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5 May 2016

Revised proposal from Growthpoint

The Independent Board Committee (**IBC**) of GPT Platform Limited (**Responsible Entity**), the responsible entity of GPT Metro Office Fund (**GMF** or the **Fund**), makes the following announcement with regard to the indicative, non-binding, conditional proposal to acquire all of the units in the Fund by way of a trust scheme (**Initial Proposal**) submitted by Growthpoint Properties Australia (**Growthpoint**), referred to in GMF's announcement to ASX dated 5 April 2016.

Since that announcement, the IBC has engaged with Growthpoint to seek improved terms to the Initial Proposal, and have also held discussions with a number of other parties who may be interested in pursuing a transaction with GMF.

The IBC is pleased to announce that, following those discussions, Growthpoint has agreed to improve its indicative, non-binding, conditional proposal (**Revised Proposal**). The Revised Proposal provides for the following aggregate cash and Growthpoint securities standard consideration:

- $1.185 cash per GMF unit (up from $1.150); and
- 0.3756 Growthpoint securities per GMF unit (up from 0.3736 Growthpoint securities).

Based on Growthpoint's closing price on 4 May 2016 of $3.25 per security, the Revised Proposal is valued at $2.41 per GMF unit, which is an increase of 9.4 cents per GMF unit, or 4.1%, compared to the implied value under the Initial Proposal.[1]

Under the Revised Proposal, a "mix and match" facility will be available, whereby GMF unitholders may elect to receive maximum cash consideration or maximum Growthpoint securities consideration, subject to scale-back (if applicable).

A non-binding preliminary term sheet (**Term Sheet**), a copy of which is attached to this announcement, sets out the material terms of the Revised Proposal which have been agreed between GMF and Growthpoint.

The implied value of the standard consideration under the Revised Proposal of $2.41 per GMF unit represents a:

- 6.0% premium to GMF's closing price on 4 May 2016 of $2.27 per unit;
- 16.8% premium to GMF's closing price on 1 April 2016[2] of $2.06 per unit; and
- 2.4% premium to GMF's pro forma NTA of $2.35 per unit.

The IBC has agreed to grant Growthpoint four weeks exclusive due diligence (**Exclusive Due Diligence**), being a condition of the Revised Proposal.

GMF will also undertake limited due diligence in relation to Growthpoint.

[1] Based on Growthpoint's closing price on 4 April 2016 (the day prior to announcement of the Initial Proposal) of $3.11 per security, the Initial Proposal was valued at $2.31 per GMF unit.

[2] The trading day prior to GMF's announcement in relation to the results of an independent property revaluation process, which followed the receipt of an unsolicited, confidential, highly conditional and non-binding proposal which was subsequently withdrawn.

Subject to the due diligence exercise being completed satisfactorily, both to Growthpoint and the IBC, it is expected that a scheme implementation agreement including the terms set out in the Term Sheet and other customary provisions will be negotiated and agreed during the Exclusive Due Diligence period. Subject to:

- the completion of satisfactory due diligence by GMF;
- an independent expert confirming that the Revised Proposal is fair and reasonable to, and in the best interests of, GMF unitholders and not withdrawing that recommendation; and
- in the absence of a superior proposal,

the IBC intends to recommend the Revised Proposal.

No assurance can be given that the Revised Proposal will proceed.

The IBC is being advised by UBS AG, Australia Branch as financial adviser and Ashurst Australia as legal adviser.

– Ends –

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Preliminary non-binding terms sheet

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Structure

Growthpoint Properties Australia Limited, in its own capacity and as responsible entity for the Growthpoint Properties Australia Trust, (**Growthpoint**) is to acquire 100% of the outstanding units of GPT Metro Office Fund (**GPT Metro** or **GMF**) via a trust scheme (**Proposed Transaction**).

Consideration

Subject to due diligence and applicable conditions, the following aggregate cash and Growthpoint scrip consideration is proposed to be provided to GMF unitholders (expressed per GMF unit) in connection with the Proposed Transaction:

- 0.3756 shares in Growthpoint Properties Australia Limited and units in Growthpoint Properties Australia Trust (**Growthpoint Securities**); and
- cash payment of $1.185.

Under the Proposed Transaction, a "Mix and Match" facility will be available whereby GMF unitholders may elect to receive, in exchange for their respective holding of GMF units, one of the following options:

- standard consideration (comprising 0.3756 Growthpoint Securities and $1.185 cash per GMF unit);
- maximum scrip consideration (comprising up to 0.7512 Growthpoint Securities per GMF unit, with the rest of the consideration payable in cash as a result of the scale-back (if applicable) described below); or
- maximum cash consideration (comprising up to $2.37 cash per GMF unit, with the rest of the consideration comprising Growthpoint Securities, as a result of the scale-back (if applicable) described below),

with the default option for GMF unitholders who do not make a valid election being the receipt of standard consideration. Allocation will be subject to scale-back (if necessary) on a pro rata basis to ensure the aggregate consideration payable by Growthpoint is 48.3 million Growthpoint Securities and $152.3 million in cash.

Distributions

GMF will pay its unitholders the June 2016 quarter distribution of not more than 3.85 cents per unit.

Growthpoint will pay its securityholders the June 2016 half year distribution of 10.30 cents per security.

Any other distribution paid (including any quarterly distribution paid in excess of the amount expressed above per unit) by GMF to GMF unitholders will be deducted from the consideration. If the Proposed Transaction is not implemented until after the record date for GMF's September 2016 quarterly distribution then the aggregate cash consideration will be reduced by the aggregate amount of this distribution, if made, and corresponding adjustments will be made to the "Mix and Match" facility.

While GMF unitholders will not be entitled to the Growthpoint June 2016 half year distribution, in other respects, Growthpoint Securities issued to GMF unitholders as consideration will from their date of issue rank pari passu with all other Growthpoint Securities on issue.

GMF Debt

The GMF debt is to be left in place subject to consents from the GMF banking syndicate or refinanced by Growthpoint.

Timing

- Both parties are to make separate announcements in respect of the Proposed Transaction, in the attached forms, on Thursday, 5 May 2016.

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	• The Proposed Transaction is contingent on the conduct of confirmatory due diligence by both parties and negotiating and executing definitive documentation (including the Scheme Implementation Agreement).
Board Recommendation	The Scheme Implementation Agreement will include a term that the Independent Directors of GPT Metro RE (**GMFRE**) are to unanimously recommend, and agree to vote any GMF units they hold or control in favour of, the Proposed Transaction, in each case in the absence of a superior proposal and subject to an Independent Expert concluding that the Proposed Transaction is fair and reasonable to, and in the best interests of, GPT Metro unitholders and not withdrawing that opinion.
Exclusivity and confidentiality	Standard confidentiality and exclusivity arrangements, including no shop, no talk (subject to a fiduciary out), notification requirement and matching rights have been agreed between the parties and are contained in a separate binding exclusivity and confidentiality deed. Such provisions will also be included in the Scheme Implementation Agreement. The exclusivity period commenced on 5 May 2016 and extends for 20 business days (**Exclusivity Period**).
Break fee	The Scheme Implementation Agreement will include a term that Growthpoint will be entitled to a break fee equating to 1% of the agreed equity value of GMF. The payment will be triggered on standard events.
Conditions	• GPT Metro unitholder approval. • Judicial advice. • Regulatory and any third party approvals, including approval from the Foreign Investment Review Board (FIRB) and all other required regulatory and third party approvals (including ASIC and ASX providing all consents, approvals, waivers etc as required). • No material adverse change, no prescribed occurrences and no material acquisitions or disposals on terms to be agreed. • Other customary conditions including any required third party approvals.
Due Diligence and documentation	• In accordance with the terms of the exclusivity and confidentiality deed: – GMF has agreed to provide Growthpoint with access to due diligence materials reasonably requested by Growthpoint and organise site visits to GMF's properties; and – Growthpoint has agreed to provide GMF with access to limited confirmatory due diligence materials. • Each party to use reasonable endeavours to complete confirmatory due diligence as soon as practicable within the 20 business day Exclusivity Period. Each party to provide the other with weekly updates regarding the status of its due diligence. • The Proposed Transaction is subject to a Scheme Implementation Agreement being negotiated, agreed and approved by the Growthpoint board and the GMFRE board with the agreement to include the provisions set out herein. • Both parties agree to use all reasonable endeavours to negotiate in good faith and to enter into the Scheme Implementation Agreement within the Exclusivity Period. Growthpoint is to prepare the first draft of the Scheme Implementation Agreement and provide that draft to GMF as soon as practicable after the release of the attached announcements. • GMF is to conduct its business in the ordinary and usual course until execution of the

	Scheme Implementation Agreement.
Transitional arrangements	• Growthpoint and GMFRE to use reasonable endeavours to agree a 3 month transitional period from the date of GMF unitholder approval of the Proposed Transaction to facilitate a smooth transition of GMF information onto Growthpoint's information technology platform, handover of files and changes to property management arrangements. • Growthpoint would require the manager to provide customary support during this period.
Transaction Costs	• GMF and Growthpoint acknowledge that they have entered into separate arrangements with respect to the expected transaction costs of each party. • GMF acknowledges that the consideration for the Proposed Transaction assumes that GMF's transaction costs are as set out in these separate arrangements.
Other	Subject to the terms of the relevant agreements, existing income guarantees or rental support provided to GMF, for the benefit of the GMF unit holders, from GPT (or an associated entity), will continue post completion of the Proposed Transaction until expiry of such agreements and any related receivables will remain following implementation of the Proposed Transaction
Status	This terms sheet is not intended to be complete or exhaustive, nor does it constitute a commitment or binding obligation on the part of Growthpoint or GMF.

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Executed by
GPT Platform Limited as Responsible Entity of the GPT Metro Office Fund
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

Executed by
Growthpoint Properties Australia Limited in its own capacity and as Responsible Entity for the Growthpoint Properties Australia Trust
by

sign here ▶ _____
Company Secretary/~~Director~~

print name Aaron G.B. Hockly-Holdich
Company Secretary

sign here ▶ _____
Director

print name Timothy James Collyer

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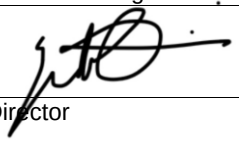
Executed by
GPT Platform Limited as Responsible Entity of the GPT Metro Office Fund
by

sign here ►

Company Secretary~~/Director~~

print name Yasothara Yoganathan

sign here ► 

Director

print name John Atkin

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Growthpoint Properties Australia Limited in its own capacity and as Responsible Entity for the Growthpoint Properties Australia Trust
by

sign here ►

Company Secretary/Director

print name

sign here ►

Director

print name