

12 May 2023

Dear Investor,

Important changes regarding the Ellerston Asia Growth Fund (ARSN 626 690 686) (APIR Code: ECL1411AU) (Fund)

We are writing to inform you of several changes regarding the Fund in which you are invested. The changes are as follows:

1. Consolidation of units in the Fund

Effective from 11 May 2023, we have consolidated units in the Ellerston Asia Growth Fund by a factor of 7.5x. This means that the number of units held in the Fund will be reduced by 7.5 and the value of each unit will increase proportionately. This change will not affect the total value of your investment in the Fund. This is a preliminary step the Fund will be required to undertake in order to prepare for issuing units capable of quotation on the ASX under the AQUA rules.

We want to assure you that this change will not negatively impact your investment in the Fund. Your investment will continue to be managed with the same level of expertise and care that you have come to expect from our team.

2. Proposed conversion to a dual-listed structure

Subject to the meeting for EAI Shareholders on 18 May 2023, the Ellerston Asia Growth Fund will convert to a dual-listed structure and will be quoted on the Australian Securities Exchange (ASX). This conversion is subject to regulatory approvals and is expected to be completed by 31 May 2023.

The dual-listed structure will allow investors to access the Fund through the ASX and take advantage of its liquidity and transparency, as well as its ability to be traded in real-time during market hours. This is an exciting development for the Fund and provides investors with greater flexibility to invest in the Fund.

Please note that there will be no changes to the investment objective or strategy of the Fund as a result of this conversion. The Fund will continue to be managed by our experienced investment team and will be subject to the same rigorous investment process and risk management framework.

As part of the conversion process, the Fund will apply for units to be listed on the ASX under a new ticker symbol - EAFZ.

This is a significant step for the Fund and provides investors with greater access and flexibility.

3. Fee waiver and ongoing reduction in fees for the Fund

The quotation requires a reset of performance to align the Fund with the transfer of EAI assets. As such the performance fee will be lowered to 10% (instead of 15%) of the investment return over the Benchmark (MSCI Asia Ex Japan Index) and the management fee will also be lowered to 0.75% per annum of the net asset value of the Fund (instead of 1.00% per annum). The fee will also be waived for the first year following the quotation of units on the ASX.

The fee waiver will be effective as of 31 May 2023.

4. Issue of new Product Disclosure Statement (PDS) for the Fund

Please be advised that a new PDS will be issued for the Fund.

The new PDS will be updated to include the changes reflecting the dual-listed structure and reference a lower fee, as described earlier in this notice.

The new PDS 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 PDS dated 19 April 2023 replaces any previous copies of the PDS. Any Application Form(s) from the previous PDS dated 14 November 2022 will not be accepted after 31 May 2023.

5. Change to the name of the Fund

As part of the approval process to quote units, the ASX requires that the name of the Fund be amended. Effective as of 19 April 2023, the Fund will now be known as Ellerston Asia Growth Fund (Hedge Fund).

Questions?

If you should have any questions on any of the above changes, 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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