

21 December 2021

Dear Investor,

We have issued a new Product Disclosure Statement (**PDS**) for the Daintree Core Income Trust dated 16 December 2021.

Under the new PDS, we have made a couple of amendments:

1. We have removed the requirement whereby securities must have a minimum rating of BB- (by S&P or equivalent) at the time of purchase.
 - The main advantage to investors is that it will allow the fund to opportunistically add a small amount of higher yielding credit on a very selective basis when relative value / market dislocations warrant (periods such as March 2020).
 - This flexibility will be used sparingly and is not expected to be more than 1-2% of the fund and likely only held for relatively short periods.
 - Importantly, the following two key risk controls in the fund remain unchanged:
 - the weighted average rating must be A- or above at all times; and
 - the 10% High Yield limit remains unchanged.
2. We have expanded the assessment for external security ratings to include additional third party ratings / assessments.

The main advantage to investors is that this will allow the fund to add a small amount of higher yielding securities that may not be rated by traditional rating agencies.

The majority of the portfolio (over 95%) will be rated by the mainstream agencies. Only a small portion (<5%) will receive a risk assessment from independent third parties.

Sincerely,



Daintree Capital