

INVESTOR UPDATE

OYSTER DIRECT PROPERTY FUND

FOR THE QUARTER
ENDED 30 SEPT 2018



QUARTERLY SUMMARY

Oyster is pleased to announce the Oyster Direct Property Fund (DPF) has contracted its second acquisition which is due to settle in late 2018 subject to completion of certain vendor works.

The property at 6 Hurring Place, Newlands, Wellington, is a multi-tenanted industrial asset which comprises office and warehouse space for two Government tenants and two corporate occupiers and is 100% leased. As in Auckland, industrial property in Wellington is a strong performing asset class, characterised by low vacancy rates and high investor demand.

In addition to the acquisition of 6 Hurring Place, the DPF purchased two further interests totalling \$120,000 in the Westney Proportionate Ownership Scheme.

Quality commercial property continues to remain sought after resulting in appropriate acquisitions taking longer to secure.

On this basis, the DPF will temporarily cease accepting new applications from 1 November 2018.

When a new property investment is identified we will look to re-open the Fund to new applications, at which time all current investors will be notified. Please refer to the supplementary FAQ sheet enclosed for more information. Oyster is committed to the continued growth of the fund, and its diversified investment strategy, and will continue to seek out quality investment opportunities to deliver stable monthly returns.

OCT - DEC 2018 DISTRIBUTION:

6.1 CENTS PER UNIT, PER ANNUM, PAYABLE MONTHLY.

JAN - MAR 2019 DISTRIBUTION:

6.1 CENTS PER UNIT, PER ANNUM, PAYABLE MONTHLY.

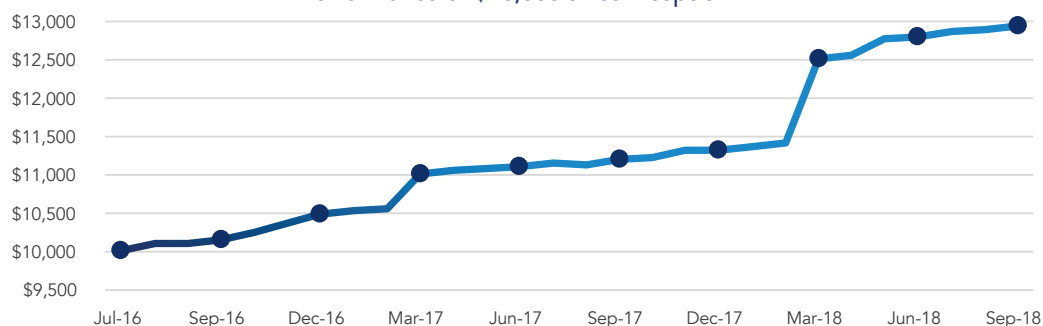
494

INVESTORS

\$125,729

AVERAGE INVESTMENT VALUE

Performance of \$10,000 since inception



The performance reflects the minimum investment of \$10,000 on 6 July 2016 (inception) and the reinvestment of all monthly pre-tax distributions, after fees and after tax (at the highest Prescribed Investor Rate (PIR) of 28%)

Key Information	31 Dec 17	31 Mar 18	30 June 18	30 Sept 18
Unit Price	\$1.0374	\$1.1301	\$1.1413	\$1.1394
Total Equity/Net Assets	\$30,629,099	\$46,032,437	\$54,482,446	\$62,110,370
Quarterly Distribution	7 Cents p.a.	7 Cents p.a.	7 Cents p.a.	6 Cents p.a.
Weighted Average Lease Term	8.16 years	7.81 years	7.96 years	7.48 years
Weighted Average LVR	46.0%	43.1%	43.6%	41.4%
Income Return ¹	6.86%	6.63%	6.66%	6.49%
Capital Return ¹	1.61%	7.09%	8.59%	9.51%
Total Return ¹	8.47%	13.72%	15.25%	16.00%

¹ All returns are annualised for the twelve month period up to each quarter date. Income Return is the pre-tax distribution and Capital Return is the change in Unit Price. The Total Return is the aggregate of Income Return and Capital Return.

Past performance is no indication or guarantee of future performance. For further details, please refer to the Product Disclosure Statement. Prospective investors are recommended to seek professional advice from an Authorised Financial Adviser which takes into account their personal circumstances before making an investment decision.



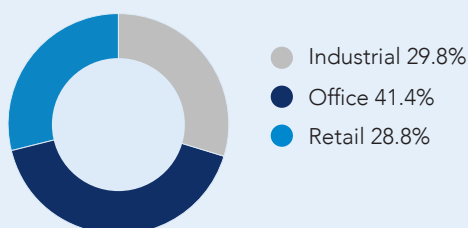
SUMMARY OF INVESTMENTS

Property Investments	Property Value*	Value of Property Investments**	% of Total Property Investments
Property Schemes			
PUKEKOHE MEGA POS Mitre 10 MEGA Pukekohe, Auckland	\$15,250,000	\$360,915	0.64%
JACKSON PETONE POS 106-110 Jackson Street, Petone, Wellington	\$11,200,000	\$529,305	0.94%
51 CORINTHIAN POS 51 Corinthian Drive, Albany, Auckland	\$17,000,000	\$875,748	1.55%
C & C POS Countdown Tauranga	\$15,300,000	\$1,497,088	2.65%
HOME STRAIGHT POS 19 Home Straight, Te Rapa, Hamilton	\$24,200,000	\$2,524,675	4.48%
WESTNEY POS 71 Westney Road, Mangere, Auckland	\$31,000,000	\$2,571,219	4.56%
UNIVERSAL DRIVE POS Countdown, Universal Drive, Henderson, Auckland	\$22,325,000	\$3,350,737	5.94%
100 HARRIS POS VIP Packaging, East Tamaki, Auckland	\$28,750,000	\$6,273,617	11.12%
HENDERSON MEGA POS Mitre 10 MEGA Henderson, Auckland	\$36,000,000	\$6,796,970	12.05%
MILLENNIUM CENTRE POS 600-604 Great South Road, Greenlane, Auckland	\$229,400,000	\$10,844,452	19.22%
CIDER POS 4 Williamson Avenue, Ponsonby, Auckland	\$104,500,000	\$12,809,235	22.71%
Total Property Schemes	\$534,925,000	\$48,433,961	85.86%
Direct Property			
107 HARRIS ROAD 107 Harris Road, East Tamaki, Auckland	\$11,257,283	\$7,976,783	14.14%
Total Direct Property	\$11,257,283	\$7,976,783	14.14%
TOTAL	\$546,182,283	\$56,410,744	100.00%

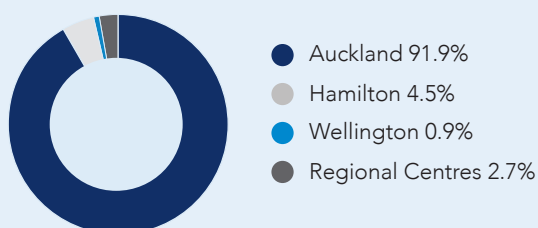
* The values used in the table above are the property values as at 31 March 2018 with the exception of 107 Harris Road which adopts the book value (purchase price plus acquisition costs) due to the property being purchased on 22 June 2018.

** Value of Property Investments - the Fund's proportional share of the net asset value of each Property Scheme investment, and book value of directly owned property.

SECTOR DIVERSIFICATION by DPF investment value



GEOGRAPHICAL SPREAD by DPF investment value



KEY CONTACTS

Jacqui Thorpe	Investor Queries	09 551 8877
Rich Lyons	New Enquiries	09 869 2351
Stephen Sangster	Finance Manager	09 632 1388

Oyster Direct Property Fund

Closing of Applications - Frequently Asked Questions

Why is the Direct Property Fund not currently accepting applications?

The Fund has sufficient working capital to meet its current requirements. Until a new property investment is identified, the Fund has no need for further capital from investors and will close for applications. The Fund will open again once a new property investment is identified.

Will I continue to receive my monthly cash distributions?

Yes, closing the Fund for applications will not affect the continued operation of the Fund.

As an existing investor can I continue to invest in the Fund as my money becomes available?

No, the Fund is closed to all new applications from new and current investors.

Will the Distribution Reinvestment Plan continue to operate?

Yes, if you are part of the Distribution Reinvestment Plan, your distributions will continue to be reinvested into the Fund each month.

Can I exit the Distribution Reinvestment Plan?

Yes, the Distribution Reinvestment Plan is not effected.

Will the Fund re-open to new monthly applications in the future?

We are looking for new investment opportunities for the Fund. When a suitable investment is identified, we will re-open the Fund to applications. All investors will be notified when the Fund re-opens.

Will I still be able to redeem my investment in the Fund?

Yes, redemption requests will still be available; these will continue as they have in the past and will be reviewed on a case by case basis. To date, all redemption requests have been repaid in full and on-time.

KEY CONTACT

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