

31 March 2022

Dear Investor,

Re: Issue of new Information Memorandum (IM) for Ellerston Low Volatility Income Strategy Fund (APIR Code: ECL7259AU) (Fund)

Further to our correspondence dated 1 December 2021 (outlining a change to Portfolio Management responsibilities), Ellerston Capital Limited (ABN 34 110 397 674) in its capacity as trustee for the Ellerston Low Volatility Income Strategy Fund will issue an updated IM to reflect the following changes to the Fund:

Item	Old IM (dated 5 November 2019)	New IM (dated 1 April 2022)
Fund Name	Ellerston Low Volatility Income Strategy Fund	Ellerston Equity Income KIS Fund
Investment Philosophy	<p>The key belief underpinning the Manager's investment philosophy is that the historical approach taken by many income-oriented investors is outdated in today's markets. Long-term structural changes in markets mean that the traditional "income sectors" (e.g. Banks and Telecoms) typically pursued for income no longer offer sustainability of dividends and earnings, while at the same time the traditional "cyclical sectors" are experiencing a structural shift towards companies providing more reliable income.</p> <p>Based on this market evolution, the Manager recognises the need to take a different approach to harnessing income: an approach focused on dividend growth and sustainability that sets multiple sector agnostic criteria to capture dividend yield flexibly from wherever it arises, as it arises, across the market cycle.</p>	<p>The key belief underpinning the Manager's investment philosophy is that the historical approach taken by many income-oriented investors is outdated in today's markets. Long-term structural changes in markets mean that the traditional "income sectors" (e.g. Banks and Telecoms) typically pursued for income, may no longer offer sustainability of dividends and earnings. At the same time, some of the more traditional "cyclical sectors" are experiencing a structural shift towards companies providing more reliable income.</p> <p>Based on this market evolution, the Manager recognises the need to take a different approach to harnessing income: an approach focused on dividend growth and sustainability across broader sectors.</p>
Distributions	Where distributable income is available, distributions will be made half yearly for each period ending 30 June and 31 December in each year. There is no guarantee that any income will be generated.	Where distributable income is available, distributions will be made quarterly for each period ending 31 March , 30 June, 30 September and 31 December in each year. There is no guarantee that any income will be generated.

Item	Old IM (dated 5 November 2019)	New IM (dated 1 April 2022)
Applications	<p>Monthly – with a minimum initial investment amount of \$50,000 and a minimum additional investment amount of \$10,000.</p> <p>Units will be issued on a monthly basis (subject to our ability to suspend or reject applications) provided the application and the Application Amounts are received by the Administrator prior to 2:00pm (Sydney time) one Business Day before the Application Day, unless otherwise agreed by the Manager in its absolute discretion. An Application Day occurs on the last Business Day of the month.</p>	<p>Daily – with a minimum initial investment amount of \$50,000 and a minimum additional investment amount of \$10,000.</p> <p>Units will be issued on a daily basis (subject to our ability to suspend or reject applications) provided the Application and the Application Amounts are received by the Registry prior to 2:00pm (Sydney time) on a Transaction Day (or such other time as we may determine). A Transaction Day occurs each Business Day.</p>
Redemptions	<p>Monthly – Unitholders may redeem their Units on a monthly Redemption Day by giving the Administrator notice by 2:00pm (Sydney time) five Business Days before the Redemption Day or such lesser period as the Manager may determine, except where redemptions are suspended, and subject to a minimum redemption amount of \$10,000 and a minimum holding of \$50,000. A Redemption Day occurs on the last Business Day of the month.</p>	<p>Daily – Unitholders may redeem their Units on a daily basis by giving the Registry notice by 2:00pm (Sydney time) on a Transaction Day (or such other time as we may determine). A Transaction Day occurs each Business Day. The minimum redemption amount is \$10,000 unless otherwise approved by us.</p>

The new IM will be accessible on Ellerston's website (www.ellerstoncapital.com). If required, a printed version can be requested by calling Ellerston's Investor Relations team on (02) 90217701.

Please note, the new IM dated 1 April 2022 replaces any previous copies of the IM. Any Application Form(s) from the previous IM dated 5 November 2019 will not be accepted from the issue date of the new IM i.e. Application Forms from the previous IM will not be accepted from Friday 1 April 2022 onwards.

Questions?

If you should have any questions on this, please don't hesitate to contact Ellerston's Investor Relations team on (02) 90217701 or via email at info@ellerstoncapital.com.

Yours sincerely,

Ellerston Investor Relations.

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DISCLAIMER

This letter has been prepared by Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000, trustee of the Ellerston Equity Income KIS Fund without taking account the objectives, financial situation or needs of individuals. Before making an investment decision about the Fund persons should read the Fund's Information Memorandum which can be obtained by contacting info@ellerstoncapital.com, consider the information in the Information Memorandum having regard to their own personal circumstances and obtain advice from an appropriate financial adviser. Units in the Fund are issued by Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000. This information is current as at the date on the first page.