

Ellerston Mid Cap Opportunities Fund

Product Disclosure Statement

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Important Information

Ellerston Capital Limited (Ellerston Capital, we or us) is the responsible entity and investment manager of the Ellerston Mid Cap Opportunities Fund ARSN 683 124 263 (Fund) and is the issuer of this Product Disclosure Statement (PDS) dated 31 January 2025. As responsible entity, Ellerston Capital is responsible for all aspects of the Fund including managing the assets and overseeing the operations of the Fund. Ellerston Capital holds an Australian Financial Services License (AFSL No. 283 000) which regulates its prudential requirements and its delivery of financial services.

This PDS provides a summary of significant information relating to the Fund. It also contains a number of references to additional information which forms part of this PDS. This is important information you should read before making a decision to invest into the Fund. You can access the "Additional Information to the Product Disclosure Statement" at <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information> download a copy or request a copy free of charge by calling us. The information in this PDS is general information only and does not take into account your personal financial situation or needs. You should consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances. If you are investing through an Investor Directed Portfolio Service (IDPS), you should contact your IDPS with any queries.

1. About Ellerston Capital Limited

Ellerston Capital is a specialist investment manager providing innovative benchmark independent alternative equity strategies.

Ellerston Capital is passionate about investing, creating value for clients, identifying the best stocks and creating portfolios that perform. As a firm majority owned by its principals and employees, our client's objectives are our objectives. Ellerston Capital has been managing money since 2002.

2. How the Ellerston Mid Cap Opportunities Fund Works

Your investment in the Fund is pooled together with other investors' money. We use this pool to invest in our equity based strategy and manage them on behalf of all investors in the Fund according to the Fund's investment strategy. By investing in the Fund you benefit from the knowledge and expertise of our skilled investment managers. We have day-to-day control over the operation of the Fund.

The Fund is a unit trust and is governed by its Constitution. The Net Asset Value of the Fund is divided into one or more classes of 'Units' which represent a share of the pool of assets that make up the Fund. The prices for these Units are generally calculated on a daily basis, and will change as the market value of assets in the class 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. When you redeem, we will redeem your Units based on the Redemption Price for the relevant Transaction Day. See "Processing" below for further details.

Application Prices are usually higher than Redemption Prices due to the Buy/Sell Spread. The Buy/Sell Spread is built into the Application Price and Redemption Price and represents your contribution to the costs of buying and selling the underlying assets in the Fund. See "Buy/Sell Spread" on page 7 for further details.

Unit prices are available at www.ellerstoncapital.com or by contacting Ellerston Capital on (02) 9021 7701. Ellerston Capital has documented how it intends to exercise unit pricing discretions in a policy document. The policy document is available to Unitholders free of charge by contacting Ellerston Capital.

The Fund is registered with the Australian Securities and Investments Commission (ASIC) as a managed investment scheme. ASIC takes no responsibility for this PDS or the operation of the Fund by Ellerston Capital.

Investing Indirectly in the Fund

If you invest indirectly in the Fund through an Investor Directed Portfolio Service, IDPS-like scheme or a nominee or custody service (collectively, IDPS), then you do not hold Units in the Fund and you have none of the rights of a Unitholder. Instead, the IDPS holds those Units on your behalf. Investing through an IDPS may result in different conditions applying from those referred to in this PDS including minimum investment, fees and other costs, cooling off rights, applications, redemptions and distributions and provision of statements. However, Indirect Investors will have access to Ellerston Capital's complaint resolution procedures to the same extent as if they were a Direct Investor. You should contact your financial adviser or IDPS operator for further information.

This PDS may be used as disclosure to persons who wish to access the Fund through an IDPS. If you wish to invest in the Fund through an IDPS, contact your IDPS for details regarding how to invest and how to redeem. This PDS must be read together with documents provided by the IDPS.

You should read the important information about how Indirect Investors acquire and dispose of Units in the Fund before making a decision. Go to the sections "Indirect Investors", "Application Form" and "Redemptions" in section 2 entitled "Indirect Investors" of "Additional Information to the Product

Disclosure Statement" at <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information>. The material relating to the acquisition and disposal of Units in the Fund by Indirect Investors may change between the time when you read this PDS and the day when you acquire the product.

Investing Directly in the Fund

Information regarding how to invest directly (as opposed to investing through an IDPS) is set out below.

Minimum Initial Investment

The minimum initial investment is \$10,000. We may in our absolute discretion waive or reduce this minimum requirement. In certain circumstances, we may reject an application or accept only part of an application. Refer to "Processing" below and page 8 for more information about the application process.

Additional Investments

The minimum additional investment is \$5,000. We may in our absolute discretion waive or reduce this minimum requirement. If you wish to invest more in the Fund, please send the Registry or Ellerston Capital your written instructions with your payment.

How to Redeem

Generally, you can redeem some or all of your investment by giving the Registry written notice prior by 2:00pm (Sydney time) on a Transaction Day (or such other time as we may determine). A Transaction Day occurs each Business Day. See "Processing" below for further details.

The minimum redemption amount is \$5,000 unless otherwise approved by us. Redemptions will generally be paid to you within five Business Days of the Transaction Day.

There may be circumstances where your ability to redeem on request from the Fund within the usual period is restricted. For example, there may be a freeze on redemption requests where we are unable to value the Fund's assets due to financial market disruptions. You may be required to complete an Additional Investment Form.

Processing Applications and Redemptions

Generally, if the Registry receives a completed Application Form, including all related documents and application monies, by 2:00pm (Sydney time) on a Transaction Day (or such other time as we may determine), we will process the application using that Transaction Day's Application Price.

Generally, if the Registry receives a redemption request by 2:00pm (Sydney time) on a Transaction Day (or such other time as we may determine), we will process the redemption using that Transaction Day's Redemption Price.

Application Forms or redemption requests received after the relevant cut-off time will generally be processed for the following Transaction Day. We may in our absolute discretion reject or decline to accept applications (in part or in full). Any interest payable on application amounts will accrue to the benefit of the Fund. Application amounts paid in respect of rejected or the scaled back portion of applications will be returned to investors without interest.

You should read the important information about how Direct Investors acquire and dispose of Units in the Fund before making a decision. Go to section 3 entitled "Applications and Redemptions" of "Additional Information to the Product

Disclosure Statement" at <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information>. The material relating to the acquisition and disposal of Units in the Fund by Direct Investors may change between the time when you read this PDS and the day when you acquire the product.

Distributions

If you invest in the Fund via an IDPS, you should contact your IDPS to find out how distributions may be paid to you.

Distributions will be calculated on a pro rata basis, by reference to the number of Units held. The distribution policy of the Fund is to distribute (where available) as soon as practicable after each half yearly period ending 30 June and 31 December (or otherwise as determined by us) the income of the Fund less expenses. Distributions from the Fund may comprise income and/or capital as determined by us under the Constitution. Unitholders may elect to reinvest distributions from the Fund (refer to the Application Form). If you do not make a choice, your distributions will be automatically reinvested. Unitholders should review their distribution election to ensure that their election accurately reflects their current investment objectives and to avoid any delays in processing of distribution payments. Unitholders may not elect to have a fixed number of Units or a percentage of their distribution reinvested in the Fund. Units issued on reinvestment of distributions will generally be issued at the Net Asset Value per Unit (with no Buy/Sell Spread). We may, from time to time, distribute additional amounts where we believe it is appropriate.

3. Benefits of Investing in the Ellerston Mid Cap Opportunities Fund

Significant Features

- The Fund is an actively managed portfolio of Australian and New Zealand listed Mid Cap Securities.
- Ellerston Capital takes an active, research-driven, benchmark-independent approach to investing.
- The ability to apply for and redeem Units on a daily basis.
- The Fund will not short-sell physical Securities or borrow Securities.

Significant Benefits

Investing in the Fund offers investors a range of benefits:

- Potential for long-term capital growth. This approach aims to generate returns that are superior to the Benchmark returns;
- The Fund provides access to Ellerston Capital's experienced investment specialists and benchmark independent investment approach; and
- Regular updates including reports, investment statements and annual tax statement to keep you up-to-date on your investment.

You should read the other important information about other features and benefits of the Fund before making a decision. Go to section 7 of the "Additional Information to the Product Disclosure Statement" at <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information>. The material relating to the other features and benefits of the Fund may change between the time when you read this PDS and the day when you acquire the product.

4. Risks of Managed Investment Schemes

All investments carry risk. The likely investment return and the risk of losing money is different for each managed investment scheme as different strategies carry different levels of risk depending on the underlying mix of assets that make up each fund. Those assets with potentially the highest long term return (such as shares) may also have the highest risk of losing money in the shorter term.

The significant risks of the Fund are:

- **Market Risk:** The risk that the value of the Fund's investments will fluctuate as a result of factors such as economic variables (including interest rates, unemployment, inflation and economic growth), market conditions and sentiment. Changes in government regulations (e.g. tax), local and international political events and environmental and technological issues may impact on the Fund's ability to implement its strategy. Market risk may have different impacts on each type of asset, investment style and investor.
- **Security Specific Risk:** The risk that the price of shares in a particular company may be affected by the operational and financial circumstances of the issuer of those securities such as the state of their underlying businesses (including the level of debt they carry, the availability of debt financing and level of interest rates), their profits, earnings and cash flows.
- **Mid Cap Companies Risk:** Mid Cap Companies are those that generally have a lower than average market capitalisation. Compared with larger companies, Mid Cap Companies (i) may have less liquidity and their security price more volatile (namely subject to greater price fluctuations); (ii) may be recently established with less or lower quality publicly available information on their business activities; and (iii) can be engaged in more speculative businesses. For these reasons the Mid Cap Companies sector may experience significant volatility and reduced liquidity (which may reduce the value of the relevant investment).
- **Currency Risk:** The Fund may have foreign currency exposure. Foreign exchange fluctuations may have a positive or adverse impact on the investment returns of the Fund. The Fund's foreign currency exposure may be over or under hedged or not hedged at all. It may not always be possible to hedge all foreign currency exposures and there is no guarantee that hedging will be successful.

The Fund may also hedge the exposure of the other investments in the Fund against investment loss, but is under no obligation to do so. The cost of implementing hedging may be significant.
- **Fund Risk:** The success of the Fund depends upon our ability to develop and implement the Fund's investment strategy and identify investment opportunities that achieve the Fund's investment objective.
- **Distribution Risk:** The Fund is not designed for investors seeking regular income payments. There is no guarantee that any distributable income will be generated. In certain circumstances, Unitholders may be liable for tax on distributions even if they have not received any distribution in cash.
- **Pandemic Risk:** The impact of pandemics may have adverse implications on the Fund's ability to achieve its investment objectives.
- **ESG Risk:** The integration of ESG considerations into the investment process may have a positive or negative impact on the performance of the Fund.

Risk can be managed but it cannot be completely eliminated. It is important to understand that:

- The value of your investment will go up and down.
- Investment returns will vary and future returns may be different from past returns.
- Returns are not guaranteed and there is always the chance that you may lose money on any investment you make.
- Laws affecting your investment in a managed investment scheme may change over time.

The appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested and how comfortable you are with the possibility of losing some of your money in some years.

You should read the important information about the significant risks of investing in the Fund before making a decision. Go to section 5 entitled "Risk" of "Additional Information to the Product Disclosure Statement" at <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information>. The material relating to significant risks of investing in the Fund may change between the time when you read this PDS and the day when you acquire the product.

5. How We Invest Your Money

Warning: You should consider the likely investment return, risk and your investment time frame when choosing to invest into the Fund.

Ellerston Mid Cap Opportunities Fund	
Investment Objective	The investment objective of the Fund over time is to outperform the Benchmark over a rolling three-year period. The Fund aims to achieve this by investing in between 25 and 40 Australian and New Zealand listed Securities. Where there is a lack of suitable investment opportunities or to minimise volatility, the Fund may hold up to 10% of its Net Asset Value in Cash.
Minimum Suggested Time Frame	At least five years.
Benchmark	50% of the S&P/ASX Mid Cap 50 Total Return Index and 50% of the S&P/ASX Small Ordinaries Total Return Index.
Suitability	The Fund is intended to be suitable for investors with a medium to long term investment timeframe who are looking to invest in an actively managed portfolio of Australian and New Zealand listed Mid Cap company Securities.
Asset Classes and Asset Allocation Ranges (Delta Exposed)	Australian listed Securities: 60 - 100% New Zealand listed Securities: 0 - 20% Derivatives: 0 - 15% Cash: 0 - 10%

Description of Fund	<p>The Fund employs an active, research-driven investment approach that seeks to identify a portfolio of Mid Cap companies with the aim of delivering superior returns to the Benchmark over time.</p> <p>The Fund will invest in companies that are believed to have the potential to deliver significant upside over the medium term and where there is a reasonable margin of safety to mitigate the downside risk. We will actively manage the positions of the Fund.</p> <p>Investments will generally be made in companies that have a sound business franchise with an attractive earnings profile, that operate in growth industries and trade at a discount to valuation.</p>	
Risk Level ¹	High to very high. The significant risks of the Fund are set out in Section 5.	
Portfolio Guidelines	Investment Universe	<p>Securities listed on a recognised Australian or New Zealand exchange or similar instruments.</p> <p>Derivatives for risk management purposes only</p> <p>Cash.</p>
	Number of positions	25 – 40 Securities.
	Parameters	<p>Market capitalisation of a company must be a minimum of \$700 million at the time of first investment and a maximum of \$20 billion</p> <p>An investment held in any one company must not exceed:</p> <ul style="list-style-type: none"> • 8% of the Net Asset Value at cost; • 12% of the total market value of the Net Asset Value; • 10% of the voting rights or issued capital of any issuer. <p>The Fund does not invest in unlisted Securities.</p> <p>Underwriting or sub-underwriting of issues in respect of authorised investments is permitted, provided that in the event that commitments pursuant to any underwriting or sub-underwriting agreements should revert to the Fund, the relevant constraints must not be breached.</p> <p>The total exposure to underwriting or sub-underwriting at any one time may not exceed 10% of the Net Asset Value of the Fund.</p>
	Derivatives	<p>The Fund may use Derivatives for risk management purposes.</p> <p>The Fund will not short sell physical Securities or borrow Securities. Save where specified to the contrary, the above thresholds apply as at the date of the relevant investment. Where a threshold would be breached merely because of any</p>

appreciation in value (e.g. as a result of strong outperformance), depreciation in value, capital restructure, corporate action or similar event, the Fund will be rebalanced or reduced back to below that threshold within a reasonable timeframe. This will be addressed within a reasonable timeframe. We may invest through funds with a substantially similar investment objective, philosophy and universe managed by us or an entity related to us. We will waive or set off additional management and performance fees payable in respect of such investments.

Labour, Environmental, Social and Ethical Considerations

The Manager integrates consideration of labour standards or social, environmental or ethical considerations through a unique, proprietary and multi-step approach to ESG embedded through the investment process in the selection, retention or realisation of investments. The Manager does not employ a fixed methodology for taking these considerations into account, other than as described below.

The Manager will exclude direct investments in the following sectors:

Sector		Permitted Holding
Tobacco	Companies that generate any direct revenue from the production of tobacco and/or manufacture of nicotine alternatives and tobacco-based products.	0%
Pornography	Companies that generate any direct revenue from the production, sale or advertisement of pornography.	0%
Old Growth Forest Logging	Companies that conduct old-growth forest logging.	0%

The Manager will also restrict direct investments in companies in the following sectors based on the revenue threshold limits specified:

Sector		Permitted Revenue Threshold ²
Thermal Coal Production	Companies that generate direct net revenue from the production of thermal coal and have no intention to initiate new thermal coal explorations.	≤ 10%

Investments which form part of the Fund's portfolio may become subject to a business sector or activity exclusion post-investment, for example due to market movements or M&A activity. In those circumstances, the Fund will not be obliged to immediately dispose of the investment but will not increase the size of its position where possible. The Manager will then assess the circumstances leading to exclusion and may engage with management of the issuer in order to obtain further information. If the Manager determines that divestment is warranted, the Fund will exit the investment within a reasonable timeframe, giving due consideration to any relevant market conditions and financial impact to the Fund.

Please refer to the Manager's Responsible Investment Policy for further details on our approach to responsible investing.

Currency Hedging	The Fund may elect to hedge any foreign currency exposure at its discretion.
Changes to Fund Details	Subject to the law and the Constitution, the Manager may change at any time the investment objective and strategy to meet current market conditions. Unit holders will be given 30 days' prior notice if any of these changes are materially adverse changes otherwise these changes will be available on the Manager's website.

¹ The risk level is not a complete assessment of all forms of investment risks, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives.

² Revenue is defined as total consolidated revenue for the company, as per the most recent values disclosed to the market.

You should read the important information about the Fund's investments before making a decision. Go to section 1 entitled "Fund Investments" of "Additional Information to the Product Disclosure Statement: <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information>. The material relating to the Fund's investments may change between the time when you read this PDS and the day when you acquire the product.

6. Fees and Costs

Did You Know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period.

(for example, reduce it from \$100,000 to \$80,000)

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

To Find Out More

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options. The calculator can also be used to calculate the effect of fees and costs on your investment.

This section shows fees and other costs that you may be charged.

These fees and costs charged may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document.

You should read all of the information about fees and costs because it is important to understand their impact on your investment. You can use this information to compare the fees and costs with those of other simple managed investment schemes.

If you are investing indirectly through an IDPS, you will need to consider the fees and other costs of the IDPS when calculating the total cost of your investment.

Ellerston Mid Cap Opportunities Fund		
Type of Fee or Cost	Amount ^{1,2}	How and When Paid
Ongoing annual fees and costs		
Management fees and costs The fees and costs for managing your investment.	Management fee 1.00% p.a. of the Net Asset Value of Units.	Calculated and accrued daily and paid from the assets of the Fund monthly in arrears. The Management Fee is reflected in the Unit price. The amount of this fee may be negotiated with the Manager. Refer to Section 4 of the "Additional Information to the Product Disclosure Statement" for more details.
	Expenses Estimated to be 0% p.a.	Calculated and accrued daily and paid from the assets of the Fund when the amounts are due. These expenses are reflected in the Unit price. Refer to Section 4 of the "Additional Information to the Product Disclosure Statement" for more details.
	Indirect costs Estimated to be 0% p.a.	Indirect costs are variable and are deducted from the assets of the Fund. These costs are not charged separately and are not paid to the Manager. Refer to Section 4 of the "Additional Information to the Product Disclosure Statement" for more details.
Performance fees Amounts deducted from your investment	20% of the relevant class's investment return over the Benchmark	Calculated and accrued daily and deducted from the assets of the relevant class after 30 June in each year in arrears.

in relation to the performance of the product.

return, after recovering any underperformance in past periods.

Estimated to be 0.70% p.a. of the Net Asset Value of each Unit.

The performance fee is reflected in the Unit price. Refer to Section 4 of the "Additional Information to the Product Disclosure Statement" for more details.

Transaction costs The costs incurred by the scheme when buying or selling assets.	Estimated to be 0.18% p.a. of the Net Asset Value of Units. ³	Paid out of the Fund's assets when the costs are incurred and reflected in the Unit price. The amount shown is net of any transaction costs recovered from investors via the Buy/Sell Spread. Refer to Section 4 of the "Additional Information to the Product Disclosure Statement" for more details.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee The fee to open your investment.	Nil.	Not applicable.
Contribution fee The fee on each amount contributed to your investment.	Nil.	Not applicable.
Buy/Sell Spread An amount deducted from your investment representing costs incurred in transactions by the scheme.	0.25% of the application / redemption amount (as applicable).	The Buy/Sell Spread is deducted from the application amount received from, or the redemption amount to be paid to, applicants and withdrawing Unitholders respectively at the time of the relevant application or redemption.
Withdrawal fee The fee on each amount you take out of your investment.	Nil.	Not applicable.
Exit fee The fee to close your investment.	Nil.	Not applicable.
Switching fee The fee for changing investment options.	Nil.	Not applicable.

¹ All fees set out in this Section 6 are inclusive of the net effect of Goods and Services Tax (GST) (i.e. includes GST net of input tax credits). The Fund may not be entitled to claim a reduced input tax credit in all instances.

² Fees in this PDS can be individually negotiated if you are a 'wholesale' client under the Corporations Act. If you invest via an IDPS, the operator may have negotiated a lower fee which may be passed onto you. Please contact your IDPS operator for further details.

³ Transaction costs are shown net of any amounts recovered by the Fund from the Buy/Sell Spread charged to transacting investors. Refer to Section 4 of the "Additional Information to the Product Disclosure Statement" for more details.

WARNING: Additional fees may be paid to a financial adviser if a financial adviser is consulted. Please refer to statement of advice issued by your financial adviser which will provide details of the fees that may be payable.

Example of annual fees and costs for the Fund

This table gives an example of how the fees and costs for the relevant class can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

Example – Ellerston Mid Cap Opportunities Fund		Balance of \$50,000 with a contribution of \$5,000 during year ¹
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management fees and costs	Management fee 1.00% p.a. Estimated expenses 0% p.a. Estimated indirect costs 0% p.a.	And , for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$500 each year.
PLUS Performance fees	Estimated 0.70% p.a.	And , you will be charged or have deducted from your investment \$350 in performance fees each year.
PLUS Transaction costs	0.18% p.a.	And , you will be charged or have deducted from your investment \$90 in transaction costs.
EQUALS Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$940¹ What it costs you will depend on the fees you negotiate with the Fund, your IDPS operator or financial adviser, as applicable.

¹ This example assumes the \$5,000 contribution occurs at the end of the first year, therefore management costs are calculated using the \$50,000 balance only. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread.

² This example includes a performance fee estimate of 0.70% p.a., which is calculated on historical returns of the performance of a similar investment strategy over the most recent period of performance. Past performance is not a reliable indicator of future performance. In particular, the performance fee payable (if any) will depend on the performance of the Fund and any estimated or past performance fees may not be a reliable indicator of future performance fees of the Fund.

Please note that this is just an example. In practice, your investment balance will vary, as will related management costs. Fee rebates may be individually negotiated with wholesale clients (as defined in the Corporations Act).

We may change the fees set out on this page (e.g. due to changes in economic conditions and size of the Fund) without the Unitholder's consent and Unitholders will be provided at least 30 days written notice of any change in these or other fees.

Buy/Sell Spread

The Buy/Sell Spread is effectively deducted from the Unitholder's application and redemption monies. This amount is currently 0.25%. For example, if you invested \$50,000 in the Fund the cost of your Buy/Sell Spread would be \$125. We may vary the Buy/Sell Spread from time to time and prior notice will not ordinarily be provided. Any changes to the Buy/Sell Spread will be posted on our website www.ellerstoncapital.com. This amount is paid to the Fund on account of our estimate of costs associated with buying and selling assets represented by the relevant application or redemption and is not paid to us. Such costs are, however, an additional cost to you and will impact on the return on your investment. Such costs could include estimated brokerage and stamp duties, taxes and other charges and expenses from buying or selling Fund investments. The amount is paid so as to mitigate any unfairness from an application or redemption affecting other Unitholders. Management costs do not include the Buy/Sell Spread.

You should read the important information about fees and costs before making a decision. Go to section 4 entitled "Additional Explanation of Fees and Costs" of "Additional Information to the Product Disclosure Statement" at <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information>. The material relating to fees and costs may change between the time when you read this PDS and the day when you acquire the product.

7. How Managed Investment Schemes are Taxed

WARNING: Investing in a managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice before investing.

Go to section 6 entitled "Tax" of the "Additional Information to the Product Disclosure Statement" at <https://ellerstoncapital.com/funds/mid-cap-opportunities-fund/additional-information>.

8. How to Apply

To invest in the Fund via an IDPS, you will need to contact your IDPS and complete the relevant application form and any other

document required by the IDPS. You will also need to contact your IDPS in relation to making any additional contributions to your investment.

To invest directly, applicants should complete the Application Form accompanying the PDS. The Application Form is also available by contacting us. Details of where to send your completed Application Form, customer identification documents and application monies are on the Application Form. The offer made in this PDS is only available to persons receiving this PDS (electronically or otherwise) within Australia. Applications from outside Australia will not be accepted unless otherwise determined by Ellerston Capital. See page 2 for more information on how applications are processed.

If you are a retail client (as defined in the Corporations Act) investing directly in the Fund, you have a 14 day cooling-off period to confirm that the investment meets your needs. If you wish to exercise your cooling-off rights, provide a written redemption request within 14 days of the earlier of confirmation by us of your initial investment in the Fund or the fifth Business Day after the Units are issued. The monies returned will be equal to the price at which Units could be applied for on the day we receive the redemption request (adjusted for market movements, reasonable transaction and administration costs and any applicable taxes). This cooling off right does not apply for investments for wholesale clients (as defined in the Corporations Act). Indirect Investors should consult their IDPS operator about what cooling off rights (if any) may apply.

The Manager has a formal policy in place for dealing with complaints. If you have a complaint, please notify us by telephoning (02) 9021 7701, by emailing info@ellerstoncapital.com or by writing to Ellerston Capital Limited, Level 11, 179 Elizabeth Street, Sydney NSW 2000. We will acknowledge your complaint as soon as practicable and will investigate your complaint and aim to provide a final response to you within 30 days of receipt of the complaint. If you are a retail client and believe that your matter has not been dealt with satisfactorily, you can contact the Australian Financial Complaints Authority which is an external dispute resolution scheme by calling 1800 931 678.

Updated Information

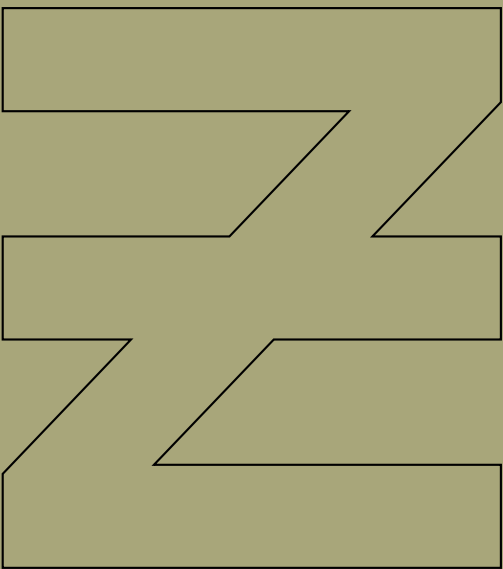
Information in this PDS is subject to change from time to time. Information that is not materially adverse information can be updated by us. Where a change is not materially adverse to investors, the information may be made available at: www.ellerstoncapital.com. Investors may obtain a paper copy of this information free of charge by contacting us on (02) 9021 7701. At least 30 days written notice will be provided for changes which are materially detrimental including a change to fees.

9. Other Information

Terms used in this PDS

Additional Application Form	An additional application form for existing investors available from www.ellerstoncapital.com
Application Form	The application form accompanying this PDS.
Application Price	Net Asset Value per Unit of the relevant class at the relevant Transaction Day plus the Buy/Sell Spread.

ASIC	The Australian Securities and Investments Commission.
Benchmark	Has the meaning set out on page 4 of this PDS.
Business Day	Any day that is not a Saturday, Sunday or public holiday in New South Wales, Australia.
Cash	Assets reasonably determined by Ellerston Capital to be cash or cash like securities.
Constitution	The constitution of the Fund dated 2 December 2024, as amended from time to time.
Corporations Act	The Corporations Act 2001 (Cth).
Direct Investor	A Unitholder holding Units in the Fund directly, as opposed to investing through an IDPS.
Derivative	A financial instrument where the value depends on, or is derived from, the value of an underlying designated asset or market index (e.g. an individual share or a broad share market index).
Delta Exposed	The exposure obtained to underlying designated assets by means of a Derivative using current market values.
Ellerston Capital	We, our or us means Ellerston Capital Limited, the responsible entity of the Fund.
Fund	The Ellerston Mid Cap Opportunities Fund
GST	The Australian Goods and Services Tax, as established under the A New Tax System (Goods and Services Tax) Act 1999 (Cth).
IDPS	Has the meaning set out on page 2 of this PDS.
Indirect Investor	An investor investing the Fund through an IDPS.
Management Fee	The management fee payable to Ellerston Capital as set out on page 6 of this PDS.
Net Asset Value	The net asset value of the relevant class or the Fund, as appropriate, as determined under the Constitution.
Performance Fee	The Performance fee payable to Ellerston Capital as set out on page 6 of this PDS.
Product Disclosure Statement	This product disclosure statement for Units in the Fund.
Redemption Price	Net Asset Value of the relevant class at the relevant Transaction Day less the Buy/Sell Spread.
Registry	The person specified in the Application Form, to whom applications and redemptions may be sent.
Securities	Equity interests in a company, managed investment scheme or investment organisation including but not limited to shares, units, preference shares, stapled securities and instalment receipts issued by companies listed on a recognised stock exchange in Australia or New Zealand.
Transaction Day	Has the meaning set out on page 2 of this PDS.
Unit	A beneficial interest in the Fund.
Unitholder	A person entered on the register of the Fund as a holder of Units.



Ellerston Mid Cap
Opportunities Fund

Additional Information to the
Product Disclosure Statement

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Important Information

The information in this document forms part of the Product Disclosure Statement (PDS) for Units in the Ellerston Mid Cap Opportunities Fund ARSN 683 124 263 (Fund) dated 31 January 2025. This document provides additional information about topics under the prescribed sections of the PDS. This document and the PDS contain important information you should consider before making an investment decision in relation to the Fund. We may update this document from time to time in accordance with the Fund Constitution and the law. The updated document will be available on our website, www.ellerstoncapital.com, and you can also obtain a copy free of charge upon request. You should keep a copy of this document and any updates to it for your reference.

The information provided in this document and the PDS is general information only and does not take into account your personal financial situation or needs. Ellerston Capital is the issuer of this document and the PDS. You should consider whether the information in this document and the PDS is appropriate for you in light of your objectives, financial situation and needs. To obtain advice or more information about the product offered in the PDS you should speak to your Financial Adviser.

Except as otherwise stated, defined terms in this document have the same meaning as set out in the PDS.

1. Fund Investments

Except as otherwise stated, defined terms in this document have the same meaning as set out in the PDS.

The following text contains further information on the Fund's investments and should be read in conjunction with the PDS.

Investment Universe

The Fund invests in 25 – 40 Securities.		
Asset Allocation Ranges are as follows:	Australian listed Securities	60 – 100%
	New Zealand listed Securities	0 – 20%
	Derivatives	0 – 15%
	Cash	0 – 10%
Market capitalisation (at the time of first investment):	Minimum – \$A700m	
	Maximum – \$A20bn	
Investment held in any one Security must not exceed:	8% of the Net Asset Value at cost	
	12% of the total market value of the Net Asset Value	
	10% of the voting rights or issued capital of any issuer	

The Fund does not invest in unlisted Securities.

Underwriting or sub-underwriting of issues in respect of authorised investments is permitted, provided that in the event that commitments pursuant to any underwriting or sub-underwriting agreements should revert to the Fund, the relevant constraints must not be breached. The total exposure to underwriting or sub-underwriting at any one time may not exceed 10% of the Net Asset Value of the Fund.

The Fund will not short-sell physical Securities or borrow Securities.

The Fund may elect to hedge any foreign currency exposure at its discretion.

The Fund may use Derivatives for risk management purposes only. Maximum 15% (Delta Exposed) of the Net Asset Value except in the short term for portfolio management purposes. Australian listed Derivatives only.

The Fund will not short sell physical Securities or borrow Securities. Save where specified to the contrary, the above thresholds apply as at the date of the relevant investment. Where a threshold would be breached merely because of any appreciation in value (e.g. as a result of strong outperformance), depreciation in value, capital restructure, corporate action or similar event, the Fund will be rebalanced or reduced back to below that threshold within a reasonable timeframe this will be addressed within a reasonable timeframe.

2. Indirect Investors

The following text contains further information about how Indirect Investors acquire and dispose of Units in the Fund and should be read in conjunction with the PDS. For information on how Direct Investors acquire and dispose of Units in the Fund, see Section 3 of this document.

Indirect Investors

As an Indirect Investor, you may rely on and are authorised to use the information in this PDS to direct the operator of the IDPS to invest in the Fund on your behalf. An Indirect Investor does not become a Unitholder in the Fund. Accordingly, an Indirect Investor does not acquire the rights of a Unitholder or acquire any direct interest in the Fund. The operator or manager of the IDPS acquires these rights (including the right to vote at meetings) and can exercise, or decline to exercise them, on behalf of the person according to the arrangements governing the IDPS. However, Indirect Investors will have access to Ellerston Capital's complaint resolution procedures to the same extent as if they were a Direct Investor. A person who invests in the Fund through an IDPS should ignore information in this PDS that is relevant only for Direct Investors. This includes information relating to the following:

Application Form

A person investing in the Fund through an IDPS should not complete the Application Form accompanying the PDS. An Indirect Investor should complete the application form supplied by the operator of the IDPS. Refer to your IDPS operator for the minimum investment amount that may apply to an investment in the Fund through an IDPS.

Information

An Indirect Investor will not receive statements, tax information or other information directly from us. An Indirect Investor should receive equivalent information from the operator of the IDPS. Refer to your IDPS operator for the minimum investment amount that may apply to an investment in the Fund through an IDPS.

Redemptions

Provisions which relate to redemptions from the Fund will apply to the operator of the IDPS and not the Indirect Investor. Refer to your IDPS operator for the information regarding redemptions.

Fees and Expenses

Fees and expenses applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and expenses stated in the PDS.

Tax

Taxation consequences of investing in the Fund outlined in the PDS does not address the treatment of Indirect Investors. You should consult your tax adviser in relation to investing through an IDPS.

Cooling off

Indirect Investors should consult their IDPS operator about what cooling off rights (if any) may apply.

3. Applications and Redemptions

The following text contains further information on how Direct Investors acquire and dispose of Units in the Fund and should be read in conjunction with the PDS. For information on how Indirect Investors acquire and dispose of Units in the Fund, see Section 2 of this document.

How to Apply for Units

Units in the Fund are available for issue under the PDS. To invest in the Fund you must complete the Application Form accompanying the PDS.

Subject to the Fund remaining open, applicants may apply for Units and Unitholders may apply for additional Units in the Fund.

The minimum initial investment amount is \$10,000 and the minimum additional investment amount is \$5,000. Ellerston Capital may in its absolute discretion waive or vary these minimum requirements.

If the Registry receives a completed Application Form, including all related documents and application monies, by 2:00pm (Sydney time) on a Transaction Day (or such other time as we may determine), we will process the application using that Transaction Day's Application Price. We may in our absolute discretion waive this notice requirement. A Transaction Day occurs each Business Day.

Application Forms received after the relevant cut-off time will generally be processed for the following Transaction Day. Incomplete Application Forms will be processed once we have received correct documentation.

Application Acceptance and Interest

To ensure the Fund remains efficient and competitive, we may in our absolute discretion reject or decline to accept applications (in part or in full) and may close the Fund to further investment where it believes the Fund has reached capacity.

Any interest payable on application amounts will accrue to the benefit of the Fund. Application amounts paid in respect of rejected or the scaled back portion of applications will be returned to investors without interest.

How to Redeem your Units

You can redeem some or all of your investment by giving the Registry written notice prior 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 \$5,000 unless otherwise approved by us. Redemption requests may be restricted or a Unitholder's Units may be redeemed in its entirety if the processing of a redemption request would result in the Unitholder holding less than \$10,000 of Units.

Redemptions of Units will be processed using the Redemption Price at the relevant Transaction Day provided the request is received before the relevant redemption cut-off time for that Transaction Day.

Redemption requests received after the relevant cut-off time will generally be processed for the following Transaction Day.

Incomplete redemption requests will be processed once we have received correct documentation.

Redemptions will generally be paid to you within 5 Business Days from the Transaction Day however the Fund's Constitution provides that it may take up to 90 days from the Transaction Day until you receive your redemption proceeds.

Restrictions on Redemptions

Provided the Fund is "liquid" (within the meaning given to that term in the Corporations Act), no redemptions, or payment of redemption proceeds, shall be permitted where redemptions are suspended. Redemptions may be suspended for up to 120 days including where:

- it is impracticable or impossible to calculate the Net Asset Value of the Fund, for example, because of financial market disruptions or closures.
- the payment of redemption proceeds involves realising a significant portion of Fund assets which would, in the opinion of Ellerston Capital, result in remaining Unitholders bearing a disproportionate amount of tax or expenses, or suffering any other disadvantage or diminution of the value of Units held.
- Ellerston Capital reasonably considers it to be in the interests of Unitholders, or it is otherwise permitted by law.
- the Fund is being wound up.

Where the Fund is not Liquid

The redemption process, including the calculation of the Redemption Price, described above applies only when the Fund is "liquid". Where the Fund ceases to be liquid, Units may only be redeemed pursuant to a withdrawal offer made to all Unitholders in the Fund in accordance with the Corporations Act.

4. Additional Explanation of Fees and Costs

The following text contains further information about the fees and costs that you may be charged for investing in the Fund along with further information about the additional fees and costs that could apply to your investment. This information should be read in conjunction with the PDS.

GST

All fees set out in this Section 4 and Section 6 of the PDS are inclusive of any applicable Goods and Services Tax (GST) and net of input tax credits (unless otherwise stated). The Fund may not be entitled to claim an input tax credit in all instances.

Management Fees and Costs

The management fees and costs are comprised of the ongoing Management Fee, indirect costs and expenses.

Management Fee

The Management Fee is 1.00% p.a. of the Net Asset Value of the relevant class of Units (\$1000 per \$100,000). The Management Fee is the fee we charge for overseeing the operations of the Fund and managing the assets of the Fund. The Management Fee is payable monthly in arrears. The Management Fee is reflected in the Unit price. The Management Fee can be individually negotiated if you are a 'wholesale client' under the Corporations Act by contacting Ellerston Capital on (02) 9021 7701 or your financial adviser.

Indirect Costs

Indirect costs are certain costs which we reasonably estimate will reduce, directly or indirectly, the Fund's return. Indirect costs may include underlying investment manager fees and costs and certain derivative costs. If any indirect costs are incurred, they would be reflected in the Unit price of the Fund and would not be charged to you as a fee nor retained by us.

Based on the information available to us as at the date of the PDS, the Manager estimates the indirect costs of the Fund to be 0% p.a.

Expenses

All costs or general expenses reasonably and properly incurred in the proper performance of its duties by us in connection with the management of the Fund are payable out of the Fund. We are responsible for providing all office personnel, office space and office facilities required for the performance of its services. The Fund bears all other expenses incidental to its operations, including, but not limited to, fees payable to the Fund's service providers (e.g. administrator and custodian); taxes imposed on the Fund or us (in our capacity as responsible entity of the Fund); governmental charges and duties; the Fund's advisers (e.g. legal, accounting and audit); and printing and distributing the PDS, subscription materials, marketing materials and any reports and notices to Unitholders or prospective Unitholders. The total of these ongoing expenses is estimated to be 0% p.a. The Fund may also incur unanticipated expenses arising from its business, such as litigation and indemnification expenses. Government fees, duties and bank charges may also apply to investments and redemptions and be deducted from application monies or redemption proceeds.

All costs or expenses incurred (or that will be incurred) by us in connection with the offer of Units are payable out of the Fund and we may choose to include in the assets of the Fund deferred establishment costs for Unit pricing purposes.

Performance Fee

Ellerston Capital is entitled to a Performance Fee for outperforming the Benchmark. The Performance Fee is a way of providing an incentive for us to strive to continually produce returns above the Benchmark.

The Performance Fee is equal to 20.0% of the amount by which the accumulated investment return of the relevant class of Units exceeds the accumulated return of the Benchmark during each year to 30 June (Calculation Period). We estimate the Performance Fee to be 0.70% p.a of the Net Asset Value of the Fund.

If the relevant class of Units underperforms against the Benchmark during a Calculation Period, a Performance Fee will not be paid. Any underperformance will be carried forward to the following Calculation Period and must be recouped before any Performance Fees can commence to accrue or be paid.

The Performance Fee is accrued in the Unit price. The Performance Fee is payable at the end of each Calculation Period. Ellerston Capital may alter the Calculation Period. We will notify you of any change to the Calculation Period.

The investment return is based on the positive or negative change in the Net Asset Value of the relevant class of Units. The investment return is calculated after deducting Management Fees but before any accrued Performance Fees and income or capital distributions. Further adjustments may be made for subscriptions and redemptions and capital restructures.

The investment return and the Benchmark return are calculated at the end of each Business Day and are accumulated.

Ellerston Capital has no obligation to restore to the Fund Performance Fees previously earned and paid, notwithstanding a loss in a subsequent Calculation Period. Where Units are redeemed during a Calculation Period, any accrued Performance Fees in respect of those Units may become due and payable to us. If we are removed as responsible entity of the Fund before the end of a Calculation Period, then the Performance Fee will be calculated and paid as though the date of removal were the end of the Calculation Period.

The Performance Fee is calculated on the performance of the relevant class of Units and not the performance of an individual Unitholder's investment. As a result, the actual Performance Fee payable on the Unitholder's investment in the Units may be affected by the timing of that person's applications and redemptions or by Unitholders as a whole. The Performance Fee can be individually negotiated if you are a 'wholesale client' under the Corporations Act by contacting Ellerston Capital on (02) 9021 7701 or your financial adviser.

Worked example of Performance Fee

The example that follows is for the purpose of illustrating how Performance Fees may be calculated only.

The example assumes that the investment return of the relevant class of Units and the Benchmark is steady during the course of the Calculation Period. In reality, the investment return of the Fund and the Benchmark will vary during the course of the Calculation Period. The example also assumes that no subscriptions or redemptions are made during the Calculation Period.

Importantly, the example assumes the investment return of the relevant class of Units has exceeded the return on the Benchmark. Note that the investment return of the relevant class of Units and the Benchmark is for illustrative purposes only and is not an indication of future performance. Future performance may differ from that used in this example.

The value of your Units at the beginning of a Calculation Period is \$100,000 and at the end of the Calculation Period is \$117,625.

The Unit's investment return for the Calculation Period is 17.63% %, namely $17.63\% \times \$100,000 = \$17,630$. The return on the Benchmark is 5.49%, namely $-5.49\% \times \$100,000 = -\$5,490$.

The Performance Fee is $20.0\% \times (\$17,630 - \$5,490) = \$2,428$

For each \$100,000 that you have invested in Units at the beginning of the Calculation Period, you would have earned \$17,630 and been charged \$2,428 in Performance Fees.

Transactional and Operational Costs

The Fund may incur transactional and operational costs such as brokerage, settlement, exchange fees and clearing costs. Transactional and operational costs are additional costs to Unitholders that are deducted from the assets of the Fund. Such costs are recovered as they are incurred and reflected in the Unit price. Transactional and operational costs may vary as the turnover in the underlying assets may change substantially as investment and market conditions change, which may affect the level of transactional and operational costs. Further, there are highly variable drivers upon which such transactional and operational costs are dependent.

The Manager estimates the total transactional and operational costs of the Fund to be 0.43% p.a. of the Net Asset Value of the Units. The Manager estimates 0.25% to be recouped via the Buy/Sell Spread. The Manager estimates the transaction costs, net of amounts recovered by the Buy/Sell Spread, to be 0.18% p.a. of the Net Asset Value of the Units, which is an additional cost to Unitholders deducted from the assets of the Fund.

The transaction costs set out in Section 6 of the PDS are net of any amount recovered by the Buy/Sell Spread.

Separately, any additional transactional and operational costs incurred as a result of Unitholders coming into and out of the Fund may be accounted for in the Buy/Sell spread.

Buy/Sell Spread

We may charge a Buy/Sell Spread. An amount equal to 0.25% is effectively deducted from the Unitholder's application and redemption monies. For example, if you invested \$100,000 in the Fund, the cost of your Buy/Sell Spread would be \$250. This amount is paid to the Fund on account of our estimate of costs associated with buying and selling assets represented by the relevant application or redemption and is not paid to us. Such costs are, however, an additional cost to you and will impact on the return on your investment. Such costs could include estimated brokerage and stamp duties, taxes and other charges and expenses from buying or selling Fund investments. The amount is paid so as to mitigate any unfairness from an application or redemption affecting other Unitholders. No buy spread is payable on the initial issue of Units. Management costs do not include the Buy/Sell Spread. We may vary the Buy/Sell Spread from time to time and prior notice will not ordinarily be provided. Any changes to the Buy/Sell Spread will be posted on our website www.ellerstoncapital.com.

Fee Waiver or Deferral and Issue of Units

Ellerston Capital, in its sole discretion, may waive or defer the payment of all or part of its Management Fee and/or Performance Fee either generally or for certain Unitholders. Ellerston Capital may, where permitted under the law, charge fees on a different basis to certain associates of us and Unitholders that are wholesale clients (as defined under the Corporations Act) or who make a substantial investment in the Fund or other of the Manager's investment products. We may elect to receive part of its Management Fee and/or Performance Fee in the form of Units in the Fund. Any Units issued to us will be at the Application Price for those Units applicable at that time.

Fee Maximums and Changes to Fees

Ellerston Capital is entitled under the Constitution to charge a Management Fee of 2% per annum and a Performance Fee of 20.5% per annum (each exclusive of GST). Ellerston Capital has elected to waive or reduce these fees for the Units to the levels shown on page 6 of this document. The Constitution does not provide for Ellerston Capital to charge a Switching Fee or Termination Fee. Ellerston Capital may, however, within the bounds of the Constitution, elect to change these fees (e.g. due to changes in economic conditions and size of the Fund) without the Unitholder's consent and Unitholders will be provided at least 30 days written notice of any change in these or other fees.

Distributor Remuneration

The Fund's distributors may receive a commission from the management costs. Commissions are incorporated into the management costs and are paid by us and are not an extra amount paid from the Fund nor are they an amount the Unitholder pays.

We may provide additional remuneration and other benefits to distributors indirectly by paying them additional amounts (such as marketing support payments) and/or non-monetary benefits (such as business and technical support, professional development services and conferences). If these amounts or benefits are provided, they are payable out of the fees and costs we are entitled to receive and are not an additional cost to you.

5. Risk

The following text contains further information on the significant risks of investing in the Fund and should be read in conjunction with the PDS.

An investment in the Fund involves risk, including the risk that the value of the Fund's investment could fall and that distributions could be lower than expected or not paid at all. No guarantee or representation is made that the Fund will be successful, that the capital value will grow or be maintained, or that there will be any distributions.

Please be aware that the investment program is Benchmark unaware and concentrated and hence may result in volatile returns. There can be no assurance that the Fund's investment objective will be achieved. Investors should consider any investment in the Fund as a supplement to an overall investment portfolio and should invest only if they are willing to undertake the risks involved.

Prospective investors should consider and understand the risks in determining whether an investment in the Fund is suitable for them. While it is not possible to identify every risk relevant to investing in the Fund, the summary below lists some of the significant risks associated with investing in the Fund. Investors should read this PDS in full and consult their financial adviser or other professional adviser before deciding whether to invest in Units.

Significant Risks Applicable to the Fund

Investment Risk

Like most investments, the investment returns of the Fund may be subject to economic variables (including interest rates, unemployment, inflation and economic growth), market conditions, factors impacting particular investments and government policy. These factors are generally beyond the control of Ellerston Capital.

Investments made by the Fund in Securities can fall in value due to the operational and financial circumstances of the issuer of those Securities such as the state of their underlying businesses (including the level of debt they carry, the availability of debt financing and level of interest rates), their profits, earnings and cash flows.

The vast majority of listed entities have certain levels of debt to carry out and expand their operations. The level of interest rates payable on that debt, and the availability of debt financing (including to refinance existing borrowings), can have a significant effect on the returns those entities provide to their investors and even on their solvency. In particular, entities could be adversely affected by the lack of availability of debt financing.

Diversification

The Fund is not subject to strict parameters with respect to diversification of its investments. The Fund may be concentrated across a narrow list of Securities, industries and geographies than the Benchmark and therefore the return of the Fund may display higher volatility or be adversely affected by the unfavourable performance of any of those individual Securities. The Fund's returns may be volatile compared to the Benchmark return given the concentrated nature of the portfolio.

Manager Risk

The success of the Fund depends upon the ability of Ellerston Capital to develop and implement its investment strategy and identify investment opportunities that achieve the Fund's investment objective. The investment performance of the Fund is dependent on the talents, contacts and efforts of a number of key personnel within Ellerston Capital. There is a risk that one or more of these key personnel may depart and cannot be appropriately replaced and this could adversely affect the ability of Ellerston Capital to achieve the investment objective of the Fund.

Distributions

As a Unitholder you may not receive distributions when you expect them or in the way you have asked for them to be paid. The Fund is not designed for investors seeking regular income payments. There is no guarantee that any distributable income will be generated. In certain circumstances, Unitholders may be liable for tax on distributions even if they have not received any distribution in cash.

Derivatives Risk

Derivatives have the potential to cause losses that are large in proportion to the money invested in them. The Fund will be exposed to the risk that the other party to the Derivatives instrument may not be able to fulfil their obligations to the Fund (e.g. due to insolvency). The Fund's net exposure to Derivatives will be limited to 15% (Delta Exposed) of Net Asset Value.

Pandemic Risk

The impact of pandemics may have adverse implications on the Fund's ability to achieve its investment objectives.

ESG Risk

The Manager endeavours to implement the ESG considerations applicable to the Fund to the best of our ability. ESG considerations may be based on company disclosures or ESG information provided to the Manager by screening agents and other third-party service providers which may not prove to be fully accurate, complete or effective. The integration of ESG considerations into the investment process may have a positive or negative impact on the performance of the Fund, particularly where the approach of the Fund leads to the exclusion of certain issuers, industries or sectors for reasons other than investment performance or where the estimated impact of positive or negative ESG factors is miscalculated.

Risk Management

Ellerston Capital has risk management processes in place including:

- undertaking research on individual investments to the best of our ability.
- actively monitoring the Fund's exposure.
- the use of portfolio guidelines, compliance policy and procedures.
- obtaining accounting, legal and tax advice in conducting the affairs of the Fund and completing our reporting obligations.

Currency Risk

The Fund may have foreign currency exposure. Foreign exchange fluctuations may have a positive or adverse impact on the investment returns of the Fund. The Fund's foreign currency exposure may be over or under hedged or not hedged at all. It may not always be possible to hedge all foreign currency exposures and there is no guarantee that hedging will be successful.

The Fund may also hedge the exposure of the other investments in the Fund against investment loss, but is under no obligation to do so. The cost of implementing hedging may be significant.

6. Tax

6.1. General Overview

The taxation environment applying to the investments is currently undergoing substantial reform and may change. Any gains from the Fund's investments and from your investment in the Fund may be treated on revenue or capital account depending on the particular circumstances of the Fund and each investor. This may impact the Fund's and an investor's ability to obtain a discount on the capital gains tax applied on any gains. Under Australian tax law, a holding of Units may give rise to taxable distributions even though investors may not receive distributions in cash to fund the tax liability. The transfer or redemption of Units involves a disposal, which may have tax implications. Stamp duty may also be payable on the transfer unless an exemption applies. You are not required by law to quote your Tax File Number (TFN). However, without your TFN or appropriate exemption information, we are required to withhold tax at the highest marginal tax rate (plus Medicare Levy) from income distributions and interest payments made to you.

Investors should obtain independent professional advice in relation to their particular circumstances regarding the taxation consequences of an investment in the Fund before investing.

6.2. Summary of Tax Implications

A summary of the general Australian taxation implications for the Fund and Investors in the Fund is set out below. The summary has been prepared on the basis that Investors:

- are tax resident in Australia;
- are subject to Australian tax (that is, are not exempt from Australian tax); and
- hold their investments on capital account.

The summary does not consider the tax implications for other taxpayers who hold their investments on revenue account (e.g. banks, life insurance companies, equity traders, etc.).

These comments are of a general nature only and do not constitute tax advice and should not be relied upon as such. Investors should seek their own independent taxation advice about their specific facts and circumstances.

It is intended that the Fund will qualify as a managed investment trust (MIT) for Australian tax purposes. Where possible, the Trustee of the Fund will elect for the Fund to be an Attribution Managed Investment Trust (AMIT). If such election is made, the election will apply for all income years while the Fund continues to meet certain criteria.

Taxation of the Fund

The Trustee of the Fund should not generally be subject to tax in respect of the income and gains derived by the Fund in each financial year, provided investors are presently entitled to the income of the trust or, where the Fund is an AMIT, the Trustee attributes all of the taxable income of the fund to Investors in accordance with the AMIT rules and the Constitution each income year.

It is noted that, under the AMIT Rules, the cash paid to Investors does not need to be equal to amounts attributed to those Investors.

Where the Fund qualifies as a MIT, the Trustee intends to elect for deemed capital gains tax (CGT) treatment to apply to the Fund.

The election applies to investments in shares, units in a unit trust, land and rights or options to acquire shares, units or land.

The election does not apply to other assets or derivatives.

Where the Fund incurs a revenue loss (which may arise where the Fund makes a loss on investments to which the deemed capital account treatment described above does not apply) in a financial year, the Fund may carry this tax loss forward to offset against future taxable income of the fund, subject to the satisfaction of the trust loss carry forward rules. Any capital losses made by the Fund can be offset against capital gains in the same financial year or carried forward to offset future capital gains. Capital losses are not subject to the tax loss recoupment rules however they cannot offset revenue gains.

Taxation of distributions from the Fund

Resident taxpaying Investors will include in their assessable income, their share of the "taxable income" of the Fund or the amount attributed to them by the Trustee and this will be advised to Investors via the annual distribution statement. Where the Fund is an AMIT during an income year, the amount attributed to Investors will represent a fair and reasonable attribution of the Fund's taxable income determined by the Trustee in accordance with the Constitution. The fair and reasonable attribution may take into account the Investor's share of their interests in the Fund and any gains realised by the Fund in order to fund an Investor's redemption request.

The Trustee may be required to withhold tax from distributions in a range of circumstances including for certain payments to non-resident investors.

Cost base adjustments

The cost base of the Investor's units in the Fund will generally be the amount the Investor paid for the units (including incidental costs of acquisitions and disposals). However, changes to the cost base will be required to be calculated by each of the Investors of the Fund on an annual basis. Where the Fund qualifies as an AMIT, broadly, the cost base will increase where the Fund attributes an amount of assessable income (including grossed up capital gains) or non-assessable non-exempt income and the cost base will decrease for amounts of cash distribution to which an Investor becomes entitled to or tax offsets attributed to the Investor by the Trustee.

A reasonable estimate of the AMIT cost base net amount will be provided to members as part of the Attribution MIT Member Annual (AMMA) statement.

Similarly, where the Fund does not qualify as an AMIT, investors' cost bases should also be required to be reduced where an investor's cash distribution entitlement exceeds their share of taxable income of the Fund.

Where an Investor's cost base is reduced to nil, further reductions in the cost base will be taken to be a capital gain for the Investors.

Disposal or redemption of units

Resident Investors will make a capital gain where the capital proceeds from the disposal or redemption of their units exceeds the cost base of the relevant units. Conversely, a capital loss will arise if the capital proceeds are less than the reduced cost base of the relevant units.

Under current law, where the Investor is an individual, an entity acting in the capacity of trustee (conditions apply) or is a complying superannuation fund and the units have been held for more than 12 months, any capital gain arising from disposal or redemption of the units may be reduced by the relevant CGT discount (if applicable).

Annual tax statement

Investors should expect to receive an annual tax statement or, where the Fund qualifies as an AMIT for an income year, an AMMA tax statement for the Fund within 3 months after the end of each financial year. The statement will show the cash distributed and the taxable and non-taxable components and, where the Fund qualifies as an AMIT, a reasonable estimate of any adjustments to the Investor's cost base of their units.

Tax File Number (TFN) and Australian Business Number (ABN)

The Trustee is authorised under Australian tax laws to collect TFNs and ABNs in connection with investments in the Fund.

It is not compulsory for an Investor to provide their TFN, but without a TFN (or ABN in some circumstances) or the appropriate exemption information, the Trustee must withhold tax from distributions (and undistributed amounts to which they are presently entitled) at the 'top rate', being the highest marginal tax rate (plus Medicare levy) until the TFN or exemption is provided.

Investors may prefer to provide an ABN as an alternative to their TFN if their investment is made as part of an enterprise.

Investors who have not quoted their TFN or ABN (or a relevant exemption) will need to claim a credit in their income tax return for the tax withheld (or, if this is not appropriate, they can apply to the Australian Taxation Office (ATO) for a refund).

Indirect Investment in the Fund

A Unitholder may invest indirectly in the Fund through an IDPS. In this case, it is the IDPS and not the investor that will be the Unitholder in the Fund.

The nature of the relationship between investors and an IDPS and of the indirect interest held by investors may differ between IDPS depending on the arrangements and terms governing the IDPS.

Investors should seek their own independent advice regarding the effect that holding their investment in the Fund via a particular IDPS has on the applicable income tax (including capital gains tax) treatment.

Reporting

For investors that are considered to be residents of certain countries for tax purposes, we may also be required to obtain additional information and report to the Australian Tax Office (ATO) or overseas tax authority each year relevant details relating to their investment, including balance and income received, under rules designed to combat tax evasion in their country of residence for tax purposes.

Foreign Account Tax Compliance Act (FATCA)

The Fund is required to comply with FATCA. FATCA enables the U.S Internal Revenue Service (IRS) to identify and collect tax from US residents that invest in non-US entities. To comply with these requirements, we will collect and disclose information about certain investors such as your US Taxpayer Identification Number to the ATO or IRS. If you do not provide this information, we may be required to withhold tax on any payments made to you.

If the Fund suffers any amount of FATCA tax, neither the Manager nor the Fund will be required to compensate you for any such tax, and the effects of these amounts will be reflected in the returns of the Fund. A credit for such foreign taxes may be available in your jurisdiction of residence. You should seek your own advice in this regard.

7. Additional Information

The following text contains further information about other features and benefits of the Fund and should be read in conjunction with the PDS.

Transfers

If you invest in the Fund via an IDPS, you should contact your IDPS to find out how you can transfer your investment.

For Direct Investors, Units may not be sold, transferred or otherwise disposed, directly or indirectly, without our prior written consent (which may be granted, on certain terms and conditions, or delayed or withheld in our sole and absolute discretion). Transfer requests should be made in writing to the Fund's administrator. Ellerston Capital may require prescribed transfer documentation to be completed by the transferor including without limitation the completion of an Application Form. Any Units sold or transferred without such consent may be compulsorily redeemed by us in its absolute discretion. A transfer of Units involves a disposal of Units, which may have tax implications. Stamp duty may also be payable on the transfer unless an exemption applies. You should obtain tax and stamp duty advice before requesting a transfer.

Valuations

The Net Asset Value is the total value of trust property of a class less the trust liabilities for that class. The Net Asset Value per Unit of a class is the Net Asset Value for that class divided by the number of Units in issue in that class. This is used to determine the Application Price and Redemption Price for Units of the Fund. The Application Price and Redemption Price of Units will be adjusted for the Buy/Sell Spread. We may from time to time issue additional classes of Units.

We delegated to the Fund's administrator the determination of the Net Asset Value and the Net Asset Value per Unit for each class. In determining the Net Asset Value and the Net Asset Value per Unit, the Fund's administrator will follow the valuation policies and procedures adopted by the Fund as set out in the Constitution.

Units will typically be priced daily except where the calculation of the Net Asset Value of the Fund is suspended.

Unit prices will be available at www.ellerstoncapital.com by contacting us on (02) 9021 7701.

Material Documents

Constitution

The operation of the Fund is governed by law and the Constitution of the Fund. The Constitution (including any amendments) has been lodged with ASIC. The Constitution is available free of charge by contacting us.

The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Unitholders and Ellerston Capital.

A number of provisions in the Constitution are discussed elsewhere in the PDS. The following are some key matters covered by the Fund's Constitution:

- the nature of Units and the rights which attach to those Units.
- how we or a custodian will hold the assets of the Fund.
- our powers.
- our entitlement to be paid fees.
- how the Net Asset Value of the Fund will be calculated.
- how the Manager will treat applications for Units, including our discretion to refuse applications for Units in whole or in part at its discretion.
- our ability to refuse transfers of Units or switching between classes in certain circumstances.
- the procedure, for and the timing of, the issue of Units.
- our ability to accumulate part or all of the income in the Fund in a financial year and our ability to allocate income, deductions and credits to particular classes of Unitholders.
- the reinvestment of distributions of income by the Fund.
- Unitholders' rights in relation to distributions (and how we determine the distribution amount).
- the convening of, and attending and voting at, any Unitholder meetings and the binding nature of resolutions on all Unitholders.
- our retirement as responsible entity and the appointment of a new responsible entity of the Fund.
- how we will deal with Unitholder complaints.
- the termination of the Fund. The trust terminates at the earlier of 80 years less one day and Ellerston Capital determining to terminate the trust by written notice to Unitholders. The Constitution governs the procedure to be followed by us on the termination of the Fund.

The Constitution also includes specific provisions covering the following matters which are not explained elsewhere in this PDS:

Compulsory Redemption

Ellerston Capital may, in its absolute discretion, upon a minimum of three days' notice to a Unitholder, redeem all or a portion of Units held by such Unitholder in its absolute discretion if we believe:

- the Units are held in breach of prohibitions contained in the Constitution.
- the Units are held in circumstances which might result in a violation of an applicable law or regulation (including by us), or subject the Fund to taxation or otherwise adversely affect the Fund in any material respect.
- a Unitholder made a misrepresentation in acquiring its Units.
- a Unitholder is a registered holder of Units having a Net Asset Value of less than \$10,000.
- the continued participation of a Unitholder might cause us or any Unitholder to violate any law or if any litigation is commenced or threatened against us or any Unitholder arising out of the participation by the Unitholder in the Fund.

Ellerston Capital's Indemnity and Liability

Ellerston Capital is entitled to be indemnified under the Constitution, subject to the law, for all amounts incurred by it in the proper performance of its duties. Ellerston Capital's liability to Unitholders is limited to Ellerston Capital's ability to be indemnified from the Fund subject to the law and Ellerston Capital acting without fraud, gross negligence or breach of trust involving a failure to show the required degree of care and diligence. Ellerston Capital has the ability to make deductions from payments to satisfy liabilities owing to us. The members of the compliance committee are also entitled to be indemnified under the Constitution for liabilities incurred in good faith in the proper performance of their duties.

Investor Liability

The liability of a Unitholder to the Fund is generally limited to the amount subscribed, or agreed to be subscribed, for Units and any tax payable in respect of their Unitholding. The effectiveness of these provisions has not yet been determined by an Australian court.

Amending the Constitution

Ellerston Capital may amend the Constitution. If the Fund is a registered managed investment scheme, any amendment must be approved at a meeting of Unitholders (if required by the Corporations Act).

Communication and Reporting

If you invest in the Fund via an IDPS, you should contact your IDPS to find out the information you will receive regarding your investment.

Direct Investors will be provided with the communications set out in the table below. Direct Investors will also receive confirmations of their applications, redemptions and distributions. Direct Investors may ask us for additional information as reasonably required, although we may not always be able to satisfy such requests.

Communication	Timing
Performance report	Monthly
Tax statement	Annually
Annual Report (including the Fund's audited accounts)	Annually (when completed, usually September)

Information relating to the Unitholder will be provided, via email and/or through our secure website at www.ellerstoncapital.com.

Further Information

A non-exhaustive summary of some of the key terms of the offer and Constitution of the Fund has been set out in the PDS and this document. The Constitution may be viewed by contacting us on info@ellerstoncapital.com or 02 9021 7701.

Disclosing Entity

At the date of this PDS, the Fund is not currently a disclosing entity under the Corporations Act. If this changes, the Fund will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, any ASIC office.

If and when the Fund becomes a disclosing entity, you may obtain a copy of:

- the Fund's annual financial report most recently lodged with ASIC.
- any half-year financial reports lodged with ASIC by the Fund after lodgement of that annual report and before the date of this PDS.
- any continuous disclosure notices given by the Fund after that date of lodgement of that annual report and before the date of this PDS

on request from us free of charge.

Complaints Resolution

For Direct Investors, we have a formal policy in place for dealing with complaints. In the first instance, complaints should be in writing to the Company Secretary, Ellerston Capital Limited, Level 11, 179 Elizabeth Street, Sydney NSW 2000. We will acknowledge Unitholder complaints immediately, and will investigate complaints and provide a final response to the complaint within 45 days of receipt of the complaint. If you are ultimately dissatisfied with the outcome of your complaint you may refer the matter, free of charge, to the Australian Financial Complaints Authority which is an external dispute resolution scheme:

Phone: 1800 931 678

Fax: (03) 9613 6399

Email: info@afca.org.au

Website: www.afca.org.au.

Mail: GPO Box 3 Melbourne VIC 3001

Anti-Money Laundering

Ellerston Capital is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) (AML/CTF Law). We may require you to provide personal information and documentation in relation to your identity when you purchase Units in the Fund. We may need to obtain additional information and documentation from you when undertaking transactions in relation to your investment. We may need to identify:

- an investor (including all investor types noted on the Application Form) prior to purchasing Units in the Fund. We will not issue Units until all relevant information has been received and your identity has been satisfactorily verified.

- your estate – if you die while you are the owner of Units in the Fund, we may need to identify your legal personal representative prior to redeeming Units or transferring ownership.
- anyone acting on your behalf, including your power of attorney.

In some circumstances, we may need to re-verify this information.

By applying to invest in the Fund, you also acknowledge that we may decide to delay or refuse any request or transaction, including by suspending the issue or redemption of Units in the Fund, if it is concerned that the request or transaction may breach any obligation of, or cause us to commit or participate in an offence under, any AML/CTF Law, and we will incur no liability to you if it does so.

Privacy

If you invest in the Fund via an IDPS, you should contact your IDPS to find out how your personal information is dealt with.

The Application Form accompanying this PDS requires you to provide personal information. Ellerston Capital and each service provider to us or Fund may collect, hold and use your personal information in order to assess your application, service your needs as a client or investor, provide facilities and services to you, us or the Fund and for other purposes permitted under the Privacy Act 1988 (Cth). Tax and company laws also require some of the information to be collected in connection with your application. If you do not provide the information requested, your application may not be able to be processed efficiently, or at all. Your information may also be disclosed to members of our corporate group and to their agents and service providers on the basis that they deal with such information in accordance with our privacy policy. We may need to disclose information about you to government entities and regulators as required by law.

Your information may also be used to inform you about investment opportunities or other matters that we think may be of interest to you. Contact us if you do not want your personal information to be used for this purpose or to request a copy of your personal information held by us (or its registry provider).

Key Corporate Governance Policies

Related Party Transactions and Conflicts of Interests

Ellerston Capital has a related party transactions policy which acknowledges the requirement that related party dealings be on "arm's length terms", be approved by the members of the entity giving the benefit to the related party, or that an exemption applies to the transaction. The related party transactions policy sets out procedures designed to protect Unitholders' interests and ensure that related party transactions are on "arm's length" terms or otherwise comply with Corporations Act requirements. The Fund may acquire exposure to assets from other Ellerston Capital managed funds and, where it does so, this will be on an arm's length basis.

Ellerston Capital has established internal policies and procedures to ensure that any conflicts of interest arising in relation to the Fund are adequately identified and appropriately managed. Where we consider that a particular conflict of interest is likely to have a materially adverse effect on Unitholders, we will seek to implement adequate arrangements to mitigate and prevent (where practicable) these adverse effects on Unitholders. We will resolve such conflicts of interest fairly and reasonably in accordance with the law, ASIC policy and our own procedures.

Deal Allocation Policy

Investment opportunities will generally be allocated to the Fund along with other funds and client accounts operated by Ellerston Capital having regard to factors that may include investment objectives, investment strategy, portfolio guidelines, particular mandate requirements, risk profile and any other factors that we consider relevant.

Compliance Committee

A compliance committee has been appointed to monitor the Fund's adherence with the compliance plan. The compliance committee comprises a majority of members who are independent of Ellerston Capital (one representative from Ellerston Capital and two external representatives). The independent members of the compliance committee are highly experienced and qualified individuals who are very familiar with the Ellerston Capital business.