

22 December 2016

Dear Investor

Ausbil MicroCap Fund

Ausbil Investment Management Limited (ABN 26 076 316 473 AFSL 229722), in its capacity as Responsible Entity of the Ausbil MicroCap Fund (ARSN 130 664 872) (**Fund**), held a meeting of the unitholders of the Fund on 1 December 2016 to put forward a resolution to update the operational provisions of the Fund's constitution.

Please refer to the below information regarding the results of the recent unitholder meeting for the Fund, the recent change in the legal name of the Fund, and other updates of information relating to the Fund.

Unitholder meeting results

Ausbil is pleased to confirm that the resolution was passed at the meeting.

The Responsible Entity has lodged the amending deed for the Fund with the Australian Securities & Investments Commission (ASIC) and issued a new Product Disclosure Statement (PDS) for the Fund.

Name change

Please note that we have changed the name of the Fund from the 'Ausbil Investment Trusts – Ausbil MicroCap Fund' to the 'Ausbil MicroCap Fund'.

Investment ranges – rebalancing

What the Fund can invest in and the ranges within which it invests have not changed. However, the Fund may move outside the ranges set out in the Fund's PDS, for example, where a large application is received, or due to market movements. The Fund will be rebalanced within the ranges in a reasonable period of time.

United Nations Principles for Responsible Investment

In 2016, Ausbil became a signatory to the United Nations Principles for Responsible Investment (**UNPRI**). UNPRI signatories undertake to consider environmental, social (including labour standards) and corporate governance factors in its investment decision-making and ownership practices. Ausbil continues to include an assessment of environmental, social and governance factors in its investment process. It does not have a predetermined view on these factors, instead Ausbil considers these factors as it becomes aware of them in its investment decisions.

Fees and costs

There has been no change to the management fee and performance fee charged to the Fund.

The management fee remains at 1.20% pa of the gross asset value of the Fund.

Under the Fund's constitution, Ausbil as the Responsible Entity is entitled to recover expenses incurred in the proper performance of the Fund's operations. For the duration of the Fund's PDS Ausbil will not recover normal expenses from the Fund, and Ausbil will pay these amounts from its management fee. However, if the Responsible Entity incurs abnormal expenses, then it may deduct these expenses from the Fund's assets. In the event that Fund incurs abnormal expenses the management costs may be more than 1.20% pa.

The performance fee continues to be calculated as 20.5% of the difference between the Fund Performance and the return of the Performance Fee Hurdle, which is the S&P/ASX Emerging Companies Accumulation Index, including a hurdle of 1.20% pa, multiplied by the Fund's gross asset value. The fee is accrued daily and paid monthly in arrears from the Fund's assets. Please refer to the Fund's PDS for more information on the performance fee.

Product disclosure statement

The PDS has been updated with updated disclosure and it is available at www.ausbil.com.au or by calling Ausbil on 1800 287 245 (toll free) or +61 2 9259 0200 (during Sydney business hours) or by email at contactus@ausbil.com.au.

Further information

If you have any questions, please call our client services team on 1800 287 245 during Sydney business hours.

Yours sincerely



Paul Xiradis
Ausbil Investment Management