

9 March 2021

FUND UPDATE

Ironbark Karara Australian Share Fund

ARSN 114 291 299 APIR PAT0001AU

Important information

This Fund Update Notice relates to the information contained in the Product Disclosure Statement ('PDS') of the Ironbark Karara Australian Share Fund (the 'Fund') dated 27 March 2020, issued by Ironbark Asset Management (Fund Services) Limited ('Ironbark'). It is important that you read and understand the information in this Fund Update Notice before making an investment decision to acquire or to continue to hold units in the Fund.

Change of investment manager

Effective 1 April 2021, Ironbark as the responsible entity of the Fund, intends to appoint Longreach CAI Pty Ltd ABN 33 620 086 946 ('Longreach CAI') as the investment manager of the Fund. Longreach CAI will appoint Creighton Capital Management LLC ('Creighton AI') as a sub-advisor to the Fund.

From 1 April 2021, the Fund will be renamed the CAI Australian Share Fund and distribution services will be provided by Longreach Alternatives Ltd ABN 25 082 852 364 ('Longreach').

The change follows the decision made by the Fund's current investment manager, Karara Capital Pty Limited ('Karara') to cease their large companies investment operations. Following an extensive review, Karara determined there was insufficient long-term demand for the large companies strategy. The operations of Karara's small companies and market neutral strategies will not be impacted by the closure.

Investors are not required to take any action as a result of the change.

However, if investors wish to redeem their investment in the Fund, a withdrawal form is available on the Ironbark website, www.ironbarkam.com/funds/ironbark-karara-australian-share-fund until 31 March 2021. From 1 April 2021, investors must refer to www.longreachalternatives.com/investment-managers/longreach-cai/ for all Fund investment forms, the PDS, reporting and updates.

A new PDS and Application Form for the Fund will be issued on or around 1 April 2021 and made available on the Longreach website, www.longreachalternatives.com/investment-managers/longreach-cai/.

The proposed changes to the Fund are summarised below:

	<i>Fund currently</i>	<i>Fund from 1 April 2021</i>
Fund name	Ironbark Karara Australian Share Fund	CAI Australian Share Fund
Investment manager	Karara Capital Pty Limited ('Karara')	Longreach CAI Pty Ltd ('Longreach CAI') appointed as investment manager and Creighton Capital Management LLC ('Creighton AI') appointed as sub-advisor.
Investment objective	To outperform the S&P/ASX 300 Accumulation Index (before fees) over rolling 4-year periods.	To outperform the S&P/ASX 300 Accumulation Index (net of fees) by 2% p.a. over a rolling 3-year period.

Investment strategy and investments held	<p>Karara Capital is an active investment manager whose approach to Australian equities is built on the belief that original, forward looking research can identify underappreciated companies. Karara Capital's approach emphasises the development of insights into a company's longer-term prospects. They look to consider all factors which they believe are relevant and carefully assess whether this view is reflected in the marketplace. Portfolios are built from a diverse range of insights and close attention is paid to understanding the interplay between the holdings.</p> <p>The Ironbark Karara Australian Share Fund will invest in 25-40 companies included in the S&P/ASX 100 Index plus an allocation to smaller companies. The allocation to smaller companies is generally between 25-65 companies, however this can vary over time.</p>	<p>CAI is a quantitative manager implementing a systematic set of return predictions using an investment process that is based on the belief that scientific investing can better produce consistent, repeatable, risk-adjusted performance for investors. CAI aims to systematically exploit opportunities to generate profits from strategies that can predict future returns with sufficient accuracy.</p> <p>The CAI Australian Share Fund will utilise a long-only strategy through the implementation of a machine learning based quantitative investment process which predominately invests in listed Australian equities but may allocate up to 10% of the portfolio to listed international equities.</p>
Management costs	<p>Estimated to be 0.99% of the net asset value ('NAV') p.a., comprising:</p> <ul style="list-style-type: none"> • Management fee: 0.90% p.a. • Expense recovery: 0.07% p.a. • Indirect costs: Nil 	<p>Estimated to be 0.78% of the net asset value ('NAV') p.a., comprising:</p> <ul style="list-style-type: none"> • Management fee: 0.56% p.a. • Expense recovery: 0.22% p.a. • Indirect costs: Nil

Ironbark will continue as responsible entity and provider of client services for the Fund. If you have any questions in respect to the information above, please contact Ironbark on 1800 034 402 or by email at Client.Services@ironbarkam.com.

This information is current as at the date of this document and provided as a guideline only, it may be subject to change. No recommendation or advice has been given as to whether any investment or strategy may be suitable for you.

Issued by Ironbark Asset Management (Fund Services) Limited ABN 63 116 232 154 AFSL 298626. Ironbark is the responsible entity for the Fund(s) referred to in this document. The relevant offer document is available from www.ironbarkam.com/our-funds/ or by calling Ironbark on 1800 034 402. You should consider the offer document before making an investment decision to acquire or to continue to hold units in the Fund. Ironbark and its representatives believe that the information in this document is correct at the time of compilation, but no warranty of accuracy or reliability is given and no responsibility arising in any other way for errors or omissions (including responsibility to any person due to negligence) is accepted by Ironbark. This document contains general information only and is not intended to represent specific investment or professional advice. The information does not take into account an individual's financial circumstances. Past performance is not indicative of future performance. All currency references are shown in Australian dollars unless stated otherwise. All indices are copyrighted by and proprietary to the issuer of the index.