



21 June 2016

Dear Investor

IMPORTANT: Notice of Termination of the Pengana Global Resources Fund

We are writing to advise that Pengana, as the Responsible Entity (RE) of the Pengana Global Resources Fund (ARSN 142 322 361) (the **Fund**), has decided to terminate it effective from the date of this letter. This letter explains the reasoning for this decision, what happens now and what you need to do.

Why is the Fund terminating?

The Fund was established by Pengana in March 2007 with the objective of providing investors with strong participation to the upside of global resource market movements while limiting downside exposure.

Pengana, as the RE of the Fund, has overall responsibility to act in the best interest of unitholders and to give priority to their interests. Since the inception of the Fund to 31 May 2016, the resource equity market has generated negative returns with the Fund's benchmark index falling -3.7% pa. Despite this the Fund performed well over this period generating a positive return for investors of 5.7% pa.

However increasing the Fund's Funds Under Management (FUM) or asset base has proven challenging given the volatility and poor performance of the resource sector. Pengana has attempted to increase the Fund's FUM through its internal sales force and external distribution partners but has failed to grow the Fund significantly. The recent rally in commodity prices has unfortunately not improved broad investor sentiment towards the sector.

After nine years pursuing the strategy Pengana has therefore decided to close the Fund.

What happens now?

In order to facilitate the orderly wind up of the Fund and to ensure all unitholders are treated equally, the Fund is now closed to all applications and withdrawals. Withdrawal requests received before 4pm on 20 June 2016 have been accepted and payment will be made in accordance with your instructions. However, no further withdrawal requests will be accepted. Any applications received after this date will not be processed and will be returned to you.

The assets in the Fund will now be sold down to cash and the proceeds will be distributed to all investors. We expect to distribute the net cash proceeds of your investment to you in late June 2016 or early July 2016. Payment will be as per your current instructions provided to us.

You will not be charged management or performance fees from 21 June 2016.

What you need to do?

If you wish to confirm or change your payment instructions please contact our Client Services Team (details provided below).

If you do not need to change your payment instructions no action is required for you to receive your cash proceeds.

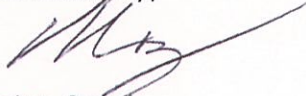
As a result of the termination of the Fund you will incur capital gains or losses on the disposal of your units which may have tax implications for you. The composition and timing of the final cash payment could also affect your tax position. We therefore recommend that you speak to your tax adviser about your individual circumstances. A tax statement detailing the components of the final cash payment will be sent to you after 30 June 2016.

We expect that the final audit report for the Fund will be completed before 30 September 2016 and we will send this to you as soon as it is available

If you have any questions, please contact our Client Services Team on 02 8524 9900 Monday to Friday between 9am and 5pm (Sydney time).

We wish to thank you for your support of the Fund and apologise for any inconvenience caused by the Fund's termination.

Yours sincerely,



Damian Crowley

Director of Distribution

Pengana Capital Limited



Russel Pillemer

Chief Executive Officer

Pengana Capital Limited