

24 February 2017

Dear Investor

RE: Multiplex Development and Opportunity Fund (Fund) – Investor Update

Brookfield Capital Management Limited (BCML), as Responsible Entity of the Fund, provides an update to investors for the half year ended 31 December 2016.

Financial Results

Net loss after tax was \$65,000 compared to a net profit of \$84,000 for the same period last year.

The net asset value attributable to investors was \$4.7 million or \$0.03 per unit compared to \$4.7 million or \$0.03 per unit for the 30 June 2016 period.

Fund update

The builder for Stage 2 of Little Bay South has entered into an agreement with strata management and the Fund to rectify minor defects at its own expense. Subject to final sign off from the strata manager, the rectification work is expected to complete in July 2017.

The commercial issues relating to Little Bay South Stage 1 are still ongoing.

Distributions

BCML has declared a distribution payment of 1.85 cents per unit, subject to the Australian Tax Office confirming the payment is capital in nature.

It is expected that once the issue on Little Bay South Stage 1 is resolved, wind up of the Fund will commence and a final return of capital will be made to investors.

Further information and financial results

The Fund's reviewed financial report for the half year ended 31 December 2016 is available at www.au.brookfield.com and we recommend that investors review this document.

We will continue to keep you informed of updates in relation to the Fund.

Yours sincerely

**Sue Ly**

Fund Manager
Multiplex Development and Opportunity Fund
Phone: 1800 570 000
Email: clientenquiries@au.brookfield.com