a determination by the directors of the Master Fund, in consultation with the Investment Manager, that such Special Investment shall no longer be maintained as a Special Investment (a '**realisation event**'), all (or a relevant portion in the event of a partial realisation) of an Investor's Special Investment Units attributable to such Special Investment will be compulsorily redeemed by the Trustee (in consultation with the Investment Manager) at the Net Asset Value per Unit of the Special Investment Units, the proceeds will be applied to subscribe for Class G Units (issued at the prevailing Application Price), for the account of such Investor. An Investor who no longer holds Class G Units shall either receive Class G Units (issued at the prevailing Application Price) or will be paid the proceeds of the sale of the Special Investments in cash less any fees and expenses attributed to such Special Investments, in each case at the discretion of the Trustee (in consultation with the Investment Manager). At the sole discretion of the Trustee (in consultation with the Investment Manager), special Transaction Days for applications and special Transaction Days for redemptions may be introduced to facilitate conversion between Special Investment Units and Class G Units or for any reason deemed appropriate by the Trustee (in consultation with the Investment Manager) from time to time.

In regard to the conversion of the Special Investment Units to Class G Units (as referred to in the paragraph above):

- i. a corresponding Application Form will be deemed to have been executed by the relevant Investor and provided to the Trustee in regard to the issuance of the Class G Units; and
- ii. the Trustee (in consultation with the Investment Manager) may elect to waive the Minimum Redemption Amount, Initial Minimum Investment, Minimum Balance and Subsequent Minimum Investment requirements (as relevant) in order to issue the relevant Class G Units to the Investors.

Special Investments generally are valued at the estimated fair value for the purposes of calculating the Net Asset Value of Special Investment Units issued in connection with the Special Investments.

The Trustee (in consultation with the Investment Manager) has determined that the Performance Fees will not be payable in connection with a conversion

5 MASTER-FEEDER STRUCTURE

(by redemption and subsequent subscription) on the redemption of Class G Units to Special Investment Units. Performance Fees will be payable upon the occurrence of a realisation event.

5.4 FOREIGN EXCHANGE HEDGING

Noting that:

- i. investments made into the Fund are made in Australian dollars;
- ii. the Fund will invest substantially all of its assets, to the extent not retained in cash or cash equivalents, in Class G Participating Shares of the Feeder Fund which will in turn invest substantially all of its assets in the Master Fund; and
- iii. the Feeder Fund and the Master Fund use the US dollar as the functional currency,

Longlead (in its capacity as the manager of the Master Fund) will utilise foreign exchange hedging to manage the Australian/US dollar currency exposure at the Master Fund level.

In regard to the Australian/US dollar currency exposure, over the medium term, Longlead (in its capacity as the manager of the Master Fund) intends to deliver to investors (in the Class G Participating Shares of the Feeder Fund) a similar return (in Australian dollars) to that received by other investors in the Feeder Fund for whom the NAV is calculated in US dollars. To achieve this, Longlead (in its capacity as the manager of the Master Fund) will seek to hedge the direct exposure to movements in the Australian/US dollar cross rate, arising from the different functional currencies of the Fund and the Feeder Fund, within an indicative tolerance range of 80% to 110% of the Fund's NAV.

Longlead (in its capacity as the manager of the Master Fund) will utilise its sole discretion in the level of hedging applied at any time and shall not be under any liability if it exceeds the tolerance range stated above. Longlead (in its capacity as the manager of the Master Fund) may, without the consent of or notification to the investors (in the Class G Participating Shares of the Feeder Fund), temporarily exceed the boundaries expressed in the tolerance range above provided actions are taken to bring the level of Australian/US dollar hedging back within the tolerance range within an appropriate amount of time considering all the circumstances.

5.5 OTHER INFORMATION

Please also see Sections 2 and 3 of this IM for summary of the Master Fund's investment strategy and objective, approach to leverage and investment restrictions.

A copy of the Amended and Restated Placing Memorandum relating to the Feeder Fund is available free of charge by calling the Investment Manager on +(65) 6805 9391.

6 RISKS

All investments carry risks. There are a number of risks, both specific to the Fund and of a general nature that may impact the value of investments and the level of return (including the return at the Master Fund level). An investment in the Fund is speculative and involves substantial risks and conflicts of interest, including those relating to the Investment Manager, its principals, affiliates and employees.

Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

The Trustee and the Investment Manager do not guarantee the liquidity of the Fund's investments, repayment of capital or any rate of return for the Fund's investment performance. The value of the Fund's investments will vary. Returns are not guaranteed and you may lose money by investing in the Fund. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may change in the future. The structure and administration of the Fund is also subject to change.

In addition, the Trustee and the Investment Manager do not offer advice that takes into account your personal financial situation, including advice about whether the Fund is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

Investment in the Fund is only suitable for investors who can afford to lose all or a substantial portion of their investment. The key risks below should be considered in light of your risk profile when deciding whether to invest in the Fund. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

The risks described in this Section 6 – Risks apply equally with respect to the Fund's investment in the Feeder Fund, *mutatis mutandis*.

The key risks of investing in the Fund include but are not limited to the following:

6.1 CONCENTRATION RISK

The Fund invests substantially all of its assets in Class G Participating Shares of the Feeder Fund which will in turn invest substantially all of its assets in the Master Fund resulting in concentration risks.

6.2 FUND RISK

Risks particular to the Fund include that:

- i. it could terminate;
- ii. the fees and expenses could change;
- iii. Evolution Trustees Limited is replaced as trustee of the Fund; or
- iv. Longlead Capital Partners Pte. Ltd. is replaced as investment manager of the Fund.

6.3 POTENTIAL LOSS OF INVESTMENT

The Investment Manager and the Trustee do not guarantee and make no representation that the Fund's investment program will be successful. Prospective investors should be aware that the value of the Units and the return derived from them may fluctuate. The same applies to the securities in which the Master Fund invests. In addition, there can be no assurance that the Master Fund will achieve its investment objective. Returns are not guaranteed and potential investors may risk losing some or all of their investment in the Fund. The Fund is not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

6.4 INVESTMENT STRATEGY

Longlead's strategy can be considered speculative in that Longlead will seek to anticipate movements in the price level or volatility of individual securities, market segments and the financial markets as a whole and to position the Master Fund's investments to benefit from such expected movements. Successful implementation of this strategy requires accurate assessments of general economic conditions, the prospects of individual companies or industries, and the future behaviour of other financial market participants. Even with the most careful analysis, the direction of the financial markets is often driven by unforeseeable economic, political and other events (including a pandemic) and the reaction of market participants to these events. There can be no assurance that Longlead's strategy will be successful and an unsuccessful strategy may result in significant losses to the Master Fund.

See further the 'COVID-19 and Pandemic Risks' paragraph below in this Section 6 of the IM.

6 RISKS [CONT'D]

6.5 MASTER-FEEDER FUND STRUCTURE

The Fund invests all or substantially all of its assets in the Feeder Fund which is part of a master-feeder fund structure. A 'master-feeder' fund structure, particularly where there are multiple investment vehicles investing in the same portfolio (in this case, the Master Fund), presents certain unique risks to Investors.

A master-feeder fund structure may potentially create conflict for Longlead as it is acting in different capacities (that is, as investment manager of the Fund and manager of the Feeder Fund and the Master Fund). Accordingly, Longlead may make investment decisions that benefit a particular investor in the Master Fund but disadvantage another investor (for example, the Fund), or vice versa.

In addition, smaller investment vehicles investing in the Master Fund may be materially and adversely affected by the actions of larger investment vehicles investing in the Master Fund. For example, if a larger investment vehicle withdraws from the Master Fund, the remaining funds may experience higher pro rata operating expenses, thereby producing lower returns. Substantial withdrawals of capital by Investors in the Fund and other feeder funds, over a short period of time could also necessitate the liquidation of securities positions at a time and in a manner which does not provide adequate economic advantage to the Master Fund. This could therefore adversely affect the value of the Master Fund's assets.

Similarly, a significant capital inflow from investors in one of the feeder funds at a time when capital cannot be effectively deployed could adversely affect the returns received by investors in the other feeder funds.

6.6 DECISIONS BASED UPON FUNDAMENTAL ANALYSIS MAY NOT RESULT IN PROFITABLE TRADING

Longlead will use a fundamental, research-intensive approach. The risk of such a fundamental analysis is that it may not result in profitable trading because Longlead may not know all of the factors affecting a particular investment or hedging instrument. These unknown factors may, or may not be, reflected in Longlead's past performance, and may affect the future performance of the Master Fund (and, indirectly, the Fund).

6.7 DERIVATIVES

The Master Fund's investments may include derivatives such as warrants, options and futures, which may be volatile and speculative. The risk of investing in derivatives, for example, warrants, options and futures depends on the terms attached to them and on the volatility of the financial markets on which they are traded. Separately, in relation to over-the-counter derivatives, because over-the-counter derivatives—such as forwards, and options—are customised transactions, they often assemble risks in complex ways. This can make the measurement and control of these risks more difficult and create the possibility of unexpected loss. The viability of exercising warrants and/or options is dependent on the market prices of the securities to which they relate, and any costs incurred in obtaining the warrants or options may not be recoverable if Longlead (in its capacity as the manager of the Master Fund) considers it not to be appropriate to exercise such warrants/options. The prices of futures and other derivatives contracts are volatile and may be influenced, among other things, by actual and expected changes in the underlying security or securities index or in interest rates and currency exchange rates, which are in turn affected by fiscal and monetary policies and national and international political and economic events. Due to the relatively low margin deposits required, futures trading involves an extremely high degree of leverage. As a result, a relatively small price movement in a futures or derivatives contract may result in an immediate and substantial loss, or gain, to the Master Fund.

The primary risk with derivative investments is that their use may amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative instrument. Derivatives involve special risks, including:

- i. the risk that interest rates, securities prices, commodities markets, futures markets and currency markets will not move in the direction that Longlead anticipates;
- ii. imperfect correlation between the price of derivative instruments and movements in the prices of the securities, commodities, interest rates or currencies being hedged;
- iii. the skills needed to use these strategies are different than those needed to select portfolio securities;
- iv. the possible absence of a liquid secondary market for any particular instrument and possible exchange imposed price fluctuation limits, either of which may make it difficult or impossible to close out a position when desired;

6 RISKS [CONT'D]

- v. the risk that adverse price movements in an instrument can result in a loss substantially greater than the Master Fund's initial investment in that instrument (in some cases, the potential loss is unlimited);
- vi. particularly in the case of privately negotiated instruments, the risk that the counterparty will not perform its obligations; and
- vii. the inability to close out certain hedged positions to avoid adverse tax consequences.

To the extent the Master Fund invests in swaps, 'synthetic' or derivative instruments, repurchase agreements, certain types of options or other customised financial instruments, the Master Fund takes on the counterparty risk of non-performance by the other party to the contract. This risk may include credit risk and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that are generally supported by guarantees of clearing organisations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions off exchange entered directly between two counterparties generally do not benefit from such protections as are typical in a regulated market and may heighten the risk of counterparty default.

In addition, there may be risks involved in dealing with the custodians or brokers who settle the Master Fund trades. Generally, it is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets of the Master Fund, and hence the Master Fund should not be exposed to a credit risk with respect to such parties. However, it may not always be possible to achieve this segregation, and there may be practical or timing problems associated with enforcing the Master Fund's rights to its assets in the case of an insolvency of any such party. Furthermore, subject to applicable law or regulation, the Master Fund's assets may also be rehypothecated, borrowed, lent or otherwise used by the relevant prime broker in its capacity as such for its own purposes.

Operational Risk/Derivatives. Operational risk is the risk of losses occurring because of inadequate systems and control, human error, or management failure. The complexity of derivatives requires special emphasis on maintaining adequate human and systems controls to validate and monitor the transactions and positions of dealers. The main types of internal controls, depending

upon the level of derivatives and the sophistication of the institution, may include the following:

- i. Oversight of informed and involved senior management.
- ii. Documentation of policies and procedures, listing approved activities and establishing limits and exceptions, credit controls, and management reports.
- iii. Independent risk management function (analogous to credit review and asset/liability committees) that provides senior management validation of results and utilisations of limits.
- iv. Independent internal audits that verify adherence to the firm's policies and procedures.
- v. A back office with the technology and systems for handling confirmations, documentation, payments, and accounting.
- vi. A system of independent checks and balances throughout the transaction process, from front-office initiation of a trade to final payment settlement.

Prospective investors should be aware that since Longlead only has a limited operating history, exposure to any operational weakness of Longlead's business systems may be pronounced.

Forward Contracts. A forward contract obligates one party to buy, and the other party to sell, a specific underlying security at a specific price, amount, and date in the future. Forward contracts create credit exposure. Since the value of the contract is conveyed only at maturity, the parties are exposed to the risk of default and credit risk of counterparties during the life of the contract.

Other Hedging Positions. The Master Fund may become a party to various other customised derivative instruments entitling the counterparty to certain payments on the gain or loss on the value of an underlying or referenced instrument. Certain options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk.

To the extent that options and other derivative instruments are used by the Master Fund, they inherently contain much greater leverage than does a non-margined purchase of the underlying security. Investors should note therefore that some investments made or to be made by the Master Fund (and, indirectly, the Fund) from time to time may be inherently leveraged.

6 RISKS [CONT'D]

6.8 FUTURES CONTRACTS, OPTIONS AND FOREIGN EXCHANGE TRANSACTIONS

The risk of loss in trading futures contracts, options, foreign exchange and leveraged foreign exchange transactions can be substantial. In particular:

- i. If the Master Fund purchases or sells a futures contract or leveraged foreign exchange transaction, the Master Fund may sustain a total loss of the Master Fund's position. If the market moves against the Master Fund's position, the Master Fund may be called upon to deposit a substantial amount of additional margin funds on short notice in order to maintain its position. If the Master Fund does not provide the required funds within the specified time, its position may be liquidated at a loss, and the Master Fund will be liable for any resulting deficit in its account.
- ii. Under certain market conditions, the Master Fund may find it difficult or impossible to liquidate a position.
- iii. The placement of contingent orders by the Master Fund or Longlead authorised by the Master Fund, such as a 'stop-loss' or 'stop limit' order, will not necessarily limit the Master Fund's losses to the intended amounts, since market conditions may make it difficult or impossible to execute such orders.
- iv. A 'spread' position may not be less risky than a simple 'long' or 'short' position.
- v. The high degree of leverage that is often obtainable in futures and leveraged foreign exchange trading can work against the Master Fund. The use of leverage can lead to large losses as well as gains.
- vi. The Master Fund is subject to substantial charges for management and advisory fees. It may be necessary for the Master Fund to make substantial trading profits to avoid depletion or exhaustion of its assets.
- vii. Trading in futures is regulated by the Commodity Futures Trading Commission (CFTC). Pursuant to an exemption from registration under CFTC regulations, Longlead is not required to register, and is not registered, with the CFTC or the National Futures Association (NFA) as a commodity pool operator or as a commodity trading advisor. To comply with the exemption from Commodity Pool Operator (CPO) registration, Longlead is subject to specific limitations on the amount of futures contracts, options on futures contracts, non-deliverable forward contracts, swaps subject to CFTC jurisdiction and certain

other related instruments (collectively, 'commodity interests') that it can trade on behalf of the Master Fund. Should the Master Fund's investments in commodity interests exceed the limits provided by the applicable exemption from registration, Longlead will either have to register as a CPO with CFTC or cease providing commodity interest trading advice to the Master Fund and liquidate the Master Fund's holdings of commodity interests which could result in losses and additional costs to the Master Fund.

Movements in the Australian/US dollar cross rate.

As stated in Section 5 above, Longlead (in its capacity as the manager of the Master Fund) will seek to hedge the direct exposure to movements in the Australian/US dollar cross rate, arising from the different functional currencies of the Fund and the Feeder Fund.

Movements in the Australian/US dollar cross rate can have an adverse impact on Fund performance subject to Longlead's approach on foreign exchange hedging. In regard to this, as stated in Section 5 above:

- the proposed indicative tolerance range for the proposed foreign exchange hedging is between 80% to 110% of the Fund's NAV;
- however, Longlead (in its capacity as the manager of the Master Fund) will utilise its sole discretion in the level of hedging applied at any time and shall not be under any liability if it exceeds the tolerance range stated above; and
- Longlead (in its capacity as the manager of the Master Fund) may, without the consent of or notification to the investors (in the Class G Participating Shares of the Feeder Fund), temporarily exceed the boundaries expressed in the tolerance range above provided actions are taken to bring the level of Australian/US dollar hedging back within the tolerance range within an appropriate amount of time considering all the circumstances.

Accordingly, there can be no assurance that Longlead (in its capacity as the manager of the Master Fund) will achieve its intention to deliver to investors (in the Class G Participating Shares of the Feeder Fund) a similar return (in Australian dollars) to that received by other investors in the Feeder Fund for whom the NAV is calculated in US dollars.

6 RISKS [CONT'D]

6.9 LEVERAGE RISK

The Fund does not intend to use leverage. However, Longlead (in its capacity as the manager of the Master Fund) may apply leverage for the account of the Master Fund by borrowing and may also engage in investment strategies that constitute leverage should Longlead (in its capacity as the manager of the Master Fund) consider this necessary or desirable. All references below to Longlead in this 'Leverage Risk' paragraph is a reference to Longlead in its capacity as the manager of the Master Fund. Such strategies may include the borrowing and short selling of securities, the acquisition of securities on margin and the acquisition and disposal of certain types of derivative securities and instruments, such as futures and options.

Whilst leveraging creates an opportunity for greater total returns it will also expose the Master Fund to a greater risk of loss arising from adverse price changes including:

- i. greater losses from investments than would otherwise have been the case had the Master Fund not borrowed to make the investments,
- ii. margin or collateral calls or interim margin or collateral requirements may force premature liquidations of investment positions; and
- iii. losses on investments where the investment fails to earn a return that equals or exceeds the Master Fund's cost of borrowing such funds.

In the event of a sudden, precipitous drop in value of the Master Fund's assets, the Master Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by the Master Fund.

Further, in an unsettled credit environment, Longlead may find it difficult or impossible to obtain leverage for the Master Fund. Since leveraging its assets may be an integral part of the investment strategy of the Master Fund, in such event the Master Fund could find it difficult to fully implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in Longlead being forced to unwind positions quickly and at prices below what Longlead deems to be fair value for the positions.

The purposes for which leverage is deployed and the level and manner of calculating leverage specified in this IM may be subject to change, taking into account circumstances and Longlead's consideration of prevailing market, business-economic cycle and other conditions from time to time.

6.10 STOCK BORROWING

Longlead (in its capacity as the manager of the Master Fund) may borrow securities for the account of the Master Fund on terms that such securities may be recalled by the lender at short notice. If the securities are recalled, Longlead may be required to unwind a strategy early, which may result in losses.

6.11 SHORT SELLING

Longlead (in its capacity as the manager of the Master Fund) may sell for the account of the Master Fund securities of an issuer short. If the price of the issuer's securities decline, Longlead may then cover the short position with securities purchased in the market. The profit realised on a short sale will be the difference between the price received in the sale and the cost of the securities purchased to cover the sale.

Short sales can, in certain circumstances, substantially increase the impact of adverse price movements in the Master Fund's portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There is a risk that the Master Fund would have to return the securities it borrows, in connection with a short sale, to the securities lender on short notice. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a 'short squeeze' can occur, and the Master Fund may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.

Short selling activities are also subject to restrictions imposed by the various national and regional securities exchanges, which restrictions could limit the investment activities of Longlead (in its capacity as the manager of the Master Fund).

In addition to engaging in short sales, the Master Fund may enter into synthetic, derivative and/or redemption transactions with certain counterparties that have the effect of replicating short sales.

6 RISKS [CONT'D]

6.12 LIQUIDITY OF INVESTMENT PORTFOLIO

Longlead (in its capacity as the manager of the Master Fund) may enter into derivative transactions for the account of the Master Fund in the over-the-counter market which may give rise to the risk of illiquidity. Liquidity relates to the ability of Longlead (in its capacity as the manager of the Master Fund) to dispose of a derivative in a timely manner. The market for relatively illiquid investments tends to be more volatile than the market for more liquid investments. Investment of the Master Fund's assets in relatively illiquid investments may restrict the ability of Longlead (in its capacity as the manager of the Master Fund) to dispose of such investments at a price and time that it wishes to do so. Furthermore, there is no regulated market in over-the-counter derivative transactions, and the bid and offer prices will be established solely by dealers in such transactions.

6.13 CONVERTIBLE SECURITIES

The Master Fund's investments may include convertible securities. Convertible securities (such as securities bonds) may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period at a specified price or formula. A convertible security entitles the holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they may:

- i. have higher yields than common stocks, but lower yields than comparable non-convertible securities (except in the case of 'zero-coupon' convertible bonds);
- ii. be less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics; and
- iii. provide the potential for capital appreciation if the market price of the underlying common stock increases.

6.14 REPATRIATION OF CAPITAL, DIVIDENDS, INTEREST AND OTHER INCOME RISKS

It may not be possible for the Master Fund to repatriate capital, dividends, interest and other income from certain countries, or it may require government consent

to do so. The Master Fund could be adversely affected by the introduction of the requirement for any such consent, or delays in or the failure to grant any such consent, for the repatriation of funds or by any official intervention affecting the process of settlement of transactions that may in turn affect the repatriation of funds. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

6.15 SETTLEMENT, CLEARING AND REGISTRATION RISKS

Some of the countries in which the Master Fund may invest are undergoing rapid expansion. There can be no guarantee that the operation or performance of settlement, clearing and registration of transactions functions in some of these markets will be effected properly. Where organised securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities where these are acquired other than as direct investments. Furthermore, due to the local postal and banking systems in many less developed markets, no guarantee can be given that all entitlements attaching to quoted and over-the-counter traded securities acquired by the Master Fund, including those related to dividends, can be realised. Some markets currently dictate that a local prime broker receives monies for settlement by a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement.

6.16 SMALL AND MID-CAPITALISATION COMPANIES RISK

The stocks of small and mid-capitalisation companies may have lower liquidity and their prices are typically more volatile and more vulnerable to adverse business or economic developments than those of larger capitalisation companies. This may impact the Net Asset Value of the Master Fund to a larger extent than those of funds that invest in stocks of larger capitalisation companies.

Small and mid-capitalisation companies generally have less diverse product lines than large-capitalisation companies and thus are more susceptible to adverse developments concerning their products.

6 RISKS [CONT'D]

6.17 MARKET RISK

Financial markets are increasingly more volatile. Wide swings in market prices that have been a feature of smaller and less developed markets are also becoming common in major financial markets. In many instances, market prices defy rational analysis or expectation for prolonged periods and are influenced by movements of large funds as a result of short-term factors, counter-speculative measures or other reasons. Market volatility of large enough magnitude can sometimes weaken what is deemed a sound fundamental basis for investing in a particular market. Investment expectations may therefore fail to be realised in such instances.

As such, the prices of financial instruments in which Longlead (in its capacity as the manager of the Master Fund) may invest can be volatile. Price movements of forward and other derivative contracts in which the Master Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Master Fund is subject to the risk of failure of any of the exchanges on which its positions trade or of its clearing houses.

6.18 MARKET DISLOCATION AND ILLIQUIDITY; RECENT MARKET DEVELOPMENTS

Recent developments in the financial markets have illustrated that the current environment is one of extraordinary and possibly unprecedented uncertainty for general market participants. For example Asian securities markets and their participants, may have been significantly and some possibly adversely affected by such market turmoil. The impact of such risks on the markets in which the Master Fund operates in general cannot be determined with precision but could or may be adversely affect the business of the Master Fund, restrict the ability of the Master Fund to acquire, sell or liquidate investments and financial instruments at favourable times and/or for favourable prices, restrict the Master Fund's investment activities and impede the Master Fund's ability effectively to achieve its investment objectives.

6.19 INVESTMENTS IN PUBLICLY TRADED SECURITIES

Some of the markets in which the Master Fund (and, indirectly, the Fund) may invest are emerging markets, and consequently tend to be substantially smaller, less liquid, less regulated and more volatile than major securities markets, such as those in more developed economies. The limited liquidity of securities in some emerging countries could also affect the Master Fund's ability to acquire or dispose of securities at the price and at the time they wish to do so. For further details on this risk please see the 'Risk Factors Relating to Emerging Markets' paragraph below in this Section 6 of the IM

6.20 RISKS ASSOCIATED WITH UNSPECIFIED TRANSACTIONS

There are risks and uncertainties to Investors with respect to the selection of investments. The business of identifying and structuring the acquisition of investments is highly competitive and involves a high degree of uncertainty. The availability of investment opportunities generally will be subject to market conditions. In particular, in light of changes in such conditions, including changes in long term interest rates, certain types of investments may not be available to Longlead (in its capacity as the manager of the Master Fund) on terms as attractive as those previously available. All references below to Longlead in this 'Risks Associated with Unspecified Transaction' paragraph is a reference to Longlead in its capacity as the manager of the Master Fund. Longlead may be competing for investment opportunities with entities that have substantially greater financial and other resources than the Master Fund. Those entities may be able to accept more risk than Longlead can prudently manage. Competition generally may reduce the number of suitable investment opportunities available to Longlead and increase the bargaining power of sellers. Longlead may face increasing competition for attractive investments from existing and new investors. No assurance can be given that Longlead will be successful in obtaining suitable investments at attractive prices or that it will be able fully to invest the subscription monies raised.

6.21 RISKS ASSOCIATED WITH PRE-IPO INVESTMENTS

Pre-IPO investments involve buying a stake in a company before the company makes its initial public offering of securities. As such, investments in the unregistered securities of such a company may be difficult to liquidate

6 RISKS [CONT'D]

before the company goes public. The Master Fund is also subject to the risk that the company may never go public. In such an event, the Master Fund may not be able to recoup its investment in the company. Furthermore, current and reliable information about the company may be difficult to obtain and therefore there is a high degree of uncertainty in respect of such pre-IPO investments. Although some IPOs yield attractive returns, there is also the risk that some IPOs may fall below the IPO price and the Investment Manager makes no assurance that the pre-IPO investments that would yield positive returns.

6.22 INVESTMENT CONCENTRATION

As the Master Fund's investment strategies do not mandate diversification, the Master Fund may have all or a high percentage of its assets invested in only a few investments. Such lack of diversification could result in either large gains or losses depending on the performance of one or a few Investments. Accordingly, the investment portfolio of the Master Fund may be subject to more rapid change in value than would be the case if the Master Fund were required to maintain a diversification in terms of companies, industry type or geographical focus.

6.23 LIMITED CURRENT RETURN

Realisation of gains, if any, will generally occur only upon the partial or complete disposition of an investment. Losses from unsuccessful investments may be realised before gains from successful investments are realised. Current returns from investments may vary, but Longlead is not obligated to manage investments to maximise current returns.

6.24 EXPEDITED TRANSACTIONS

Investment analysis and decisions by Longlead may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to Longlead at the time of an investment decision may be limited, and Longlead may not have access to detailed information regarding the investment opportunity. Therefore, no assurance can be given that Longlead will have knowledge of all relevant circumstances that may adversely affect an investment. In addition, Longlead may rely upon independent consultants in connection with its evaluation of proposed investments. However, no assurance can be given that these consultants will accurately evaluate such investments and the Master Fund may incur liability or loss as a result of such consultants' actions.

6.25 POSSIBLE EFFECT OF SUBSTANTIAL REDEMPTIONS

If a substantial number of redemptions are received at any one time in the Master Fund, the Master Fund may have to liquidate its positions more rapidly than otherwise desired in order to raise the cash necessary to fund those redemptions. The Master Fund may find it difficult to liquidate its positions on favourable terms if some of the securities it holds are illiquid (including investments in Pre-IPO investments). This could result in losses or a decrease in the Net Asset Value of the Master Fund.

In particular, Investors should be aware that a substantial portion of the Units in the Fund and/or participating shares in the Feeder Fund may be held by certain specific investors and/or shareholders and that a redemption of some or all of these may have a materially adverse effect on the liquidity of the Fund.

If Longlead (in its capacity as the manager of the Master Fund) determines that it is inadvisable to liquidate the Master Fund's portfolio assets for the purpose of meeting any redemption requests, the Master Fund may borrow the cash necessary to meet such redemption requests.

Investors should note that under certain market conditions, the Master Fund may only be able to effect borrowing (if any and if available) at a higher cost to the Master Fund. The Master Fund may also pledge its assets as collateral security for the repayment of such borrowing. In the circumstances, the higher cost of borrowing to the Master Fund may result in decrease in the Net Asset Value of the Master Fund. Investors should note that the continuing investors within the Master Fund will bear the risk of any subsequent decline in the value of the Master Fund's investments.

6.26 LIABILITIES UPON DISPOSITION

In connection with the disposition of an investment, the Master Fund may be required to make representations about the business and financial affairs of the entities which hold the investment typical of those made in connection with the sale of any business, may be responsible for the content of disclosure documents under applicable securities laws, and may be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which will be borne by the Master Fund.

6 RISKS [CONT'D]

6.27 RECOURSE TO ALL ASSETS

The assets of the Master Fund, including any investments made by the Master Fund and any funds held by the Master Fund, are available to satisfy all liabilities and other obligations of the Master Fund. If the Master Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Master Fund's assets generally and not be limited to any particular assets, such as the asset representing the investment giving rise to the liability. This may result in Longlead (in its capacity as the manager of the Master Fund) disposing of assets the Master Fund holds in order to satisfy liabilities arising from other assets.

6.28 UNINSURED LOSSES

Longlead (in its capacity as the manager of the Master Fund) may use insurance to cover certain risks where Longlead determines that coverage is desirable, available, and cost effective. However, there can be no assurance that insurance coverage will be available or sufficient to cover any such risks. Insurance against certain risks, such as war, acts of terrorism, earthquakes, hurricanes, tsunamis, or floods, may be unavailable, available in amounts that are less than the full market value or replacement cost of underlying properties, or subject to a large deductible. In addition, Longlead (in its capacity as the manager of the Master Fund) may invest in jurisdictions in which insurance is unavailable. There can be no assurances that the particular risks that are currently insurable will continue to be insurable on an economically affordable basis. Because the Master Fund is a pooled investment fund, all assets of the Master Fund may be at risk in the event of an uninsured liability to third parties.

6.29 INTEREST RATE RISKS

Changes in interest rates may adversely affect the Master Fund's investments. Changes in the level of interest rates can affect the Master Fund's income by affecting the spread between the income on its assets and the expense of its interest bearing liabilities, as well as the value of the Master Fund's interest earning assets and its ability to realise gains from the sale of assets. Interest rates are highly sensitive to factors such as governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements, and other factors beyond the control of Longlead.

Longlead (in its capacity as the manager of the Master Fund) may finance investment activities with both fixed and variable rate debt. With respect to its variable rate debt, the Master Fund's performance may be affected adversely if Longlead (in its capacity as the manager of the Master Fund) does not or is unable to limit the effects of changes in interest rates on its operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts, or buying and selling interest rate futures or options on such futures.

Should Longlead (in its capacity as the manager of the Master Fund) so elect (and it will be under no obligation to do so), the use of hedging instruments to hedge a portfolio carries certain risks, including the risk that losses on a hedge position will reduce the Master Fund's earnings and funds available for distribution to the investors in the Master Fund and that such losses may exceed the amount invested in such instruments. There is no perfect hedge for any investment, and a hedge may not perform its intended purpose of offsetting losses on an investment and, in certain circumstances, could increase such losses.

The Master Fund may also be exposed to the risk that the counterparties with which Longlead (in its capacity as the manager of the Master Fund) trades may cease making markets and quoting prices in such instruments, which may render Longlead unable to enter into an offsetting transaction with respect to an open position, or the risk that a counterparty may default on its obligations.

6.30 VALUATION

Some investments may be extremely difficult to value accurately. In light of the foregoing, there is a risk that an Investor who redeems all or part of its investment in the Fund (while the Master Fund holds such investments) will be paid an amount less than it would otherwise be paid if the actual value of such investments is higher than the value designated by the Master Fund. Similarly, there is a risk that such Investor might, in effect, be overpaid if the actual value of the investments is lower than the value designated by the Master Fund. In addition, there is a risk that Units purchased by a new Investor could dilute the value of such investments.

6.31 INFLATION

Some of the countries in which the Master Fund (and, indirectly, the Fund) intends to invest have experienced

6 RISKS [CONT'D]

extremely high rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain emerging countries. Therefore, the performance of the Master Fund (and, indirectly, the Fund) could be adversely affected by rates of inflation in countries in which the Master Fund invests.

6.32 COUNTERPARTY RISK

The Master Fund transacts most of its investments through financial institutions including, but not limited to, brokers, dealers and banks. All purchases and sales of securities carry counterparty risks until the transactions have settled. All deposits of securities or cash with a custodian, cash custodian, bank or financial institution carry counterparty risk. Upon default by a counterparty, the Master Fund may be forced to unwind certain transactions and the Master Fund may encounter delays and difficulties with respect to court procedures in seeking recovery of the Master Fund's assets.

6.33 RESEARCH CREDIT

The Master Fund or Longlead (in its capacity as the manager of the Master Fund) may enter into 'research credit' arrangements with one or more prime broker(s) or executing brokers whereby the Master Fund or Longlead (in its capacity as the manager of the Master Fund) will direct securities transactions to the prime broker or executing brokers in return for research products and services from the prime broker or the executing brokers.

Although Longlead (in its capacity as the manager of the Master Fund) may use the research and services in making investment decisions for the Master Fund, Longlead may use such research or services for other accounts and the Master Fund will generally pay more than the lowest available commissions for execution of these transactions.

Longlead may also enter into 'research credit' arrangements to cover Fund expenses or costs and expenses of Longlead to the extent such arrangements are permitted by law and described in this IM.

6.34 DEFAULT OF BROKER

Certain brokerages and banks have custody of the Master Fund's assets. Bankruptcy or fraud at any of these institutions may impair the operational capabilities or the capital position of the Master Fund. The relevant prime broker may not be required to segregate the Master

Fund's assets deposited with them, in which case the Master Fund's assets may be subject to the claims of the prime broker's general creditors if the prime broker becomes insolvent.

6.35 RELIANCE ON LONGLEAD

Investors have no right to participate in the management of the Fund or to make any decisions with respect to the investments to be made by the Fund, the Feeder Fund or the Master Fund. Consequently, they must rely on Longlead (in its different capacities) with respect to the management and investment decisions of the Fund, the Feeder Fund and the Master Fund. If Longlead cannot continue as investment manager of the Fund, the Feeder Fund and the Master Fund, which might occur, for example, upon bankruptcy or dissolution of Longlead, the Fund, the Feeder Fund and the Master Fund may have to be dissolved. Further, if the key investment officers of Longlead cease to provide their investment expertise to Longlead, the quality of the investment management services provided to the Fund, the Feeder Fund and the Master Fund may be adversely affected. In such cases, it might not be possible to realise the full value of the Master Fund's underlying investments.

6.36 INVESTORS WILL NOT PARTICIPATE IN MANAGEMENT

An Investor has no right to participate in the management of the Fund or in the conduct of its business. There exists broad discretion to expand, revise, or contract the Fund's business without the consent of the Investors. Any decision to engage in a new activity could result in the exposure of the Fund's capital to additional risks that may be substantial.

6.37 EXPERIENCE OF LONGLEAD

There can be no assurance that Longlead will be successful in obtaining suitable investments at attractive prices and those persons engaged in managing the Master Fund may not possess all the resources necessary to successfully carry out the investment and divestment strategies of the Master Fund. If Longlead determines there is a need to engage additional personnel to carry out the investment strategies of the Master Fund, Longlead may pursue persons with experience in the areas of need, but such pursuits may not be fruitful or may not result in obtaining the experience needed to cause the Master Fund's investments to be successful.

6 RISKS [CONT'D]

6.38 SECURITIES LENDING

The supply of securities which can be borrowed fluctuates from time to time. The Master Fund may be subject to losses if a security lender demands return of the lent security and an alternative lending source cannot be found or if Longlead (in its capacity as the manager of the Master Fund) is otherwise unable to borrow securities which are necessary to hedge its positions. If a securities lender were to demand the return of a loaned security and no replacement loan is obtained, Longlead would be forced to close out its short sale position regardless of the market conditions. Such an event could adversely affect the Net Asset Value of the Master Fund (and, indirectly, the Net Asset Value of the Fund).

6.39 HISTORICAL ANALYSIS RISK

Historical analysis may indicate probabilities of price movements which are not necessary or inevitable or which may not necessarily recur in the future in a manner which will support a profitable trading strategy.

6.40 MODEL RISK

Some of Longlead's trading strategies and risk management methodologies are based on models that it has developed over time and models developed by third parties. A previously highly successful model may become outdated or inaccurate, due to changes in the market place. Longlead may not recognise the inaccuracy of the model before substantial losses are made. There can be no assurance that Longlead will continue to develop and maintain effective models.

6.41 DISASTER RECOVERY

Longlead has only limited disaster recovery plans for its operations, and Longlead relies on outside parties, including any sub-advisor and administrator, for some key accounting and operational functions, who in turn may also have limited disaster recovery plans. There is no assurance that any of these disaster recovery plans will work, which could result in significant losses to the Master Fund (and, indirectly, the Fund).

6.42 MARKET DISRUPTIONS

The Master Fund may incur significant losses in the event of disrupted markets and other extraordinary events in which historical pricing relationship (on which

Longlead bases a number of its trading positions) become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets, many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving.

See further the 'COVID-19 and Pandemic Risks' paragraph below in this Section 6 of the IM.

6.43 STRUCTURING AND TAX RISKS

The Master Fund makes investments in a number of different countries and may structure its investments in a variety of ways and through a variety of entities for legal, tax, regulatory or other purposes. The Master Fund may make investments via other entities and in partnerships, joint ventures, or co investment arrangements with other parties. Such arrangements may involve additional risks (such as the risk of failure to structure and operate such entities in accordance with the laws and regulations of the applicable jurisdictions, as well as the higher costs associated with their formation, structuring or operation), and the Master Fund's investment via such entities may be impacted by other parties if made on a joint venture, co investment or partnership basis (e.g., where a third party defaults on its funding obligations or is in a position to take action contrary to the Master Fund's objectives, or where the Master Fund is liable for actions of such third party). The Master Fund may also make investments through entities in which it will only have a minority interest and as such the Master Fund will not control such entities or their assets.

Certain of the investments that the Master Fund makes may be in countries that may be or may prove to be politically or economically unstable. With any investment, there exists the risk of adverse political developments, including nationalisation and confiscation without fair compensation or war. In addition, instances may occur where domestic and foreign investment entities may be restricted from withdrawing a country's domestic capital out of the country for a period of time. This may limit the Master Fund's ability to dispose of certain investments. Moreover, laws and regulations of various countries may impose restrictions such as on the percentage of non-local ownership allowed or approval requirements that do not exist in other countries, and may require the use of financing and structuring alternatives that differ significantly from those customarily used by Longlead. While Longlead (in its capacity as the manager of the Master Fund) seeks to limit the extent to which such

6 RISKS [CONT'D]

factors can affect the Master Fund, such actions may not be sufficient to protect the Master Fund from loss.

The Master Fund is subject to various US and non-US taxes including potential income, withholding, transfer and other taxes. The Master Fund attempts to minimise the taxes applicable to its investments but the Master Fund will not be able to eliminate such taxes. All taxes imposed on the Master Fund or on any other entity that the Master Fund may establish to facilitate investment in a particular jurisdiction will reduce the Master Fund's Net Asset Value.

Investments and holding structures are considered on their merits by Longlead but without regard to the taxation, legal or other circumstances of the Investors.

6.44 NO ASSURANCE OF INVESTMENT STRATEGY AND PAST PERFORMANCE

The Fund's investment programs should be evaluated on the basis that there can be no assurance that the assessment of the short-term or long-term prospects of investments will prove accurate or that the Fund will achieve its investment objective.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED. THERE IS NO ASSURANCE THAT THE INVESTMENT OBJECTIVE AND INVESTMENT STRATEGY OF THE FUND WILL BE ACHIEVED.

6.45 RISK FACTORS RELATING TO EMERGING MARKETS

Investment in emerging market countries are subject to specific risks, some of which are summarised below:

ECONOMIC AND POLITICAL RISKS

The Master Fund's assets may be invested in countries where the market economy is relatively less developed. Although the recent general trend in such countries has been towards more open markets and the promotion of private business initiatives, no assurance can be given that the governments of these countries will continue to pursue such policies or that such policies may not be altered significantly. Political instability, economic distress, the difficulties of adjustment to a market economy, social instability, organised crime or other factors beyond Longlead's control could have a material adverse effect on the performance of the Master Fund.

INTERNATIONAL TRADE

The economies of many emerging markets are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade.

INVESTMENT CONTROLS

Restrictions or controls may at times limit or preclude foreign investment in certain emerging markets and increase the costs and expenses of the Master Fund. Certain emerging markets require governmental approval prior to investments by foreign persons, limit the amount of investment by foreign persons in a particular issuer, limit the investment by foreign persons only to a specific class of securities of an issuer that may have less advantageous rights than the classes available for purchase by domiciliaries of the countries and/or impose additional taxes on foreign investors. Certain emerging markets may also restrict investment opportunities in issuers in industries deemed important to national interests.

Investments in emerging markets may require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. In addition, if deterioration occurs in an emerging market's balance of payments, the country could impose temporary restrictions on foreign capital remittances. The Master Fund could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital, as well as by the application to the Master Fund of any restrictions on investments. Investing in emerging markets may require the Master Fund to adopt special procedures, seek local government approvals or take other actions, each of which may involve additional costs to the Master Fund.

FOREIGN CURRENCY AND EXCHANGE RATE RISKS

The Master Fund's assets may be invested in portfolio companies denominated in a functional currency other than the Australian Dollar. Changes in the exchange rate may result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the countries in which the Master Fund invests. National governments rarely voluntarily allow their currencies to float freely in response to economic forces. Sovereign governments use a variety

6 RISKS [CONT'D]

of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to regulate the exchange rates of their currencies. The Master Fund may use hedging techniques with the objective of protecting against loss through the fluctuation of the valuation of foreign currencies, particularly the forward market in foreign exchange, currency options and currency futures. For certain currencies, however, there currently may not be a reliable and cost efficient method of hedging currency risk. Consequently, currency exchange rate fluctuations, currency devaluations and exchange control regulations may adversely affect the performance of portfolio companies and the return realised on the Master Fund's investments.

BUSINESS, LEGAL, TAX AND OTHER REGULATORY RISKS OF HEDGE FUNDS AND INVESTMENT MANAGERS

Business, legal, tax and regulatory changes could occur that may adversely affect the Master Fund. The regulatory environment for alternative investment funds and investment managers is evolving and changes in the regulation of alternative investment funds and investment managers may affect the value of investments held by the Master Fund and the ability of the Master Fund to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, securities and futures markets are subject to statutes, regulations and margin requirements which are often complex and the interpretation and application of which may be evolving over time. Regulators and self-regulatory organisations and exchanges are generally authorised to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and funds that engage in such transactions is an evolving area of law and regulation and its scope, interpretation and application are subject to modification by regulatory government and judicial actions and policies. The effect of any future legal regulatory taxation regulatory change on the Master Fund or Longlead could be substantial and adverse.

LEGAL AND TAX SYSTEMS

The legal and tax system of many emerging markets are less predictable than most legal systems in countries with fully developed capital markets. Currently, the tax rules and regulations prevailing in many emerging markets are, as a general matter, either new or under varying stages of review and revision, and there is considerable uncertainty as to whether new tax laws will be enacted and, if enacted, the scope and content of such laws. Reliance on oral administrative guidance from regulators and procedural inefficiencies hinder legal remedies in many areas, including bankruptcy and the enforcement of creditors' rights. Moreover, companies often experience delays when obtaining governmental licences and approvals.

There can be no assurance that current taxes will not be increased or that additional sources of revenue or income, or other activities, will not be subject to new taxes, charges or similar fees in the future or that the interpretation of relevant tax rules will not change to the detriment of the Master Fund. Any such increase in taxes, charges or fees payable by the portfolio companies or the Master Fund itself or change in the interpretation of such tax rules may reduce the returns for the Investors. In addition, changes to tax treaties (or their interpretation) between countries in which the Master Fund invests and countries through which the Master Fund conducts its investment program may have significant adverse effects on the Master Fund's ability to efficiently realise income or capital gains. Consequently, it is possible that the Master Fund may face unfavourable tax treatment resulting in an increase in the taxes payable by the Master Fund on their investments. Any such increase in taxes could reduce investment returns to the Investors.

With respect to certain countries, there is a possibility of expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, limitations on the removal of funds or other assets of the Master Fund, and political or social instability or diplomatic developments that could affect investments in those countries. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

6 RISKS [CONT'D]

SECURITIES MARKET REGULATION

The securities markets in many of the emerging markets in which the Master Fund may invest may be in the early stages of development and government supervision and regulation of the securities markets may be significantly less well developed than in many free market economies. As a result, the risks of fraudulent market practices are higher than those in more highly regulated markets. No assurance can be given that regulations addressing such risks will be adopted or, if adopted, will be effectively implemented or enforced.

SETTLEMENT AND LIQUIDITY RISKS

In many of the emerging markets in which the Master Fund may invest, there may be limited organised public trading markets for securities with little liquidity or transparency, resulting in relatively slow and cumbersome execution of transactions. In particular, there may be no approved settlement procedure and trades may be settled by a free delivery of stock with payment of cash in an uncollateralised manner. This may give rise to a credit risk in relation to the counterparty. In general, there may be an increased risk of defaults and delays in settlement compared to the markets in more developed economies. As a result, the Master Fund may experience difficulty in realising all entitlements attaching to the securities acquired.

No established secondary markets may exist for many of the emerging market securities in which the Master Fund may invest. Reduced secondary market liquidity may have an adverse effect on market price and the Master Fund's ability to dispose of particular instruments when necessary to meet its liquidity requirements or in response to specific economic events such as a deterioration in the creditworthiness of the issuer. Reduced secondary market liquidity for certain emerging market securities may also make it more difficult for the Master Fund to obtain accurate market quotations for purposes of valuing its portfolio and calculating its Net Asset Value. Market quotations are generally available on many emerging market securities only from a limited number of dealers and may not necessarily represent firm bids of those dealers or prices for actual sales.

BANKING RISKS

The banking and other financial systems of many emerging markets are not well developed or well regulated. Delays in transfers by banks may result as may liquidity crises and other problems arising as a result of the under-capitalisation of the banking sector as a whole. A general banking crisis in any of the emerging markets countries in which the Master Fund may invest is anticipated to likely have a material adverse effect on the Master Fund.

RISKS RELATING TO INEXPERIENCED MANAGEMENT AND LACK OF FINANCIAL INFORMATION

Many of the businesses in which the Master Fund may invest may have limited operating histories. Such businesses may be characterised by a lack of:

- i. market-oriented experienced management;
- ii. modern industrial technology; and
- iii. a sufficient capital base with which to develop and expand their operations.

Business records may not be as detailed or informative as those of businesses operating in established market economies. Further, accounting, auditing and financial reporting standards and requirements in many of the emerging markets in which the Master Fund invests may not be as stringent, consistently applied or informative as standards in countries with more developed economies. As a result, the availability, quality and reliability of corporate information and equity research (including official data) are likely to be lower than that which is used to evaluate investments in developed markets, with the attendant risk that pricing decisions may be less than optimal to the extent they are based upon inaccurate or insufficient information.

EMERGING GROWTH AND SMALL COMPANIES; UNSEASONED ISSUERS

The Master Fund may invest its assets in the securities of emerging growth companies, small companies and unseasoned issuers. Investments in securities of these issuers may involve greater risks since these securities may have limited marketability and, thus, may be more volatile. Because there is generally less liquidity for securities of these issuers, it may be more difficult for a Master Fund to buy or sell significant amounts of such shares without an unfavourable impact on prevailing prices. These issuers may have limited product lines, markets or financial resources and may lack management depth.

6 RISKS [CONT'D]

In addition, these issuers are typically subject to a greater degree of changes in earnings and business prospects than are larger, more established companies. There is typically less publicly available information concerning these companies than for larger, more established companies. Although investments in securities of these issuers may offer potential for above-average returns as a result of these factors, they also involve a greater degree of risk.

VOLATILITY

The Master Fund may have relatively large exposure and correlation (beta) to the equity markets. Equity markets in emerging markets are more likely than developed markets to experience periods of extreme volatility. Such volatility could result in substantial losses for the Master Fund (and, indirectly, the Fund).

6.46 CLASS OF PARTICIPATING SHARES IS NOT A SEPARATE LEGAL ENTITY

The Fund will invest all or substantially all of its assets, to the extent not retained in cash or cash equivalents, in the Feeder Fund which will in turn invest substantially all of its assets in the Master Fund. All such investments of the Fund into the Feeder Fund are made to a class of participating shares of the Feeder Fund. As among the shareholders of the Feeder Fund, the appreciation and depreciation of assets attributable to a class will only be allocated to such class. Similarly, expenses attributable solely to a particular class will be allocated solely to that class. However, a creditor of the Feeder Fund will generally not be bound to satisfy its claim from a particular class. Rather, such a creditor may seek to satisfy its claim from the assets of the Feeder Fund as a whole. If the losses attributable to a class exceed its value, then such losses could negatively impact the value of other classes of the Feeder Fund. Thus the assets of a solvent class may be at risk with respect to and may be used to satisfy the liabilities of an insolvent class.

6.47 CYBER SECURITY RISK

In recent years, alternative investment funds have been susceptible to cyber attacks with a number of high-profile security breaches and vulnerabilities in the software systems used by its manager, investment advisers and other external service providers. There is a risk that the Fund's trading strategy, market forecasts, analytical methodologies and other sensitive proprietary information may be infiltrated and used to the disadvantage of the Fund, resulting possibly in financial losses for the Fund.

6.48 COVID-19 AND PANDEMIC RISKS

IMPACTS ON FUND

COVID-19 has been declared by the World Health Organisation as a pandemic. At the date of this IM, the extent and impact of the COVID-19 pandemic is still developing. It is unknown what the ultimate effect will be on the broader global economy. In general, and noting that various countries announced a range of fiscal stimulus measures to address the economic impact of the COVID-19 pandemic, the COVID-19 pandemic could adversely impact the value and performance of the Fund's investments and the assets of the Master Fund.

OTHER RISKS AFFECTED

As a result of the COVID-19 pandemic and any future pandemic, other disclosed risks relating to the Fund may be affected or heightened, these include:

i. Valuation Risk: The economic uncertainty caused by the COVID-19 pandemic has caused market volatility. It may also reduce the number of securities transactions which provide evidence for valuations. Market volatility and a lack of evidence to value securities or other assets means the Investment Manager, or independent valuers, may be unable to value the Fund's investments with a high degree of certainty.

In addition, market volatility may impact the Investment Manager's ability to value the Fund's liquid assets or forecast distributions from its liquid assets.

If the Investment Manager is unable to value the Fund's investments or liquid assets, the Trustee or the Investment Manager may be unable to calculate the relevant Unit price with any certainty. The Trustee may have to suspend withdrawals in the event it cannot properly value the Fund's assets.

ii. Stock Borrowing: As stated in the 'Stock Borrowing' paragraph above in this Section 6 of the IM, Longlead (in its capacity as the manager of the Master Fund) may borrow securities for the account of the Master Fund. As a result of a pandemic, such securities may be recalled by the lender at shorter notice than anticipated. If the securities are recalled, Longlead may be required to unwind a strategy earlier than Longlead anticipated, which may result in losses.

iii. Liquidity risk: The market conditions caused by the pandemic may result in an increase in Investors requesting to withdraw from the Fund. An increase

6 RISKS [CONT'D]

in redemption requests, may reduce the liquid assets available to the Fund to satisfy redemptions. In addition, as discussed above, market volatility may impact the Investment Manager's ability to value its liquid assets or forecast distributions from its liquid assets. An increase in withdrawal requests or an inability to value liquid assets may mean that the Trustee has to suspend the withdrawal opportunities disclosed in this IM.

iv. Changes to government policy and regulations:

Changes to legislation, regulations and government policies as a result of a pandemic may impact the returns of the Fund.

6.49 INVESTORS' ACKNOWLEDGMENT TO THE RISKS

INVESTORS IN THE FUND ACKNOWLEDGE THAT THE ABOVE AND OTHER RISKS EXIST AND NOTWITHSTANDING ANY ATTEMPTS BY THE INVESTMENT MANAGER TO MANAGE THE IMPACT OF THESE RISKS, THEY CANNOT BE ELIMINATED.

THE PERFORMANCE OF THE INVESTMENTS, THE REPAYMENT OF CAPITAL OR OF ANY PARTICULAR RATE OF RETURN, IS NOT GUARANTEED BY THE FUND, THE TRUSTEE, THE INVESTMENT MANAGER, NOR THEIR DIRECTORS, EMPLOYEES OR ASSOCIATES.

THE LIST OF RISK FACTORS IN THIS SECTION 6 OF THE IM DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE FUND. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR ADVISERS BEFORE DECIDING TO INVEST IN THE FUND.

7 FEES AND COSTS

The following table shows the fees and other costs relating to the investment in the Fund. These fees and costs may be deducted from your investment or from the returns on your investment or from the Fund's assets as a whole. Taxes are discussed in the Tax section (Section 8) of this IM. You should read all the information about fees and costs as it is important to understand their impact on your investment.

Application Fee	There is no application fee charged to Investors in respect of each investment.
Termination Fee	There is no fee charged to Investors upon winding up of the Fund.
Management Costs	<p>Management Fee</p> <p>In accordance with the Management Agreement, the Investment Manager will be entitled to a management fee of 2.0% per annum of the Net Asset Value of the Fund on the last Business Day of the calendar month.</p> <p>In accordance with the Trust Deed, the Management Fee will be payable as an expense of the Fund.</p> <p>The Management Fee is calculated and accrued daily and is payable monthly in arrears from the assets of the Fund at the last Business Day of each calendar month. The Management Fee will be calculated on a pro-rata basis for any calendar month where the Trust is not in existence for the full calendar month.</p> <p>Performance Fee</p> <p>In accordance with the Management Agreement, the Investment Manager will be entitled to a Performance Fee.</p> <p>The Performance Fee will be charged on a 'whole of fund basis' equal to 20% of the Unit Return in the relevant calculation period and subject to the applicable High Water Mark for such calculation period. The Performance Fee is also payable in respect of a Unit when it is redeemed.</p> <p>In accordance with the Trust Deed, the Performance Fee will be payable as an expense of the Fund.</p> <p>The Performance Fee will be calculated as at the end of the last Business Day of each calendar month and will accrue monthly and the accrual will be reflected in the Net Asset Value of the Fund. The Performance Fee is payable quarterly in arrears at the last Business Day of each calendar quarter to the Investment Manager from the assets of the Fund or, if the Fund is terminated before the end of a calendar quarter, the Business Day on which the final redemption of units takes place.</p> <p>Each time the Performance Fee is payable, a High Water Mark is calculated. The High Water Mark is the previous highest Net Asset Value of the Fund (calculated on a per Unit basis) immediately after the payment of a Performance Fee with respect to the Units (or if none has been paid, the Initial Unit Price) adjusted for distributions, if any and the reorganisation of Units.</p> <p>The application of the High Water Mark seeks to ensure that until any previous losses (calculated on a per Unit basis) incurred by the Fund have been recovered, the Investment Manager does not earn, or earns a reduced, Performance Fee.</p> <p>For avoidance of doubt, there is no hurdle or benchmark that the calculation of the Performance Fee will be subject to.</p>

7 FEES AND COSTS [CONT'D]

Management Costs (continued)

Additions and withdrawals of assets attributable to applications and redemptions of Units will be taken into account in the calculation of the Performance Fee.

Where an Investor redeems Units during a calculation period, the relevant Unit price will reflect the accrued Performance Fee which becomes payable if the Net Asset Value of the Fund is above the High Water Mark, notwithstanding that a Performance Fee may ultimately not be payable in respect of that calculation period on the Net Asset Value of the Fund at the end of the calculation period.

Management Expenses

The following Management Expenses comprise the additional fees or costs that an Investor incurs by investing in the Fund rather than by investing directly in the underlying assets. The following Management Expenses are an additional charge to the Investor.

Organisational and Offering Expenses

The Fund will pay for all expenses necessary or reasonably incurred in the formation and organisation of, and offer and sale of Units in, the Fund, including external legal and accounting expenses, other professional fees and expenses, printing costs (including costs of preparing and printing this IM, as well as any necessary updates), and out-of-pockets expenses incurred by the Investment Manager, its affiliates and their respective employees and agents.

The Organisational and Offering Expenses paid by the Fund are amortised over a period of sixty (60) months from the Business Day as may be determined in the sole discretion of the Trustee, in consultation with the Investment Manager.

Such amortisation may be a divergence from AASB, and to the extent that the policy adopted by the Fund results in material amounts deviation from AASB, the Trustee may be required to make adjustments in the annual accounts of the Fund in order to comply with AASB, and if relevant may include a reconciliation note in the annual accounts of the Fund to reconcile values shown in the annual accounts determined under AASB to those arrived at by applying the Fund's amortisation policy. However, it should be noted that, the Investment Manager believes that amortising these costs over a period of sixty (60) months results in a more equitable treatment for Investors.

Operating Expenses

Except as set out below, the Investment Manager pays the compensation of its personnel who act on its behalf relating to its duties and responsibilities and all other overhead expenses of the Investment Manager, including, but not limited to, the costs associated with initial marketing of the Fund and other costs related to raising assets in the Fund, costs of office space, fees for market data feeds and middle office services, and portfolio management, risk and other systems.

The Fund will pay all out-of-pocket expenses relating to the operation of the Fund, including all fees payable by the Fund to the Investment Manager (see Management Costs above), the fees and expenses of custodians, counsel, independent accountants, auditors, administrators, and other professionals and consultants, the Trustee's fees and any taxes, fees or other governmental charges levied against the Fund, prime broker fees, custodial fees, bank service fees, insurance premiums relating to the provision of insurance cover for such risks as the Trustee deems appropriate (including directors' and officers' liability insurance), professional indemnity insurance premium, expenses associated with communications with and reports to Investors, and any extraordinary expenses of the Fund, such as liquidation, litigation and indemnification expenses.

7 FEES AND COSTS [CONT'D]

Management Expenses (continued)

The Fund also pays the 'out-of-pocket' costs associated with making and realising investments (whether or not consummated), expenses associated with the acquisition and risk monitoring as are attributable to the Fund, ownership, sale or hedging of any investment, brokerage commissions; filing, registration, and renewal fees of any securities or taxation authority anywhere in the world and other reporting and filing expenses and the costs incurred by the Investment Manager in connection with shareholder initiatives (such as the costs of calling meetings, proxy solicitation fees and costs, and professional consulting fees) as well as the costs of obtaining and maintaining any listing of the Units on any securities exchange and the litigation and indemnification expenses and extraordinary expenses of the Fund.

Cap for certain Management Expenses

It is the intention of the Trustee and the Investment Manager that the following specific fees and expenses charged directly to the Fund be limited to no more than 0.5% per annum of the average monthly Net Asset Value of the Fund:

- i. the amortisation of the Organisational and Offering Expenses;
- ii. the Trustee fee;
- iii. the Administrator fee;
- iv. the fee charged by the auditor of the Fund; and
- v. any tax agent fee.

The cap for certain Management Expenses only applies to the fees or costs specified above and does not include, for example, any extraordinary expenses (or other Operating Expenses) of the Fund provided that they are incurred in the future.

In accordance with the Trust Deed, the Trustee is entitled to receive the following Trustee fee:

- a. a Fund establishment fee of \$2,500 (excluding GST), payable 14 days after the execution of the Trust Deed; and
- b. an annual trustee fee of 0.02% (excluding GST) of the gross asset value of the assets of the Fund subject to a minimum fee of up to \$23,000 (excluding GST) per annum calculated and accrued daily and payable monthly in arrears on the last Business Day of each calendar month.

The unit price of the Units will reflect expenses, costs and liabilities (including the Management Costs and Management Expenses) that have accrued in respect of that Class of Units over the relevant period but have not been paid.

If some, or all, of such amounts are not payable at the end of the period, the Net Asset Value of the Fund (and therefore the relevant Unit prices) would be expected to increase. Similarly, if the accrued amount is less than the actual amount payable at the end of the period, the Net Asset Value of the Fund (and therefore the relevant Unit prices) would be expected to decrease.

Underlying Fund fees

The Fund will invest all or substantially all of its assets, to the extent not retained in cash or cash equivalents, in Class G Participating Shares of the Feeder Fund which will in turn invest substantially all of its assets in the Master Fund. Although the investments of the Fund into the Feeder Fund are made to a class of participating shares that does not pay any management fees and performance fees, the Fund will bear a proportionate share of the costs and expenses of the Feeder Fund and the Master Fund.

8 TAXATION INFORMATION

8.1 TAXATION

The following tax information provided is of a general nature only. It is a brief guide only and is based on current laws and interpretation as at the date of this IM. The effects of taxation on managed investment schemes can be complex and may change over time.

This taxation summary assumes that investors are Australian residents for tax purposes who will hold the units in the Fund directly on capital account. It does not consider the position for investors who are holding the units on revenue account, or who are subject to the taxation of financial arrangements (**TOFA**) rules.

Investors should seek independent professional taxation and accounting advice before investing in the Fund.

Non-resident investors should also seek their own independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant double taxation agreement/ exchange of information agreement between Australia and their country of residence for taxation purposes.

8.2 DISTRIBUTION/ATTRIBUTION FROM THE FUND

The Fund is expected to be a resident trust for Australian taxation purposes.

WHERE AN AMIT ELECTION IS MADE

Where the Trustee has elected into the Attribution Managed Investment Trust (**AMIT**) regime, the taxable income of the Fund should be calculated and the relevant components are attributed to Investors by the Trustee on a fair and reasonable basis and in accordance with the Trust Deed. These tax components may include assessable income, exempt income, non-assessable non-exempt income, tax offsets and credits of different characters.

Investors are treated as having derived their attributed share of the tax components of the Fund directly on a flow through basis. The Investors will be required to include in their assessable income any taxable components attributed to them by the Fund.

For completeness, the Fund is not anticipated to receive income, other than in respect of redemptions in the Feeder Fund, a portion of which is likely to constitute dividend income. Please see the *Withdrawal or redemption of units* section below for further details on the treatment of redemption proceeds.

The amount of the tax components of the Fund which the Unitholder is required to include in their assessable income may be different from the cash distributions received by a Unitholder in respect of their units. This is because the distributions received on the units are determined by reference to the returns received in respect of the Fund, whereas the tax components of the Fund are determined by reference to the overall tax position of the Fund. An Investor may be required to make, in certain circumstances, both upward and downward adjustments to the cost base of their unit holdings.

This occurs where during an income year there is a difference between:

- i. the total of the amounts (money or property) that an Investor is entitled to from the Fund and the tax offsets that are allocated to an Investor in relation to the year; and
- ii. the tax components (grossed up for any capital gains tax (**CGT**) discount) included in that Investor's assessable income and any non-assessable non-exempt income.

If the amount in (i) exceeds the amount in (ii), the cost base of the Unitholder's units in the Fund should be reduced by the excess amount. This results in either an increased capital gain, or a reduced capital loss, upon the subsequent disposal of the Unitholder's units in the Fund. Should the cost base be reduced to below zero, the amount in excess of the cost base should be a capital gain that is to be included in the Unitholder's taxable income.

Conversely, where the amounts in (i) falls short of the amounts in (ii) during an income year, the cost base of the Unitholder's units in the Fund should be increased by the shortfall amount.

Further, the Fund may make the Managed Investment Trust (**MIT**) CGT election to treat certain assets including shares and options over shares as CGT assets where it is eligible to do so. The Fund's ability to make this election is subject to it satisfying certain criteria.

WHERE AN AMIT ELECTION IS NOT MADE

Where the Fund does not qualify or elect to be an AMIT, it will be subject to ordinary trust taxation provisions in the tax legislation.

Investors in the Fund will be made 'presently entitled' all of the income of the Fund each year, and will be assessed on their proportionate share of the taxable income of the Fund each year. This means the Fund itself should

8 TAXATION INFORMATION

not be liable for any income tax charge and hence the tax liability is expected to rest with each Investor.

It is anticipated that any distribution made by the Fund will be dealt with by way of distribution reinvestment. That is, income earned by the Fund is reinvested and reflected in the value of the Units.

However, this does not preclude the Trustee from making distributions at any time in the future if, in consultation with the Investment Manager, it considers it appropriate taking into account such factors as the Trustee may in its discretion determine from time to time. If a distribution is made, it will be paid in accordance with the Trust Deed and the applicable laws of Australia.

In the case where the Fund makes a loss for tax purposes, the Fund cannot distribute (or attribute) the loss to Investors. However, subject to the Fund meeting certain conditions, the Fund may be able to take into account the losses in subsequent years.

8.3 TAX POSITION OF INVESTORS IN THE FUND

Investments in, redemptions from, and income paid from the Fund are likely to have taxation consequences to investors under current Australian tax legislation. Further, Australian Investors should not be entitled to any credit or offset for taxes borne by the Feeder Fund or the Master Fund.

The above noted consequences may vary between Investors depending on their personal circumstances and should be investigated by each Investor separately in consultation with their independent professional advisors.

Neither the Trustee nor the Investment Manager provide any tax advice.

8.4 WITHDRAWAL OR REDEMPTION OF UNITS

The withdrawal or redemption of units by an Investor holding their Units on capital account will constitute a CGT event and require the Investor to calculate their capital gain or capital loss. A capital gain will arise where capital proceeds exceed the cost base of units. A capital loss will arise where capital proceeds are less than an Investor's reduced cost base of units. Capital losses may only be applied to reduce capital gains for the purposes of determining the net capital gain included in the respective trust's assessable income. To the extent that capital losses cannot be applied against capital gains in

a particular income year, they may be carried forward to offset capital gains derived in future income years.

Australian resident individuals, trusts (in certain circumstances) may be eligible for the 50% CGT discount concession (where the units are held for at least 12 months) in relation to capital gains and complying superannuation entities may be eligible for the 33.33% CGT discount concession in relation to the capital gains. Investors should always obtain professional tax advice about the availability of the CGT discount provisions.

For completeness, where a redemption request is received that requires the Fund to redeem a portion of its investment in the Feeder Fund, a portion of the redemption price may be deemed to be a dividend for Australian tax purposes. As a result, a portion of the gains may be subject to tax as dividend income and not eligible for the CGT discount.

8.5 CONTROLLED FOREIGN COMPANY RULES

The controlled foreign company (CFC) provisions are anti-deferral rules which seek to tax Australian resident Investors on an accruals basis on certain types of income derived through a foreign company as it is earned, rather than when it is distributed to the Investor.

Under the current laws, the application of the CFC rules to Australian resident Investors will depend on:

- i. the nature of the ownership structure of the Fund, in particular the ownership percentage held by Australian resident investors; and
- ii. the nature of the investments and type of income derived by the Fund. This will determine whether any income will be attributable to Australian resident investors under the CFC rules and subject to Australian tax.

Where the CFC provisions apply, the Fund (and therefore in turn Australian resident Investors of the Fund) may be subject to Australian tax on any 'attributable income' derived in respect of the relevant period. This would be the case even if no income is distributed by the Feeder Fund to the Fund.

The Trustee and the Investment Manager will seek to manage any potential exposure in relation to the CFC status of the investment structure. However, Investors should seek their own independent tax advice prior to investing in the Fund to confirm the tax implications associated with an investment in the Fund.

8 TAXATION INFORMATION

8.6 TAX FILE NUMBER OR AUSTRALIAN BUSINESS NUMBER DECLARATION

Investors are not required by law to provide a Tax File Number (**TFN**) to the Trustee. However, if a TFN is not quoted, or no appropriate TFN exemption is provided, then the Trustee is required to deduct tax from any income distribution entitlement at the highest marginal tax rate plus Medicare Levy.

For an Investor that made the investment in the Units in the course of an enterprise carried on by it, it may quote their Australian Business Number (**ABN**) rather than their TFN.

8.7 GOODS AND SERVICES TAX (GST)

No GST should be payable in respect of the application, withdrawal or transfer of Units in the Fund. Distributions made by the Fund should also not be subject to GST. Each Investor who is registered for GST should consider the recoverability of any GST paid on the acquisition of goods and services (for example, financial advisory services) relating to the issue of Units and acquisition and/or subsequent sale of Units. Investors should obtain their own advice regarding the recoverability of GST, as this will depend on the investor's personal circumstances.

Fees and expenses incurred by the Fund, such as Management Costs, Management Expenses and Operating Expenses, will generally be subject to GST at the rate of 10% or the prevailing rate of GST at the relevant time. Given the nature of the Fund's activities, the Fund may not be entitled to claim input tax credits for the full amount of the GST incurred. However, the Fund may be entitled to input tax credits (**ITC**) and/or Reduced Input Tax Credits (**RITC**) in respect of certain fees and expenses incurred by the Fund.

Unless otherwise stated, all amounts, fees and costs quoted in this IM are exclusive of GST.

8.8 TAXATION STATEMENT

To help you complete your tax return, you will be sent an annual taxation statement/AMIT Member Annual (**AMMA**) Tax Statement for taxation purposes. It will set out the taxable and non-taxable components of the Fund's distribution/attribution during the year from the viewpoint of resident Australian Investors.

8.9 ANNUAL INVESTMENT INCOME REPORT ('AIIR')

The Trustee is required to lodge annually an Annual Investment Income Report to the ATO containing Investor identity details and investment income paid to Investors for the relevant financial year.

8.10 FOREIGN ACCOUNT TAX COMPLIANCE ACT ('FATCA')

FATCA is US tax legislation that enables the US Internal Revenue Service (**IRS**) to identify and collect tax from US residents that invest in assets through non-US entities. If you are a US resident for tax purposes, you should note that the Fund is or is expected to be a 'Foreign Financial Institution' under FATCA and it intends to comply with its FATCA obligations, as determined by either the FATCA regulations or any inter-government agreement (**IGA**) entered into by Australia and the US for the purposes of implementing FATCA. Under these obligations, the Fund will have to obtain and disclose information about certain Investors to the ATO. In order for the Fund to comply with its obligations, we will also request that you provide certain information about yourself, including your US Taxpayer Identification Number (**TIN**) (if applicable). We will only use such information for this purpose from the date the Fund is required to do so.

8.11 COMMON REPORTING STANDARD

The Common Reporting Standard (**CRS**) is a tax reporting regime developed by the Organisation for Economic Co-operation and Development (**OECD**). Australia has committed to implementing the CRS by signing the Multilateral Competent Authority Agreement with the OECD and passing appropriate supporting legislation enabling tax information to be exchanged between tax authorities.

From 1 July 2017, the CRS requires financial institutions to identify and report foreign resident account holder information to their local tax authority, which will in turn exchange the information with the tax authorities of participating foreign jurisdictions.

9 ADDITIONAL INFORMATION

9.1 RELATED PARTY TRANSACTIONS

The Trustee may from time-to-time face conflicts between its duties to the Fund as trustee, its duties to other funds that it manages (if applicable) and its own interests. The Trustee will manage any conflicts in accordance with the Trust Deed, ASIC policy, its internal conflicts policy (as required as a condition of its Australian financial services license) and the applicable law.

The Trustee may from time-to-time enter into other transactions with related entities, provided that such transactions are on terms not less favourable to the Trustee than arms' length terms would be and the Trustee complies with any applicable law requirements in relation to such transactions.

The Investment Manager may enter into transactions including investments with related parties. The Investment Manager similarly manages any conflicts in accordance with its internal conflicts policy and the law. The Investment Manager will ensure that any related party transactions and investments of the Fund are made in the ordinary course of business on an arm's length basis or better from the viewpoint of Investors in the Fund.

9.2 IMPORTANT AGREEMENTS

TRUST DEED

The Trust Deed is the primary document that governs the way the Fund operates and sets out many of the rights, liabilities and responsibilities of both the Trustee and Investors.

Each Unit in the Fund gives an Investor an equal and undivided beneficial interest in the net assets attributable to the Fund. However, a Unit does not give any Investor an interest in any particular asset of the Fund. Subject to the Trust Deed, an Investor has the following rights:

- i. The right to share in any distributions.
- ii. The right to attend and vote at meetings of Investors.
- iii. The right to participate in the proceeds of winding up of the Fund.

The Trust Deed sets out the Investors rights and contains provisions about convening and conducting meetings of Investors. The Trust Deed also includes provisions regarding the Trustee's powers, remuneration, limitation of liability and indemnity.

In addition, the Trust Deed includes provisions regarding the issue, transfer and valuation of Units as well as call on partly paid Units. It allows the Trustee to make calls upon Investors up to the amount of their investment commitment and forfeit Units in relation to calls which have not been met.

Under the terms of the Trust Deed, the Trustee is entitled to amend the Trust Deed without Investors' approval, where:

- i. in the opinion of the Trustee, the amendment is of a formal or technical nature, made to correct a manifest error or inconsistency or necessary to comply with the provisions of any law or the requirements of any statutory authority;
- ii. in the Trustee's opinion, the amendment will not have a materially adverse effect on Investors' interests;
- iii. the amendment is necessary to comply with any tax law applicable to the Fund from having made or intending to make the AMIT Choice (as that term is defined in the Trust Deed);
- iv. if all Investors and the Trustee consent in writing to the modification, addition or deletion;
- v. in the Trustee's opinion is reasonably necessary for the purposes of obtaining registration of the Fund as a registered managed investment scheme with ASIC.

Under the terms of the Trust Deed, the Trust Deed may also be amended if the amendment is approved by a special resolution of Investors (that is, a resolution that has been passed by at least 75% of the votes cast by Investors entitled to vote on the resolution). However, if it relates to the entitlement or obligations of the Trustee or Investment Manager to fees (as the case may be), the consent of the affected person is also required to amend the Trust Deed.

In addition, under the terms of the Trust Deed, if a proposed modification, or repeal and replacement, of the Trust Deed or the Management Agreement may have a materially adverse effect on the rights of the current or a former Trustee or Investment Manager, the prior written approval of that person must be obtained.

A copy of the Trust Deed is available free of charge by calling the Trustee on (02) 8866 5150.

9 ADDITIONAL INFORMATION

INVESTMENT MANAGEMENT AGREEMENT – TRUSTEE AND INVESTMENT MANAGER

The Management Agreement between the Trustee and the Investment Manager sets out the terms under which the Investment Manager provides investment management services to the Fund which include:

- i. the identification and acquisition of assets consistent with the Fund's investment objective;
- ii. keeping the assets of the Fund under review in line with the Fund's investment objective and conferring at regular intervals with the Trustee regarding the management of the Fund and its assets;
- iii. co-operating with and providing reasonable assistance to the Trustee to allow the Trustee to properly carry out its activities in relation to the Fund in line with the Fund's investment objective; and
- iv. keeping proper records and books of account in relation to the Fund in line with the Fund's investment objective.

The Management Agreement contains provisions dealing with matters such as the duties and powers of the Investment Manager, information and reports to be provided by the Investment Manager, the fee and expenses reimbursement arrangement and termination and indemnification provisions.

A copy of the Investment Management Agreement is available free of charge by calling the Trustee on (02) 8866 5150.

9.3 PRIVACY NOTIFICATION

When you make an application to invest in the Trust, you are providing the Trustee and the Investment Manager with certain personal details (your name, address etc). The Trustee will collect personal information about you from your Application Form and may collect additional personal information from you in the future. The Trustee will use personal information collected about you to identify you, process your application and to establish, administer and manage that investment for you and comply with applicable laws and regulations including anti money laundering and counter terrorism laws. The Trustee may also use the information to provide you with details about future investment opportunities.

Under various laws and regulatory requirements, the Trustee may have to pass on certain information to other organisations, such as the Australian Tax Office (ATO) or the Australian Transaction Reports and Analysis Centre (AUSTRAC).

By submitting the Application Form, you consent and give the Trustee permission to pass any personal information it holds about you to third parties which are involved in helping the Trustee administer the Fund or provide services to the Trustee or the Fund (including the Investment Manager), or where required for the purposes of compliance with AML/CTF law (including to pass it on to AUSTRAC and the ATO). The Trustee may also use your information to provide you with details of future investment offers made by the Trustee.

If you do not provide your contact details and other information required in the Application Form or by the Trustee, or do not give your consent to the use of such information, then the Trustee may not be able to process your application to invest or establish or administer or manage your investment.

Under the Privacy Act 1988 (Cth) you can access personal information about you held by the Trustee, except in limited circumstances. Please let the Trustee know if you think the information is inaccurate, incomplete or out of date. You can also tell the Trustee at any time not to pass on your personal information by advising it in writing.

9.4 ANTI-MONEY LAUNDERING LAW

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 requires the Trustee to verify the identity of prospective Investors (whether individuals, companies, partnerships or trusts) prior to accepting their investment. You will be required to provide the identification information set out in the Application Form. The Trustee will not accept your application or issue you with Units unless satisfactory identification documents are provided and your identity is verified in accordance with AML/CTF rules and procedures to the satisfaction of the Trustee.

9.5 NEW ISSUES RULE

The Master Fund may from time to time invest in 'new issues' (i.e., equity securities which are issued in an initial public offering) through member firms of FINRA. The 'New Issues Rule' restricts FINRA members and their associated persons from, among other things, selling with limited exception any new issue securities to any Restricted Person. The New Issues Rule prohibits FINRA members from selling securities in a new issue to the Fund if Restricted Persons would be allocated in aggregate more than 10 per cent of the profits and losses relating to those new issues.

9 ADDITIONAL INFORMATION

The Trustee may designate:

- i. separate Classes of unrestricted Units otherwise having the same rights as the relevant Class G Units (**Unrestricted Units**); and
- ii. separate Classes of restricted Units otherwise having the same rights as the relevant Class G Units (**Restricted Units**).

The Classes of Unrestricted Units may only be issued to persons who, under applicable rules of the FINRA, are not 'Restricted Persons'.

Profits and losses attributable to new issues, as defined under the New Issues Rule, will be allocated to the Classes of Unrestricted Units and only to the Classes of Restricted Units to the extent permitted by the New Issues Rule. To avoid any violation of the New Issues Rule, Investors subscribing for Units must provide information demonstrating whether or not they are Restricted Persons and will be required to update such information periodically thereafter upon request. Failure to provide such information results in the Investor receiving Restricted Units.

The Investment Manager, subject to oversight by the Trustee, decides whether an Investor is a Restricted Person. Any such classification will be conclusive and binding on the Investor. For information, it is intended that collective investment schemes and other non-individual Investors which have underlying investors comprising of both non-Restricted Persons and Restricted Persons will generally be classified as a Restricted Person.

If, at any time, an Investor ceases to be a 'Restricted Person' or becomes a 'Restricted Person', as the case may be:

- i. the Trustee reserves the right to compulsorily redeem such Restricted Units or Unrestricted Units (as applicable) in accordance with the Trust Deed and issue Unrestricted Units or Restricted Units (as applicable); and
- ii. a corresponding Application Form will be deemed to have been executed by the relevant Investor and provided to the Trustee in regard to the issuance of Unrestricted Units or Restricted Units (as applicable).

For example, if a holder of Unrestricted Units subsequently becomes a Restricted Person under the New Issues Rule, the Unrestricted Units held by such Investor will be compulsorily redeemed and a number of Restricted Units having an aggregate Net Asset Value equal to the aggregate Net Asset Value of such Unrestricted Units will be issued to such Investor.

The Trustee reserves the right to vary its policy with respect to the allocation of new issues as it deems appropriate in light of, among other things, existing interpretations of, and amendments to, the New Issues Rule and practical considerations, including administrative burdens and principles of fairness and equity. Performance Fees (if applicable) will be payable in connection with a conversion (by compulsory redemption and subscription) of Units from one Class to another Class. Investors should seek independent tax advice on the tax consequences of such conversion.

10 HOW TO INVEST

Before completing the Application Form, you should read this IM carefully, consider the risks of investment and obtain independent professional advice regarding your investment in the Fund, taking into account your personal goals, needs and circumstances.

Please pay particular attention to all of the risk factors in Section 6 of this IM. The risks should be considered in light of your own investment situation.

Where appropriate, you should also consult a financial, taxation or other professional adviser before deciding whether to invest in the Fund.

10.1 WHO CAN INVEST?

An investment in Units in the Fund is only available for persons who qualify as Wholesale Clients. The Trustee will not issue Units in the Fund to a person unless it is satisfied the person is a Wholesale Client.

An investment in the Fund may be available to individuals, corporations and other entities who are Wholesale Clients. The Fund is also available for investment by self-managed and complying superannuation funds who are Wholesale Clients. An offer to invest in the Fund is not available to investors receiving this IM outside of Australia, unless expressly authorised by the Trustee and subject to the laws applicable in the jurisdiction in which they reside.

Applications must be for the Initial Minimum Investment.

10.2 HOW TO INVEST

If you wish to apply for Units in the Fund, you must complete the Application Form accompanying or attached to this IM in accordance with its instructions and enclose payment for the amount indicated on the Application Form in one of the payment methods instructed in the form.

You must return the Application Form to the Trustee. The return of a completed Application Form or the making of any payment for Units by you will be taken constitute a representation by you that:

- i. you have received a copy of this IM and the accompanying Application Form, and read them both in their entirety, fully understood them and agreed to their terms;
- ii. you acknowledge that once the Application Form is returned together with your payment in relation to the Units, your application may not be varied or withdrawn except as required by law; and
- iii. you agree to apply for and be issued up to the number of Units specified in your Application Form or for which you have submitted payment.

If an Application Form cannot be processed because it is invalid (for example, the Application Form is not signed), the transaction will not be processed and the application money will remain in the Fund's account until the correct documentation is received. If correct documentation is not received within one month, the application money will be returned to you – with no interest payable. The Trustee's decision on how to construe, amend or complete the Acceptance Form is final.

Subject to applicable laws and regulations, the Trustee reserves the right to withdraw all or part of the offer included in this IM at any time, as well as to reject any Application in whole or in part in its absolute discretion. In this event the Trustee will refund without payment of interest, any payment made in relation to Units not already issued.

To the fullest extent permitted by law, you agree that any payment made by you to the Fund will not entitle you to receive any interest and that any interest earned in respect of such payment will accrue solely to the Fund.

This IM and the contracts formed on acceptance of the Applications Forms (if any) are governed by the law applicable in New South Wales, Australia. Each applicant submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

Enquiries concerning this IM or the Application Form should be directed to the Investment Manager.

11 GLOSSARY

A\$ or \$ Australian dollars.

AASB Australia Accounting Standards.

ABN Australian Business Number.

Act the Corporations Act 2001 (Cth).

Administrator SS&C Fund Services (Asia) Pte. Ltd.

AFSL Australian Financial Services Licence

AIIR Annual Investment Income Report.

AMIT Attribution Managed Investment Trust.

AML/CFT Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth).

Application Form the application form accompanying or attached to this IM.

Application Price the price at which the Unit is created and issued at the relevant Transaction Day calculated in accordance with Section 4 of this IM and the Trust Deed.

Application Transaction Costs means:

- i. an estimate by the Trustee of the total transaction costs the Fund would incur to acquire afresh the assets of the Fund; or
- ii. if appropriate, having regard to the actual costs which would be incurred because of the issue or sale of the Units, the Trustee's estimate of a portion of the total transaction costs, which may be zero,

unless the Trustee makes no estimate, in which case the Application Transaction Costs are zero.

ASIC Australian Securities and Investments Commission.

ATO Australian Tax Office.

AUSTRAC Australian Transaction Reports and Analysis Centre.

ARBN Australian Registered Body Number

Business Day means a day on which trading banks are open for business in Sydney, New South Wales which is not a Saturday, Sunday or public holiday.

CFTC Commodity Futures Trading Commission (US).

CPO Commodity Pool Operator.

CRS Common Reporting Standard approved by the OECD Council.

Class a class of units in the Fund (which provides a beneficial interest in the Fund).

IGA inter-government agreement.

IRS US Internal Revenue Service.

FATCA Financial Account Tax Compliance Act (US).

Feeder Fund Longlead Absolute Return Feeder Fund Ltd, an exempted company incorporated with limited liability in the Cayman Islands.

FINRA Financial Industry Regulatory Authority (US).

Fund Longlead Pan-Asian Absolute Return Fund.

GST Australian Goods and Services Tax, as established under the A New Tax System (Goods and Services Tax) Act 1999 (Cth.).

High Water Mark has the meaning given to that term in Section 7 of this IM.

IM the Information Memorandum contained in this document.

Initial Minimum Investment the initial minimum investment amount specified in Section 2 of this IM for which application for Units may be made by a new Investor.

Initial Unit Price the initial unit price specified in Section 2 of this IM.

Investment Manager or **Longlead** Longlead Capital Partners Pte. Ltd. ARBN 611 034 765.

Investor a Unit holder.

IPO initial public offering.

Management Agreement the investment management agreement between the Trustee and the Investment Manager in relation to managing the investments of the Fund dated on or about the date of the Trust Deed.

Management Costs the fees and costs for managing investment in the Fund as set out in Section 7 of this IM.

Management Expenses the additional fees, costs or expenses (as set out in Section 7 of the IM) that an Investor incurs by investing in the Fund rather than by investing directly in the underlying assets.

Management Fee the management fee payable to the Investment Manager as set out in Sections 2 and 7 of this IM.

Master Fund Longlead Absolute Return Master Fund Ltd, an exempted company incorporated with limited liability in the Cayman Islands.

Minimum Balance the minimum balance amount specified in Section 2 of this IM to be held by an Investor.

Minimum Redemption Amount - the minimum redemption amount specified in Section 2 of this IM for which a redemption request may be made by an Investor.

Net Asset Value or **NAV**

- i. in regard to the Fund, means the total value of all assets (that is all investments, rights and income) of the Fund less all liabilities of the Fund as determined by the Trustee in accordance with the Trust Deed; and
- ii. in regard to the Master Fund, means equal to the value of total assets of the Master Fund less total liabilities of the Master Fund.

New Issue equity securities which are issued in an initial public offering through member firms of FINRA.

11 GLOSSARY [CONT'D]

New Issue Rule Rule 5130 of the FINRA, as amended from time to time or such other applicable regulations governing the allocation of profits and losses from newly issued equity securities.

NFA National Futures Association (US).

Organisational and Offering

Expenses - expenses necessary or reasonably incurred in the formation and organisation of, and offer and sale of Units in, the Fund (as set out in Section 7 of the IM).

Operating Expenses - all out-of-pocket expenses relating to the operation of the Fund (as set out in Section 7 of the IM).

OECD Organisation for Economic Co-operation and Development.

Performance Fee the performance fee payable to the Investment Manager as set out in Sections 2 and 7 of this IM.

Redemption Price the price at which the Unit is redeemed at the relevant Transaction Day calculated in accordance with Section 4 of this IM and the Trust Deed.

Redemption Transaction Costs means:

- i. an estimate by the Trustee of the total transaction costs the Fund would incur to sell the assets in the Fund; or
- ii. if appropriate, having regard to the actual costs which would be incurred because of the redemption, the Trustee's estimate of the total transaction costs, which may be zero,

unless the Trustee makes no estimate, in which case the Redemption Transaction Costs are zero.

RITC Reduced Input Tax Credits.

Restricted Person person classified as 'restricted person' under the New Issues Rule.

Restricted Units restricted units of Class G Units not allocated with profits and losses arising from New Issue unless permitted by the New Issue Rule.

SFA Securities and Futures Act (Cap. 289) of Singapore, as amended from time to time.

Special Investment has the meaning given to that term in Section 5 of this IM.

Special Investment Units has the meaning given to that term in Section 5 of this IM.

Subsequent Minimum Investment the subsequent minimum investment amount specified in Section 2 of this IM for which application for Units may be made by an existing Investor.

TFN Tax File Number.

TIN US Taxpayer Identification Number.

Transaction Day

- i. first Business Day of the month; or
- ii. in regard to Special Investments, special Transaction Days for applications and special Transaction Days for redemptions may be introduced at the sole discretion of the Trustee (in consultation with the Investment Manager) in order to facilitate conversion between Special Investment Units and Class G Units (or vice versa) or for any reason deemed appropriate by the Trustee (in consultation with the Investment Manager) from time to time.

Trust Deed the trust deed dated 23 November 2020 that governs the way the Fund operates and sets out many of the rights, liabilities and responsibilities of both the Trustee and Investors.

Trustee Evolution Trustees Limited ACN 611 839 519 AFSL 486217.

Unrestricted Units unrestricted units of Class G Units allocated with profits and losses arising from New Issue.

Units Class G units in the Fund.

Unit Return the change in the NAV per Unit.

US United States.

Valuation Day a day the Investment Manager (on behalf of the Trustee) calculates the Net Asset Value of the Fund at the close of business on that day in accordance with the Trust Deed.

Wholesale Client means:

- i. a wholesale client within the meaning of sections 761G or section 761GA of the Act;
- ii. a foreign person to whom Units may be issued without a product disclosure statement being required to be given to them; and
- iii. a person to whom the issue or transfer of, or the holding of Units by, would not (a) constitute a breach of the laws of any jurisdiction; (b) be contrary to the regulations of any government authority; (c) give rise to circumstances (whether taken alone or conjunctively with other persons or any other circumstances appearing to the Trustee to be relevant) which, in the conclusive opinion of the Trustee, might result in the Trust, the Manager and/or the Holders as a whole incurring any liability for taxation or suffering any other regulatory, pecuniary, legal or material administrative disadvantage that the Trust, the Manager and/or Holders might not otherwise have suffered or incurred; or (d) give rise to circumstances which may cause the Trust or the Investment Manager to breach the terms of any licence, registration, or approval procured by it in relation to it or its investments.



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