

31 October 2012

Dear Investor

RE: Completion of Brookfield Australian Opportunities Fund (Fund) Wind Up

Brookfield Capital Management Limited (BCML) advises that wind up of the Fund was completed on 30 October 2012. Assets formerly held by the Fund have been sold or transferred to BAO Trust.

Issue of BAO Trust units to Fund investors

Investors on the Fund register as at close of trade on 26 October 2012 were issued with one unit in BAO Trust for every one unit held in the Fund. Investors will receive a unitholding statement from Boardroom Pty Limited (Boardroom), the BAO Trust registrar.

Payment of distributions to BAO Trust investors

A distribution of 1.5 cents per unit will be paid to BAO Trust investors on 2 November 2012. If you wish to amend your banking details, please contact Boardroom on 1800 766 011.

Financial position of BAO Trust

The unaudited balance sheet of BAO Trust as at 31 October 2012 is attached under Appendix 1. Please note the following:

- The debt facility has been repaid in full due to:
 - disposal of Centro 28 Syndicate which equates to proceeds of \$1.94 million
 - proceeds from the sale of A-REITs and September quarter distributions
- NTA of 12.1 cents per unit post the distribution of 1.5 cents per unit
- NTA is calculated using carrying values for the unlisted investments equal to underlying NTA of those investments (adjusted for transaction costs where those investments are in the course of wind up).

Issuance of tax statements

All investors will be provided with a separate **tax statement for the Fund** and a separate **tax statement for BAO Trust** after financial year ended 30 June 2013. For information on tax consequences relevant to the wind up of the Fund and receipt of units in BAO Trust, please refer to section 7 of the Explanatory Memorandum dated 22 August 2012 or contact your professional adviser.

Payment of further distributions

BCML will make further distributions to investors as cash is received - either from net distribution income, or from realising investments. We will advise investors when distributions are to be made and will provide further updates in due course.

Regards

Brookfield Customer Service

Ph: 1800 570 000

Appendix 1

Unaudited balance sheet as at 31 October 2012

\$'m	BAO TRUST (STANDALONE) As at 31 October 2012		BAO TRUST (STANDALONE) As at 31 October 2012
	Pre distribution to unitholders	Distribution to unitholders*	Post distribution to unitholders
Cash and receivables	13.3	(12.2)	1.1
Listed investment - Multiplex European Property Fund	1.1		1.1
Unlisted property securities	96.3		96.3
Total assets	110.7	(12.2)	98.5
Other liabilities	0.2		0.2
Total liabilities	0.2	0.0	0.2
Net assets	110.5	(12.2)	98.3
Units on issue (millions)	811.4		811.4
Net assets per unit (cents)	13.6		12.1

* expected on 2 November 2012